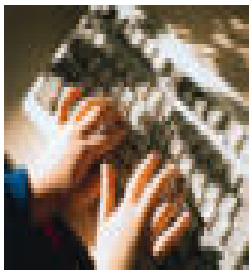
Stafford County Public Schools Efficiency Review



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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Governor Mark Warner, as a part of his *Education for a Lifetime* Initiative, started a comprehensive school efficiency review program to ensure that Virginia's education dollars are being spent wisely and effectively. In fiscal year 2002-03, Virginia spent almost $9.5 billion in state, federal, and local funds for elementary and secondary education - approximately $1,300 for every citizen in the Commonwealth. Governor Warner's initiative and this pilot review of accountability and efficiency are aimed at maximizing the funding available for direct classroom expenditures. The individual school division reviews are modeled after successful programs in Texas and Arizona. Since its inception in 1991, the Texas program has conducted nearly 100 performance audits of public school systems and recommended net savings totaling $750 million.

The goal of the accountability and efficiency reviews is to identify administrative savings achievable through the examination and implementation of best practices and operational improvements in school division organization, educational service delivery, human resources, facilities, finance, transportation, technology management, purchasing and warehousing, and other non-instructional expenditures, thereby allowing divisions to return administrative savings to the classroom to more directly benefit Virginia's children. These reviews are also intended to identify and acknowledge best practices already in place in Virginia school divisions, so they may be replicated by other school divisions.

The Review of the Stafford County Public Schools Division

The Stafford County Public Schools Division (SCPSD) is one of six school divisions that volunteered to participate in this program in 2004-05. Through a competitive process, Gibson Consulting Group, Inc. (Gibson) was selected by the Commonwealth of Virginia to conduct an accountability and efficiency review of SCPSD. Gibson has conducted 20 of the Texas school district reviews since that program's inception, and has also conducted similar performance audits for school divisions and/or state agencies in Florida, Illinois, and Colorado, as well as in Virginia. The Gibson evaluation team consisted of functional experts in each area of study, including former school teachers, a former superintendent, a former school system chief financial officer, three CPAs, and a nationally recognized K-12 facilities consulting firm.

The work commenced in September 2004 and was completed in December 2004. SCPSD management and staff was very cooperative with the evaluation team's effort, devoted a significant amount of time to the collection of data and interviews with evaluation team staff, and responded to consultant requests for information under a very short timetable. The evaluation team is appreciative of this effort, and wishes to thank Dr. Jean Murray, Superintendent, for her leadership and support throughout this project.

SCPSD educates 25,635 students in 25 schools with an annual budget of almost $200 million. The school division has 3,118 full-time employees, including 1,651 teachers. Stafford County is one of the fastest growing counties in Virginia, with enrollment growing 29 percent over the past five years.

The Virginia Department of Education (DOE) established clusters of divisions to support comparability of selected criteria across similar school divisions. Overall, SCPSD compares favorably against its peers in spending. The division ranks the lowest out of nine divisions in total operating expenditures per pupil, and also ranks the lowest or second lowest in per pupil spending in four of eight major functional categories.

In addition to its low cost ranking, the division also has many commendable practices that contribute to increased efficiency and effectiveness. SCPSD:

- created a principal mentoring program for first year and novice principals;
- is implementing *MyLearningPlan*, a Web based service for tracking Professional Development activities for educators, which will be used to ensure that all staff members are engaging in learning opportunities aligned with the Virginia Department of Education (VDOE) Highly Qualified Staff Development criteria;
- actively uses inclusionary practices for its special education students;
- effectively uses mediation practices in its special education program to reduce the number of due process hearings and special education complaints filed;
- offers exemplary training for its teachers of students identified as gifted;
- trained teachers to assist other instructional personnel to gain skills necessary to meet technology standards defined by the VDOE;
- completed an innovative project to expand students' technology skills via the creation of an infomercial;
- partnered with a local financial institution to offer an interest-free loan to assist new teachers with relocation costs;
- uses the Visiting International Faculty (VIF) program to increase its pool of qualified teacher applicants;
- has excellent planning (demographics) practices and personnel. Through accurate projections and effective long-range planning, the division has managed its growth without the use of modular (transportable) facilities while maintaining a 100 percent average utilization rate for the last five years;
- uses efficient prototype designs, saving on design costs and continually improving facilities quality through design updates;
- appropriately outsources services and continually compares the effectiveness of outsourced programs with in-house capabilities;
- implemented a number of advisory committees designed to improve planning and communication;
- implemented a number of initiatives to reduce the cost of current operations including negotiation of a fixed pricing contract for propane gas, reductions in textbook freight management, and the implementation of a rebate program for a credit card program, in addition to other initiatives detailed on pages 5-7 and 5-8;

- recently restructured the existing health care plans to pay a portion of costs for family coverage and offer employees health care choices including a new dental plan;

- invited a review of the Transportation Department by the Virginia Association of School Superintendents (VASS) in January 2003. The department has implemented many of the recommendations in the VASS report dated March 2003;

- administration supports staggered bell schedules to increase the effectiveness of pupil transportation bus routes and schedules;

- integrates, with the automated routing and scheduling system, up-to-date geographic information maps;

- participates in cooperative purchase agreements with other local and state agencies to capture competitive prices and acquires buses through a lease-purchase agreement. In addition, the SCPSD capital plan includes a formal plan for purchase of new and replacement school buses;

- reduced the number of buses in the spare bus fleet in 2003-04 to 24 percent of total route buses;

- use of the eSurplus internet auction program to dispose of surplus property reduces auction costs, eliminates staff time in handling surplus property, frees up storage space at schools and departments, and generates additional revenue;

- uses an automated textbook management system integrated with its student information management system to efficiently manage and control its textbook inventory in real-time; and

- solicited and received broad stakeholder input in developing an integrated and comprehensive technology plan. The plan includes measurable goals, objectives, and strategies that have assigned timelines and responsible parties, and are supported by the budget.

Summary of Potential Savings and Investments

This report contains recommendations to improve the efficiency of SCPSD operations. Once fully implemented, these recommendations will result in savings of $3.0 million each year, representing 1.5 percent of the division's annual operating budget. The major savings opportunities are presented in **Exhibit ES-1**.

Exhibit ES-1
Summary of SCPSD Savings Opportunities

Functional Area	Recommendation	Annual Savings
Education Service Delivery	Increase Medicaid reimbursements.	$172,154
	Expand responsibilities of high school FOCUS teachers.	$141,515
Human Resources	Adopt classification and compensation strategies that retain staff while minimizing payroll costs.	$522,414
Facilities Use and Management	Outsource middle and elementary custodial operations.	$786,000
	Develop and implement an Energy Management Policy - Behavior Changes.	$400,000
	Develop and implement an Energy Management Policy - Performance Contracting.	$59,000
	Policy for after hours non-school usage.	$87,000
Financial Management	Allocate applicable direct and indirect expenditures to the Nutrition Services Fund.	$503,000
Transportation	Use the automated tools in the routing and scheduling software to improve effectiveness.	$320,190
Purchasing and Warehousing	Expand just–in–time delivery of goods.	$28,352
	Implement direct faxing of purchase orders.	$5,507
	Evaluate comparability and use state contracts to achieve more competitive prices for custodial supplies.	$9,286
Total Annual Savings		**$3,034,418**
Percent of annual operating budget		**1.5%**

Source: Gibson Consulting Group.

The report also includes recommended investments by SCPSD, to achieve best practices or to generate savings. If savings cannot support these investments in the short-term, then the division should request additional funds from the county. If the savings are not generated, the initiative should be discontinued. The major investments are presented in **Exhibit ES-2**.

Exhibit ES-2
Summary of SCPSD Investments

Functional Area	Recommendation	Annual Investment	One-Time Investment
Division Leadership, Organization and Management	Reorganize the central administration to establish adequate spans of control.	($546,074)	
	Conduct a process re-engineering study.		($450,000)
	Subscribe to online policies service.	($2,480)	
	Conduct a formal strategic planning process.		($75,000)
Education Service Delivery	Reorganize the reporting lines in Instruction and Technology.	($415,813)	
	Add a supervisor of compliance and mandated services in Special Education.	($84,412)	
	Provide special education supervisors with two-way radios.	($2,160)	($320)
Human Resources	Adopt classification and compensation strategies that retain staff while minimizing payroll costs.		($30,000)
Facilities Use and Management	Update facility assessment and long-range plan.		($250,000)
	Review maintenance and operations staffing.	($207,000)	
Financial Management	Develop a long-term staffing plan for the Financial Services Department.	($54,366)	
Transportation	Establish new driver/monitor recruitment initiatives.	($17,567)	
Purchasing	Upgrade purchasing clerk position.	($31,867)	($4,000)
	Implement direct faxing of purchase orders.		($2,750)
Total Investments		**($1,361,739)**	**($812,070)**
Percent of annual operating budget		**0.7%**	**0.4%**

Source: Gibson Consulting Group.

If all recommendations are implemented, the net annual savings to SCPSD is $1.7 million, or 0.9 percent of the division's operating budget. The annual savings does not include the one-time investments of $812,070.

INTRODUCTION

ACCOUNTABILITY AND EFFICIENCY REVIEWS

Governor Mark Warner, as a part of his *Education for a Lifetime* Initiative, started a comprehensive school efficiency review program to ensure that Virginia's education dollars are spent wisely and effectively. In fiscal year 2002-03, Virginia spent almost $9.5 billion in state, federal, and local funds for elementary and secondary education - approximately $1,300 for every citizen in the Commonwealth. Governor Warner's initiative and this pilot review of accountability and efficiency are aimed at maximizing the funding available for direct classroom expenditures.

I. Introduction

The goal of the accountability and efficiency reviews is to identify administrative savings achievable through the examination and implementation of best practices and operational improvements in school division organization, educational service delivery, human resources, facilities, finance, transportation, technology management, purchasing and warehousing, and other non-instructional expenditures, thereby allowing divisions to return administrative savings to the classroom to more directly benefit Virginia's children.

Scope

The scope of the accountability and efficiency review of the Stafford County Public Schools Division (SCPSD) included a review of the administrative areas listed below, but did not include a review of classroom instruction, community involvement, food services, or student safety and security.

1. Division Leadership, Organization and Management
    - 1.A Division Management
    - 1.B Procedures
    - 1.C Campus Administration and Site-Based Decision-Making
    - 1.D. Planning, Budgeting, and Evaluation
2. Educational Service Delivery
    - 2.A Organization and Management
    - 2.B Curriculum Policies and Management
    - 2.C Instructional and Administrative Technology
    - 2.D Staff Development
    - 2.E Special Education
3. Human Resources Management
    - 3.A Organization and Management
    - 3.B Policies and Procedures
    - 3.C Recruitment, Hiring, and Retention
    - 3.D Compensation and Classification Systems
4. Facilities Use and Management
    - 4.A Facilities Management and Operation
    - 4.B Plans, Policies, and Procedures
    - 4.C Maintenance Operations
    - 4.D Custodial Operations
    - 4.E Energy Management

5. Financial Management
    - 5.A Organization, Management, and Staffing
    - 5.B Financial Performance
    - 5.C Planning and Budgeting
    - 5.D Administrative Technology
6. Transportation
    - 6.A Organization and Staffing
    - 6.B Planning, Policies, and Procedures
    - 6.C Routing and Scheduling
    - 6.D State Reporting
    - 6.E Safety and Training
    - 6.F Vehicle Maintenance and Bus Replacement
7. Computers and Technology
    - 7.A Technology Planning and Budgeting
8. Purchasing
    - 8.A Organization, Staffing and Budgeting
    - 8.B Policies and Procedures
    - 8.C Operations
    - 8.D Warehousing Policies, Procedures, Planning, Operations, and Staffing
    - 8.E Textbooks Operations, Policies, Procedures, Planning, and Staffing
    - 8.F Contracting Process

Methodology

In conducting this review the evaluation team:

- interviewed SCPSD staff;
- obtained and reviewed documents pertaining to the operation of SCPSD;
- compiled and analyzed data about the operations of SCPSD;
- interviewed professionals in other school divisions that are statistically similar to SCPSD;
- documented the processes and organizations of SCPSD;
- compared the expenditures and revenues of SCPSD with those of statistically similar school divisions;
- obtained information pertinent to the study from other state agencies (the Department of Education, Department of General Services, Department of Human Resource Management, Department of Mines, Minerals, and Energy, and the Joint Legislative Audit and Review Commission); and
- reviewed SCPSD policies and procedures in areas such as Administration, Human Resources, Facilities Use and Management, Transportation, and Information Technology.

About Stafford

Stafford County is located midway between the metropolitan areas of Washington, D.C. and Richmond, Virginia. The county encompasses 270 square miles, is still 65 percent forested, and has a population density of 334 people per square mile. The 2000 Census reported the population of Stafford County as 92,446. The Quantico Marine Corps Base, known as the “Crossroads of the Marine Corps,” occupies 30,527 acres in the northern end of the county.

Stafford's rich history of over 330 years is evident in places like Ferry Farm, George Washington's boyhood home, Chatham, an 18th century manor house, and Belmont, artist Gari Melcher's estate and gallery. Because of its close proximity to the richness of historical Virginia, the cultural attributes of Washington, D.C., and the recreational opportunities of the Atlantic Ocean, Chesapeake Bay, and the Blue Ridge Mountains, Stafford has become one of the fastest growing counties in the Commonwealth.

About Stafford County Public Schools Division (SCPSD)

The SCPSD School Board is composed of seven elected members charged with making policy and providing oversight of the school administration. The school division has 3,118 full-time employees (FTEs), including 1,651 teachers, 67 school administrators, and 64 central administrators.

In 2003-04 the student enrollment was 24,869. **Exhibit I-1** presents total enrollment by ethnicity. The student to teacher scale position ratio for all grades for 2003-04 was 15:1. This includes very low ratio special education and resource classes.

Exhibit I-1
SCPSD Total Enrollment
2003-04*

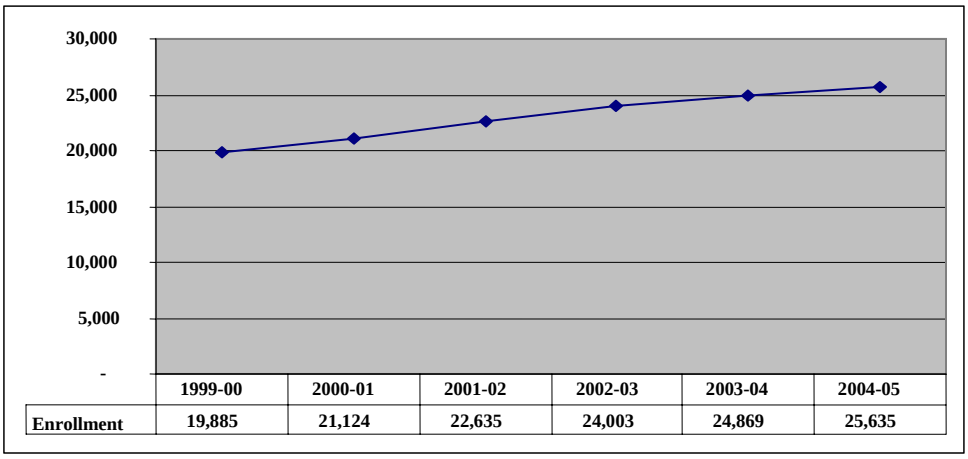
Ethnicity Group	Enrollment	% of Total
Am Indian/ Alaska Native	88	0.4%
Asian	626	2.5%
African American	4,805	19.3%
Hispanic	1,131	4.6%
White	17,986	72.3%
Unspecified	233	0.9%
Total	**24,869**	**100.0%**

Source: Virginia Department of Education, 2003-04.
** Last complete year of data.*

Stafford County is one of the fastest growing counties in Virginia. SCPSD student enrollment has increased by 5,750 from 1999-2000 to 2004-05, or 29 percent over this period. SCPSD's enrollment increased to 25,635 for the 2004-05 school year, a 3.1 percent increase as compared with 2003-04.

Exhibit I-2 graphs the change in student enrollment from 1999-2000 to 2004-05.

Exhibit I-2
Stafford CPSD Total Enrollment
1999-2000 through 2004-05



	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
Enrollment	19,885	21,124	22,635	24,003	24,869	25,635

Source: Virginia Department of Education, Fall Enrollment, for the years presented.

The division owns and maintains 30 buildings, 15 elementary schools, six middle schools, four high schools, and five other facilities. SCPSD facilities, in facility size and number, have increased to meet the growth in student population. SCPSD opened three elementary and two middle schools in the past four years, and plans to construct two high schools, three middle schools and three elementary schools over the next six years.

Stafford County Public Schools Division Budget

SCPSD has a 2004-05 general fund budget of $196,075,161. SCPSD's composite index of local ability-to-pay is 0.3274. The division breaks its general fund budget down into four primary sources of revenue: county funds, state funds, federal funds, and other income. The majority of the other income is from charges for services. **Exhibit I-3** summarizes the division's breakdown from local, state, and federal sources.

Exhibit I-3
SCPSD General Fund Revenue
2004-05

Revenue Source	Revenue Amount Received	% of Total
State Funds	$105,736,727	53.9%
Federal Funds	8,201,011	4.2%
County Funds	77,818,178	39.7%
Other Funds	4,309,245	2.2%
Total	**$196,075,161**	**100.0%**

Source: SCPSD, Budget Office, 2004-05.

The general fund supports eight primary categories of expenditures which are assigned object codes for accounting purposes. These expenditure categories include:

- personnel services (salary costs of classroom personnel, instructional and central office support staff, and school administration);
- employee benefits (social security, retirement, and health insurance);
- purchased services;
- other charges;
- materials and supplies;
- capital outlay;
- other uses of funds; and
- other operating expenses.

Exhibits I-4 details the budgeted expenditures by accounting object code as a percentage of SCPSD's total expenditures. Personnel services and employee benefits represent the largest portion of SCPSD's expenditures, as is expected in all school divisions in Virginia and other states. SCPSD budgets 65.9 percent for personnel services and 19.7 percent for employee benefits for a combined total of 85.6 percent.

Exhibit I-4
Total Budgeted Expenditures by Object
2004-05

Expenditure by Object Type	Budgeted Amount	% of Total *
Personnel Services	$129,152,619	65.9%
Employee Benefits	$38,594,800	19.7%
Purchased Services	$5,311,530	2.7%
Internal Services	$1,542,281	0.8%
Other Charges	$12,096,965	6.2%
Materials and Supplies	$6,777,559	3.5%
Capital Outlay	$2,345,927	1.2%
Other Uses of Funds	$253,480	0.1%
Total	**$196,075,161**	**100.0%**

Source: SCPSD, Budget Office, 2004-05.
** Total may not add to 100 percent due to rounding.*

The next chapter compares SCPSD revenue and expenditure levels to its peer school divisions in the Commonwealth of Virginia.

COMPARABILITY ANALYSIS

SCHOOL DIVISION CLUSTER COMPARABILITY

This chapter presents comparisons of Stafford County Public School Division (SCPSD) to its peer divisions in the Commonwealth of Virginia. The comparisons provide relevant benchmarks, but do not and should not represent the sole basis for any conclusion about division spending or efficiency.

Comparing the performance of Virginia school divisions requires that various divisions with similar attributes be identified to allow for meaningful comparisons. School divisions vary greatly in size, resources, and the populations served. There is not much to be gained, for example, from a straight comparison of many aspects of the much larger and more populous school divisions, like Fairfax County, to smaller divisions such as Accomack County. Identifying and using reasonably similar school divisions as "peers" for purposes of comparison, however, presents meaningful opportunities to gain insight into performance issues.

In order to develop comparable peer clusters of school divisions, the Department of Education (DOE) contracted with Virginia Commonwealth University (VCU) to perform a statistical analysis of four primary criteria for all school divisions in the state. These criteria were population density, average daily attendance membership, percent of students eligible for free lunch, and the composite index. The composite index is a number developed by the DOE to measure the local government's ability to financially support schools. Data for every school division were compared against these four key criteria and then further divided into subsets of urban, suburban, and rural school divisions in certain clusters.

The VCU data analysis identified seven clusters of "peer" school divisions. In the VCU prepared cluster of school divisions analyzed for this report, SCPSD was matched with the nine school division peers listed below:

- Arlington County Public School Division;
- Chesapeake County Public School Division;
- Chesterfield County Public School Division;
- Fairfax City Public School Division;
- Fairfax County Public School Division;
- Henrico County Public School Division;
- Prince William County Public School Division;
- Spotsylvania County Public School Division; and
- Virginia Beach County Public School Division.

These peer clusters were analyzed and ranked in various categories of expenditures. This chapter presents a comparative analysis of SCPSD and its peers. A table, found in Appendix A, provides additional information for the divisions within the cluster.

In analyzing the expenditures by function for each peer, the evaluation team noted that the Fairfax County PSD reports aggregate expenditures in some functional categories, such as transportation and technology, for both Fairfax County PSD and Fairfax City PSD because of shared service agreements. In order to improve data comparability, all Fairfax City and Fairfax County Public School Divisions data has been combined for the purpose of this analysis. Accordingly, there are nine divisions, including Stafford, compared throughout this section.

The evaluation team created a database to analyze cluster-related data, along with data from the DOE Superintendent's Annual Report for 2002-03. This data details expenditures in categories such as instruction, administration, transportation, and other division functions. It also includes data for state, local, and federal revenue provided to each school division within the cluster.

This information has a key limitation in that the data is captured in non-standardized accounting systems, and self-reported, without validation or verification, by the school divisions to the DOE. Each school division uses a different accounting system and may use a non-standardized set of definitions to categorize and account for expenditures. The DOE attempts to minimize the impact of the non-standardized capture and reporting found across school divisions by issuing specific instructions regarding the data that must be "mapped" from the school division's system into specific categories of expenditures that must be reported to the DOE. Absent a data standardization and verification process, data discrepancies are likely, despite the DOE instructions.

Understanding this data limitation, the evaluation team compared and ranked SCPSD in each expenditure or revenue category to each of the peers in its cluster. The evaluation team also attempted to determine what factors might contribute to the division's ranking, especially in comparison categories in which the division appeared to be substantially out of line with the values calculated for the individual peer divisions, the peer average, and the statewide average.

Exhibit C-1 compares SCPSD to the other divisions in its cluster. The designation of 1st indicates the division with the lowest expenditure per pupil in that category, whereas the 9th is the division with the highest per pupil expenditures in that category. The data are sorted on a per pupil basis to remove the distinctions between larger and smaller divisions within the cluster. Note that Stafford's overall ranking is 1st (lowest) in the total spending per pupil for operations.

Exhibit C-1
Stafford County Public Schools Compared to Peers within Its Cluster
Expenditures by Function per Pupil (2002-03)

Function *	Amount Per Pupil	Rank**
Administration	$100.95	1st
Attendance & Health	180.87	9th
Instruction	5,019.35	2nd
Transportation	358.73	3rd
Ops and Maintenance	581.12	1st
Total Operations Regular School Day	**$6,241.02**	**1st**
Food Services	270.81	6th
Summer School	40.51	6th
Adult Education	0.62	1st
Other Educational Services	75.76	6th
Facilities	404.15	2nd
Debt Service and Transfers	840.60	6th
Technology	340.54	5th
Total Disbursements	**$8,214.01**	**3rd**
Local Revenue	$3,051	1st
State Revenue	$3,597	7th
Federal Revenue	$289	1st

Source: Virginia Department of Education 2002-03 Superintendents Annual Report, Table 13 Disbursements by Division and Table 15 Sources of Financial Support for Expenditures, Total Local Expenditures for Operations.
**Description of each function category is provided in Appendix A.*
***Note: 1st is the lowest in amount per pupil and 9th is the highest.*

Exhibit C-2 compares the school division's total actual expenditures to those of its cluster divisions in terms of percent of total expenditures by function. SCPSD is the fifth lowest among its peers and is lower than the state average in the percentage of its expenditures devoted to instruction. Although the division is the second lowest in instruction spending per pupil, as noted in **Exhibit C-1**, it allocates a percentage of its expenditures to instruction that is greater than or equal to five other divisions in the peer group. Stafford ranks in the middle of the peer divisions, tied with Arlington, at 61.1 percent of total expenditures allocated to instruction. **(Exhibit C-2)**

Exhibit C-2
Stafford County Public Schools Compared to Its Clusters
Percent of Total Expenditures by Function*
2002-03

Division	Instruction **	Other Instruction ***	Administration Health and Attendance	Transportation	Maintenance & Operations	Food Services	Facilities	Debt Service and Fund Transfers	Technology
Spotsylvania	55.3%	0.8%	2.4%	4.8%	6.5%	2.7%	15.1%	10.3%	2.1%
Chesterfield	56.7%	1.3%	2.6%	3.9%	9.2%	2.8%	6.5%	13.5%	3.4%
Prince William	58.0%	0.9%	3.0%	5.6%	8.3%	3.3%	12.1%	5.9%	3.0%
Henrico	60.5%	1.3%	3.0%	4.5%	8.3%	3.2%	8.5%	5.8%	4.9%
Arlington	61.1%	4.1%	4.0%	2.4%	7.2%	4.7%	7.2%	5.8%	3.3%
Stafford	61.1%	1.4%	3.4%	4.4%	7.1%	3.3%	4.9%	10.2%	4.1%
Fairfax ****	62.3%	3.3%	3.2%	4.2%	7.5%	2.7%	8.7%	2.4%	5.7%
Virginia Beach	67.6%	1.4%	3.0%	3.7%	10.3%	3.3%	5.9%	0.0% *****	4.9%
Chesapeake City	69.8%	2.0%	3.0%	4.9%	9.8%	2.8%	4.4%	0.2% *****	3.1%
State	62.3%	2.3%	3.5%	4.5%	8.3%	3.1%	7.5%	4.8%	3.8%

Source: Virginia Department of Education Database, 2002-03.
** Total may not add to 100 percent due to rounding.*
*** Instruction costs represents expenditures for classroom instruction, guidance services, social work services, homebound instruction, improvement of instruction, media services, and office of the principal.*
**** Other Instruction includes technology instruction, summer school, adult education, which are reported under separate columns within this table.*
***** Fairfax includes Fairfax County and Fairfax City Public Schools.*
******School debt is accounted for by the County.*

The sections that follow briefly explain each functional category examined and provide a comparison of SCPSD and its peer school divisions within the cluster.

A. Administration:

According to the Virginia Department of Education's reporting guidelines, administration is defined as, "any activity concerned with establishing and administering policy for operating the [division]." These activities include board, executive administration, information, personnel, planning, fiscal, purchasing, and reprographics services.

As noted in **Exhibit C-1,** SCPSD ranked first out of nine, or lowest in cost, among comparable school divisions in administration spending per pupil. **Exhibit C-3** compares the division's administration costs to those of its peer school divisions in terms of administration spending per pupil and as a percent of total disbursements. SCPSD expended $100.95 in administrative costs for each attending student during the 2002-03 school year, ranking it lowest among its peers and the state average. In addition, SCPSD's administration costs as a percent of total disbursements, at 1.2 percent, closely compares with Spotsylvania as the lowest among its peers, the peer average, and the state average.

Exhibit C-3
Stafford County Public Schools Compared to Its Clusters
Administration Spending
2002-03

Peer School Division	Administration Spending/Pupil	Rank by Spending per Pupil	Administration Spending	Administration Spending as a Percent of Total Disbursements
Arlington	$550.08	9th	$10,032,367	3.2%
Chesapeake	$137.59	4th	$5,380,861	1.7%
Chesterfield	$144.24	5th	$7,723,938	1.7%
Fairfax *	$188.52	8th	$30,337,461	1.7%
Henrico	$163.39	6th	$7,063,221	1.9%
Prince William	$179.99	7th	$10,614,591	1.8%
Spotsylvania	$113.11	2nd	$2,399,779	1.2%
Stafford	**$100.95**	**1st**	**$2,388,089**	**1.2%**
Virginia Beach	$137.32	3rd	$10,321,106	1.7%
Peer Average	**$201.78**	**n/a**	**$10,484,166**	**1.9%**
State	**$197.01**	**n/a**	**$226,932,439**	**2.1%**

Source: Virginia Department of Education Superintendents Annual Report, 2002-03, Table 13 Disbursements by Division.
** Fairfax includes Fairfax County and Fairfax City Public Schools.*

B. Attendance and Health:

SCPSD ranked ninth out of nine, the highest, among comparable school divisions in attendance and health spending per pupil. The explanation for the highest ranking in this category is that SCPSD includes the cost of staff that other divisions appear to report as special education staff, such as occupational therapists and speech therapists. This category includes salary and benefits for those employees assigned to track student attendance data and other health related employees such as nurses, clinic aides, and psychologists.

A review of nurses per pupil shows SCPSD to be in line with the state-wide ratio for school nurses, one per 1,000 students. **Exhibit C-4** presents the breakdown of the amount expended per student in the subset categories that make up Attendance and Health for SCPSD, its peer school divisions, and the average of peer values. The subset categories are attendance, health, and psychological and speech pathology. The attendance category includes expenditures for tracking student attendance data and truant officers. The health category is primarily expenditures for school nurses. SCPSD dedicates the highest amount for speech pathology, ranked fourth, and next to the highest with a ranking of eighth, for health services. The health and speech pathology categories are the primary costs in the Attendance and Health function totaling $143.55, or 80 percent, of total cost for this function.

Exhibit C-4
Stafford County Public Schools Compared to Its Clusters
Attendance and Health Spending Breakdown
2002-03

Peer School Division	Attendance/ Pupil	Health/ Pupil	Psychological/ Pupil	Speech Pathology/ Pupil
Arlington	$0.00	$5.09	$121.15	$0.00
Chesapeake	$5.16	$57.53	$41.45	$0.00
Chesterfield	$2.64	$35.50	$41.89	$0.00
Fairfax*	$38.14	$54.48	$64.82	$12.85
Henrico	$0.00	$50.17	$37.43	$0.00
Prince William	$56.02	$28.92	$30.28	$0.00
Spotsylvania	$0.00	$91.66	$27.08	$0.00
Stafford	**$7.53**	**$72.09**	**$29.79**	**$71.46**
Virginia Beach	$0.00	$60.73	$37.69	$2.68
Peer Average	**$25.49**	**$48.01**	**$50.22**	**$7.77**
Rank	**4th**	**8th**	**2nd**	**4th**

Source: Virginia Department of Education Disbursement Database 2002-03.
** Fairfax includes Fairfax County and Fairfax City Public Schools.*
Note: In the above table if the expenditures read $0 it means that this division reported these expenditures in another category.

C. Instruction:

SCPSD is ranked second lowest out of nine among comparable school divisions in instructional spending per pupil. This category refers to the direct costs of instruction, primarily teacher salaries.

Exhibit C-5 compares the division's instructional spending per pupil to those of its peer divisions and the state average in terms of total instructional dollar expenditures, and instructional expenditures as a percent of total division disbursements. Note that this exhibit does not include the costs associated with summer school, adult education, and other educational programs. SCPSD instructional spending per pupil of $5,019 is substantially lower than the peer average of $6,164 and the state average of $5,951.

SCPSD spends 61.1 percent of total disbursements on instruction. In comparing instruction spending as a percentage of total disbursements with its peers, SCPSD is the fifth lowest and is below both the peer and state averages.

Exhibit C-5
Stafford County Public Schools Compared to Its Clusters
2002-03 Instruction Expenditures

Peer School Division	*Instruction Spending/Pupil	Rank by Spending per Pupil	Instruction Spending	Instruction Spending as a Percent of Total Disbursements
Arlington	$10,465.18	9th	$190,864,018	61.1%
Chesapeake	$5,540.30	6th	$216,670,100	69.8%
Chesterfield	$4,914.61	1st	$263,177,630	56.7%
Fairfax	$6,986.79	8th	$1,124,362,961	62.3%
Henrico	$5,099.92	3rd	$220,469,526	60.5%
Prince William	$5,670.27	7th	$334,392,912	58.0%
Spotsylvania	$5,269.06	4th	$111,788,276	55.3%
Stafford	**$5,019.35**	**2nd**	**$118,732,652**	**61.1%**
Virginia Beach	$5,362.20	5th	$403,028,240	67.6%
Peer Average	**$6,163.54**	**n/a**	**$358,094,208**	**61.4%**
State	**$5,951.48**	**n/a**	**$6,855,472,905**	**62.3%**

Source: Virginia Department of Education Superintendents Annual Report, 2002-03, Table 13 Disbursements by Division.
**Does not include summer school, adult education and other educational programs.*

Instructional salaries and employee benefits are the largest contributors to the difference in instructional expenditures between SCPSD and its peers. **Exhibit C-6** presents a comparison of salaries and benefits expenditures per student and as expressed as a percent of the total instructional expenditures. SPCPD's instructional salaries and employee benefits account for 93.1 percent of the division's total instructional expenditures. However, the SPCSD expenditures per pupil of $4,671 for teacher salaries and employee benefits per student is $1,098, or 19 percent lower than the peer average of $5,770. In addition, SCPSD ranks second among its peers in salaries and benefits spending.

Exhibit C-6
Stafford County Public Schools Compared to Its Clusters
2002-03 Instruction Salaries and Benefits Expenditures

Peer School Division	Salaries and Benefits Spending per Pupil	Rank by Salaries and Benefits Spending	*Instruction Spending per Pupil	Salaries and Benefits as a % of Instruction Spending
Arlington	$9,889.38	9th	$10,465.18	94.5%
Chesapeake	$5,177.51	7th	$5,540.30	93.5%
Chesterfield	$4,651.16	1st	$4,914.61	94.6%
Fairfax	$6,737.05	8th	$6,986.79	96.4%
Henrico	$4,863.53	3rd	$5,099.92	95.4%
Prince William	$5,008.44	6th	$5,670.27	88.3%
Spotsylvania	$4,939.42	5th	$5,269.06	93.7%
Stafford	**$4,671.22**	**2nd**	**$5,019.35**	**93.1%**
Virginia Beach	$4,892.34	4th	$5,362.20	91.2%
Peer Average	**$5,769.85**	**n/a**	**$6,163.54**	**93.5%**

Source: Virginia Department of Education Superintendents Annual Report, 2002-03, Table 13 Disbursements by Division.
**Does not include summer school, adult education and other educational programs.*

D. Transportation:

SCPSD ranks third out of nine among comparable school divisions for per pupil expenditures for transportation. **Exhibit C-7** compares the division's transportation costs to those of its peer school divisions in terms of transportation spending per pupil and as a percent of total disbursements. SCPSD expends 4.4 percent of total disbursements on transportation, very comparable to the state and peer averages.

Exhibit C-7
Stafford County Public Schools Compared to Its Clusters
Transportation Spending
2002-03

Peer School Division	Transportation Spending/Pupil	Rank by per Pupil Spending	Transportation Spending	Transportation Spending as a Percent of Total Disbursements
Arlington	$417.07	6th	$7,606,441	2.4%
Virginia Beach	$292.94	1st	$22,017,640	3.7%
Chesterfield	$339.64	2nd	$18,187,578	3.9%
Fairfax *	$467.80	8th	$75,281,838	4.2%
Stafford	**$358.73**	**3rd**	**$8,485,706**	**4.4%**
Henrico	$382.61	4th	$16,540,153	4.5%
Spotsylvania	$455.17	7th	$9,656,946	4.8%
Chesapeake	$385.25	5th	$15,066,382	4.9%
Prince William	$545.48	9th	$32,168,391	5.6%
Peer Average	**$410.74**	**n/a**	**$24,565,671**	**4.3%**
State	**$425.88**	**n/a**	**$490,567,172**	**4.5%**

Source: Virginia Department of Education Superintendents Annual Report, 2002-03, Table 13 Disbursements by Division.
** Fairfax includes Fairfax County and Fairfax City Public Schools.*

E. Operations and Maintenance:

Operations and Maintenance includes the cost of operating and maintaining the schools and other division buildings, including gas, electric and other utility expenses. SCPSD ranks first out of nine, or the lowest among comparable school divisions in operations and maintenance spending per pupil.

Operations and Maintenance funds are used to maintain the division's 25 schools, other facilities, and equipment. Salaries for custodial, security, and maintenance personnel and all utility costs are included. **Exhibit C-8** compares the division's operations and maintenance costs with each peer, and the peer and state averages. SCPSD's 7.1 percent of operations and maintenance costs as a percent of total disbursements is the second lowest compared with its peers, and is the lowest on a per pupil basis. SCPSD percent of operations and maintenance costs is also below the state average.

Exhibit C-8
Stafford County Public Schools Compared to Its Clusters
Operations and Maintenance Spending
2002-03

Peer School Division	Operations and Maintenance Spending/Pupil	Rank by per Pupil Spending	Operations and Maintenance Spending	Operations and Maintenance Spending as a Percent of Total Disbursements
Arlington	$1,225.63	9th	$22,353,115	7.2%
Chesapeake	$774.55	4th	$30,291,260	9.8%
Chesterfield	$797.35	5th	$42,698,121	9.2%
Fairfax *	$841.40	8th	$135,403,203	7.5%
Henrico	$701.41	3rd	$30,322,152	8.3%
Prince William	$811.37	6th	$47,848,692	8.3%
Spotsylvania	$617.04	2nd	$13,091,088	6.5%
Stafford	**$581.12**	**1st**	**$13,746,390**	**7.1%**
Virginia Beach	$815.66	7th	$61,306,063	10.3%
Peer Average	**$823.05**	**n/a**	**$47,914,212**	**8.4%**
State	**$790.22**	**n/a**	**$910,247,078**	**8.3%**

Source: Virginia Department of Education Superintendents Annual Report, 2002-03, Table 13 Disbursements by Division.
** Fairfax includes Fairfax County and Fairfax City Public Schools.*

F. Facilities:

The Facilities category includes the expenditures reported for acquiring land and buildings, remodeling and constructing buildings, and improving sites. This category does not include normal building maintenance. SCPSD is ranked second out of nine, next to the lowest, among comparable school divisions in facilities spending per pupil. **Exhibit C-9** compares the division's facilities costs with each peer and the peer and state averages.

Exhibit C-9
Stafford County Public Schools Compared to Its Clusters
Facilities Spending
2002-03

Peer School Division	Facilities Spending/Pupil	Rank by per Pupil Spending	Facilities Spending	Facilities Spending as a Percent of Total Disbursements
Arlington	$1,238.29	8th	$22,583,947	7.2%
Chesapeake	$347.65	1st	$13,595,828	4.4%
Chesterfield	$565.52	4th	$30,283,680	6.5%
Fairfax *	$977.63	6th	$157,327,826	8.7%
Henrico	$715.80	5th	$30,944,013	8.5%
Prince William	$1,187.26	7th	$70,016,075	12.1%
Spotsylvania	$1,437.93	9th	$30,507,051	15.1%
Stafford	**$404.15**	**2nd**	**$9,560,185**	**4.9%**
Virginia Beach	$464.85	3rd	$34,938,498	5.9%
Peer Average	**$866.87**	**n/a**	**$48,774,615**	**8.6%**
State	**$717.08**	**n/a**	**$826,002,645**	**7.5%**

Source: Virginia Department of Education Superintendents Annual Report, 2002-03, Table 13 Disbursements by Division.
** Fairfax includes Fairfax County and Fairfax City Public Schools.*

G. Debt Service and Transfers:

The Debt Service and Transfers category includes debt service payments and transfers to other organizations, or transfers from one fund to another. SCPSD is ranked sixth out of nine among comparable school divisions in debt service and transfer spending per pupil.

Typically, school divisions in the Commonwealth use either bonds or loans to finance long-term projects that are too large to be funded through regular operations. School divisions are considered a component unit of the local government. The local government appropriates operating funds to the local school divisions and the appropriations include amounts specified as debt service payments. The outlays of government funds associated with these obligations are accounted for as debt service payments (principal and interest) as are certain transfers from one fund to another fund. **Exhibit C-10** compares the division's debt service and transfers costs with each peer division, and the peer and state averages. SCPSD is well above both the state and peer average, as one would expect given the division's rapidly increasing enrollment and the amount of building required over the past four years.

Exhibit C-10
Stafford County Public Schools Compared to Its Clusters
Debt Service and Transfers
2002-03

Peer School Division	Debt Service and Transfers Spending/Pupil	Rank by per Pupil Spending	Debt Service and Transfers Spending	Debt Service and Transfers Spending as a Percent of Total Disbursements
Arlington	$998.65	8th	$18,213,390	5.8%
Chesapeake	$13.60	2nd	$531,891	0.2%**
Chesterfield	$1,169.98	9th	$62,652,417	13.5%
Fairfax*	$266.79	3rd	$42,933,368	2.4%
Henrico	$492.63	4th	$21,296,365	5.8%
Prince William	$575.35	5th	$33,930,247	5.9%
Spotsylvania	$979.90	7th	$20,789,621	10.3%
Stafford	**$840.60**	**6th**	**$19,884,487**	**10.2%**
Virginia Beach	$0.00	1st	$0	0.0%**
Peer Average	**$562.11**	n/a	**$25,043,412**	**6.3%**
State	**$455.32**	**n/a**	**$524,480,816**	**4.8%**

Source: Virginia Department of Education Superintendents Annual Report, 2002-03, Table 13 Disbursements by Division.
** Fairfax includes Fairfax County and Fairfax City Public Schools.*
***School debt is accounted for by the County.*

H. Technology:

The Technology category includes technology-related expenditures and ongoing expenses such as Internet Service Providers. SCPSD is ranked fifth out of nine in the percent of overall spending per pupil devoted to technology among comparable school divisions. **Exhibit C-11** compares the division's facilities costs with each peer, and the peer and state averages.

Exhibit C-11
Stafford County Public Schools Compared to Its Clusters
Technology Spending
2002-03

Peer School Division	Technology Spending/Pupil	Rank by Spending per pupil	Technology Spending	Technology Spending as a Percent of Total Disbursements
Arlington	$573.34	8th	$10,456,571	3.3%
Chesapeake	$248.59	2nd	$9,721,893	3.1%
Chesterfield	$294.44	4th	$15,767,052	3.4%
Fairfax	$639.74	9th	$102,951,036	5.7%
Henrico	$413.18	7th	$17,861,821	4.9%
Prince William	$291.33	3rd	$17,180,809	3.0%
Spotsylvania	$198.68	1st	$4,215,276	2.1%
Stafford	**$340.54**	**5th**	**$8,055,419**	**4.1%**
Virginia Beach	$386.70	6th	$29,064,880	4.9%
Peer Average	**$380.75**	n/a	**$25,902,417**	**3.8%**
State	**$360.81**	**n/a**	**$415,617,642**	**3.8%**

Source: Virginia Department of Education Superintendents Annual Report, 2002-03, Table 13 Disbursements by Division.
** Fairfax includes Fairfax County and Fairfax City Public Schools.*

Overall, SCPSD ranks favorably among its peers in most categories of expenditure. The remaining chapters of this report discuss each functional area in terms of revenue and expenditure levels, and operating efficiencies in greater depth.

DIVISION LEADERSHIP ORGANIZATION & MANAGEMENT

Chapter 1

DIVISION LEADERSHIP, ORGANIZATION, & MANAGEMENT

BACKGROUND

The organization and management of a school division requires cooperation between the elected members of the school board and the staff of the division. The board's role is to set goals and objectives for the division in both instructional and operational areas; determine the policies that will govern the division; approve the plans to implement those policies; and provide the funding necessary to carry out the plans.

The superintendent, as the chief executive officer of the division, recommends the staffing levels and the amount of resources necessary to operate and accomplish the board's goals and objectives. The superintendent is also responsible for reporting management information to the board and making sure the division is held accountable for meeting its performance goals. Division managers and staff are responsible for managing the day-to-day implementation of the policies and plans approved by the board and for recommending modifications to ensure the division operates efficiently and effectively.

Stafford County is located forty miles south of Washington, D.C. and fifty-five miles north of the state capital, Richmond, Virginia. It is the one of the fastest growing counties in Virginia. The county is rich in American Colonial history. The work force of the county ranges from professionals working in and around the nation's capital and family farms that have been in existence for generations, which contributes to an income disparity between these two diverse groups.

In 2004-05, Stafford County Public Schools Division (SCPSD) serves 25,635 students in K-12 in 25 schools; four high schools, six middle schools, and 15 elementary schools.

Exhibit 1-1 provides a comparison of the demographic characteristics of the student population between SCPSD and the school divisions within its cluster, and the state. Approximately 72.3 percent of SCPSD's student population is white, as compared to the state average of 60.4 percent.

Exhibit 1-1
Demographic Characteristics of Students
SCPSD, Cluster, and State
2003-04

Division	Student Enrollment	White	Hispanic	African American	*Other
Arlington	19,158	42.3%	32.8%	14.5%	10.4%
Chesapeake City	39,412	59.8%	2.0%	35.1%	3.1%
Chesterfield	55,401	67.1%	4.2%	25.0%	3.7%
Fairfax	164,354	52.8%	15.1%	10.7%	21.4%
Henrico	45,354	55.2%	2.9%	35.4%	6.5%
Prince William	66,404	50.0%	17.6%	23.1%	9.3%
Spotsylvania	22,142	75.5%	4.2%	18.0%	2.3%
Stafford	**24,869**	**72.3%**	**4.5%**	**19.3%**	**3.9%**
VA Beach City	76,304	60.0%	4.6%	28.6%	6.8%
State	**1,192,537**	**60.4%**	**6.5%**	**26.9%**	**6.2%**

Source: Virginia Department of Education, 2003-04.
**Other includes American Indian, Asian, Native Hawaiian, and Unspecified.*

The division has been under the direction of Jean S. Murray, Ed.D. since August 2002. SCPSD has three assistant superintendents for instruction and technology, support services, and financial services. Additionally, two executive directors for administrative services and for human resources report to the superintendent. All division principals report directly to the superintendent. The division is operating under the same management structure that it did when student enrollment averaged 14,000 students. Each member of the administrative team has numerous responsibilities and is approaching the saturation point that could result in critical tasks falling through the cracks.

SCPSD is facing a number of challenges related to the rapid growth in enrollment. The division has experienced a 29 percent increase in enrollment over the past five years. Rather than initiate a number of new programs, the superintendent has attempted to manage this growth by identifying the high need areas and addressing those first. Under the superintendent's direction, the division has adopted a balanced approach to issues that come with rapid growth.

The superintendent has developed a good relationship with the seven-member school board. She communicates with each board member on a regular basis to ensure they are well informed. Each board member is given a board packet prior to the board meeting and has the opportunity to request clarification from both the superintendent and division staff on an as-needed basis. The school board meets on the second and fourth Tuesday of every month. The first meeting begins at 5:00 and includes a discussion of the consent agenda, allows for staff to provide information items, and provides an opportunity for any special presentations. The meeting reconvenes at 7:00 with any award presentations, an opportunity for citizens' comments, reports of the school board, the report of the superintendent, and action items. The second meeting of the month begins at 7:00 and includes a discussion of the consent agenda, citizens' comments, the reports from the school board and the superintendent, and action items. When necessary, the school board goes

into closed session as allowed by law. **Exhibit 1-2** lists the SCPSD board members, appropriate titles, the dates elected, years of board member service, and profession.

Exhibit 1-2
SCPSD School Board
2004-05

Board Member	Title/Office	Year Elected	Length of Service	Profession
Patricia Healy	Chairman	Jan 2000	4.5 Years	Attorney
Robert Belman	Vice Chairman	Jan 2002	2.5 Years	Real Estate
Edward Sullivan	Past Chairman	Nov 1995	11 Years	Teacher
Robert Hunt	Member	Jan 2004	1.5 Years	Business Director
Dana Reinboldt	Member	Jan 2004	9 Months	Insurance
Thomas Villacres	Member	Jan 1998	6.5 Years	Federal Government
Karen Zink	Member	Jan 2002	2.5 Years	Real Estate

Source: SCPSD, Superintendent's Office, October 2004.

A. ACHIEVEMENTS

School Board Meetings

- The school board has extended its first meeting of every month to provide staff with a forum to provide information on division initiatives.

Communication between School Board and Division

- The school board and the superintendent's office publish a monthly newsletter "The School Board Corner."

Board of Supervisors Meetings

- The superintendent's "Board to Board Update" is a scheduled agenda item in the Board of Supervisors meetings and provides a forum for information flow from the division.

Campus Administration

- The division has created a principal mentoring program for first year principals.

B. RECOMMENDATIONS

Recommendation 1-1 (p. 1-7): Reorganize division administration to reduce the number of personnel reporting directly to the superintendent and ensure that the current levels of efficiency are maintained. The superintendent has too many direct reports. With the rapid growth in the division, it can no longer be managed as a small school division. Currently, all principals report directly to the superintendent. The management structure has become too lean and will soon be unable to continue managing the division as efficiently as it has in the past. The evaluation team recommends that the division expand its management team to ensure that SCPSD can maintain its existing level of efficiency and strive for continuous improvement.

Recommendation 1-2 (p. 1-12): Conduct a process re-engineering study related to school staffing and establish school staffing formulas based on revised processes. Some administrative and clerical support process inefficiencies exist in the division. Many processes are out-of-date, duplicative, and manual. The division could improve the way school clerical support staff perform daily tasks, redirect more counselor time from clerical duties to counseling students, and ensure that campus administrators are effectively managing their school operations.

Recommendation 1-3 (p. 1-14): Expand the public information role in the division. The division is not making the most effective use of the public information function. Currently, the coordinator of Public Information is being used more as clerical support than as a true public information representative. The evaluation team recommends that the division consider expanding this function prior to the adoption of the next budget.

Recommendation 1-4 (p. 1-15): Request quarterly summits between the division, school board, and the Board of Supervisors. There has been some difficulty in sharing information between the school division and the Board of Supervisors. A quarterly meeting would ensure that both parties understand the goals and objectives of the school division and the fiscal constraints faced by the county. The school division and the Board of Supervisors have scheduled a summit for November 11, 2004.

Recommendation 1-5 (p. 1-16): Improve the formal evaluation process for the superintendent. The school board does not evaluate the superintendent on a timely basis, even though there is a board policy to do so. It is important to have a timely evaluation, both to protect the school board and to provide direction to the superintendent.

Recommendation 1-6 (p. 1-18): Subscribe to the VSBA policy maintenance service and post and maintain current online policies. The division's policies are not online. This makes it difficult for board members, staff, parents, and community members to readily access the policies. There is no mechanism to ensure that all division staff and its stakeholders have access to the most current policies.

Recommendation 1-7 (p. 1-20): Conduct a formal strategic planning process that includes representation from all areas of the division. The division's planning process does not ensure that all division activities are directly linked to the school board's goals. The budget is not directly tied to school board goals and the program needs of the division. The division could monitor its performance against the school board goals more consistently. Although the division attempts to adjust departmental and campus objectives annually based on the progress reported during the prior school year, there is not a consistent process in place throughout the division. However, there are various planning documents that are prepared among several departments (e.g., Technology Plan, Capital Improvement Plan, as well as those plans required by federal law).

C. FINANCIAL IMPACT OF RECOMMENDATIONS

This chapter contains recommended investments by SCPSD, to achieve best practices or to generate subsequent future savings. If savings cannot support these investments in the short-term, then the division should request additional investment funds from the county, or delay the implementation if the investment does not yield future savings. Details of how the financial impact was calculated can be found in Appendix C.

The recommended investments are listed below:

1. Reorganize the central administration to establish adequate spans of control – SCPSD has maintained the same number of central office administrators since the division had 14,000 students. While this effort to keep costs down is admirable, the division has been slow to upgrade its management structure to support increasing responsibilities of a larger school division. The evaluation team is recommending the addition of instructional leaders over elementary and secondary education, with school principals reporting to each of these positions. This will alleviate what is currently an untenable span of control for the superintendent. Annual investment: $546,074.

2. In order to improve the efficiency of school-based administrative processes, the evaluation team recommends that the division conduct a process reengineering study to remove any duplicative process and automate existing processes where appropriate. This recommendation will require a one-time investment (spread over two years) of $450,000. This front-end investment should lead to significant savings in subsequent years as demands on school support staff are reduced.

3. Put board policy manual online to improve access by staff, students, parents, and administrators. Annual investment: $2,480.

4. Conduct a formal strategic planning process. One-time investment: $75,000.

If recommendations (1) and (3), discussed in this chapter are implemented, the annual investment would total $548,554. In addition, a one-time investment of $525,000 would be required for the process reengineering study and the strategic planning process.

D. DETAILED ACHIEVEMENTS

EFFECTIVE STAFF INPUT DURING BOARD MEETINGS

The division has established a Committee in the Whole type format during its first board meeting of every month for information items to be presented from staff. This board meeting begins at 5:00 pm to provide sufficient time for staff to present information related to specific initiatives. This provides a concentrated block of time for staff to provide information to the board and address any questions they might have in an open forum. Questions about administrative and operational issues and their effect on school division policy can be discussed in considerable detail and resolved without prolonging regular board meetings. Since it is presented at the beginning of the meeting, interested parties can attend only that portion of the meeting and receive information from the division on topics in which they have an interest. By providing time for the information items to be presented, the school board has improved the efficiency and effectiveness of the regular meeting.

THE SCHOOL BOARD CORNER

The school board's newsletter "The School Board Corner" provides a short summary of what activities are being addressed by the school board. The newsletter is published in monthly school newsletters and is available for review on the division's website. In the examples reviewed by the evaluation team, the content of the newsletter was conversational and informative. The March 2003 edition discussed the budget process and the request for proposals for the construction of the two elementary schools and a high school. This edition also discussed the vacancy of a school board position and provided a brief tribute to the departing board member. By taking the time to develop a newsletter, the board is making a true connection to the SCPSD staff and community.

BOARD OF SUPERVISORS MEETINGS

The Board of Supervisors has expanded its monthly Board meetings to include an agenda item for the superintendent. The superintendent takes this opportunity to inform the county about what is happening in the division. No division business is conducted during this time. The purpose of the "Superintendent of School Board-to-Board Update" is to provide information and build communication between the two groups. During the October 5, 2004 meeting, the superintendent discussed this school efficiency review, provided an update on student enrollment, identified teachers who had been recognized by state and national organizations, provided a written report on the history of using split shifts at SPCSD, updated the board about its Adopt-A-Classroom program, and supplied an update on the water problem issues at Hartwood Elementary School. The superintendent uses the forum to inform, not to insist. This process provides the county with the opportunity to gain insight into what is happening within the division.

PRINCIPAL MENTORSHIP PROGRAM

SCPSD currently has eight building level administrators who are either brand new or within the first year of their appointment. Additionally, there are an anticipated six more principals to be named in the next two years. In order to ease the transition, the division instituted the Principal Mentorship program. The planning committee for the mentorship program included the assistant superintendent for Instruction and Technology, the coordinator of Professional Development, a university professor, two retired principals, and a current principal. Two experienced administrators, recently retired from Stafford County, as well as experienced principals from the division, are mentoring eight administrators new to their positions. This program provides a mechanism to support these novice administrators through a series of group and individual meetings. The novice administrators are provided with a framework of identified characteristics for successful leadership that coincide with the seven strands of the administrator's evaluation instrument. The mission statement of the program is:

> "To ensure the success of novice administrators by supporting and developing their conceptual, technical, and human skills."

The division has established guiding principles for the administrative coaching process, which include:

- Confidentiality of issues and discussions will be maintained between coaches and novice administrators.
- All interactions are non-evaluative in nature and will not be associated with the administrator's evaluation.

- Feedback given will be non-judgmental and promoting of individual growth.
- The coaches will promote and encourage a self-reflective process for the administrator.
- The coaches will be responsive to the individual needs of the administrator.

Principal mentors are very familiar with county policies and the various nuances of the organization and can offer practical advice for the novices as they move through the maze of the technical aspects of administration. The mentors also offer guidance and feedback toward the development of appropriate conceptual and human skills. These mentors act as intermediaries or "go-betweens" for the school division and the beginning administrator, and the confidentiality of the program supports a constructive venue for learning.

E. DETAILED FINDINGS AND RECOMMENDATIONS

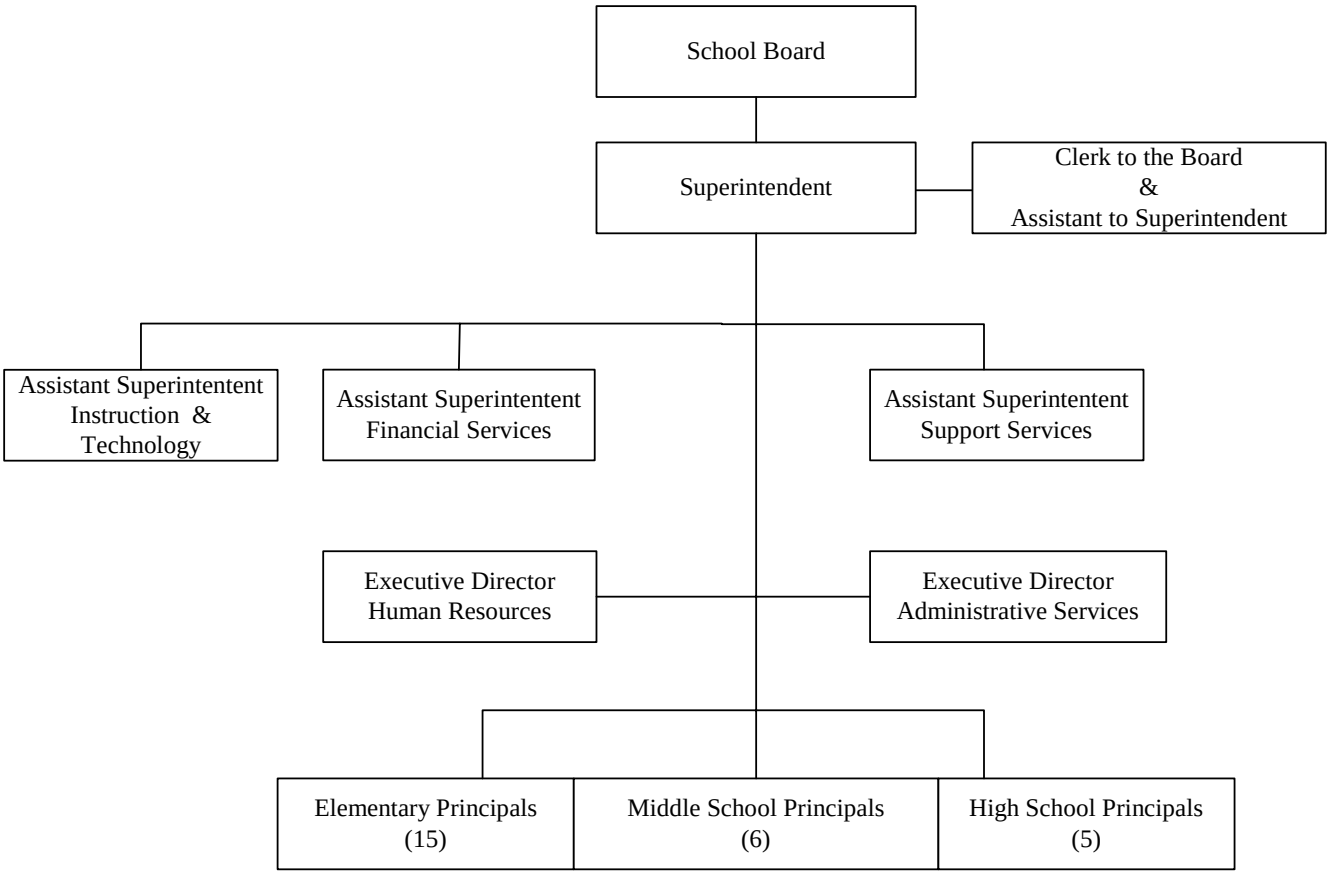
DIVISION MANAGEMENT & ORGANIZATION STRUCTURE

Recommendation 1-1: Reorganize division administration to reduce the number of personnel reporting directly to the superintendent and ensure that the current levels of efficiency are maintained.

While the board sets policy, the superintendent is responsible for carrying out that policy and managing the division in the most cost effective and efficient manner possible. The primary goal of division management is to facilitate and support the instruction of students by ensuring that every possible dollar and resource is directed into the classroom.

The superintendent has too many direct reports and is too involved with the daily operations of the division. Currently, all principals report directly to the superintendent. In addition to the principals, the superintendent has seven direct reports in the central office: an assistant superintendent for Instruction and Technology, an assistant superintendent for Support Services, an assistant superintendent for Financial Services, an executive director for Administrative Services, an executive director for Human Resources, a coordinator for Public Information, and the Clerk to the Board. The current high level administration organization chart for the 2004-05 school year is presented in **Exhibit 1-3**.

Exhibit 1-3
SCPSD Administration Organization Chart
2004-05



Source: SCPSD, Superintendent's Office, October 2004.

The division spends the least amount of expenditures per student on administration of all of the divisions in its cluster and the state average. In 2002-03, the division spent $101 per student on administration, as compared to $197 per student state-wide. There has not been an increase in central administration staff since student enrollment was approximately 14,000. The current organization structure cannot efficiently and effectively support a 25,000-student school division. Research has shown that when management resources are too scarce, efficiencies that once existed can be lost. It can be as detrimental to an organization to operate with too few administrators as it is to have too many. Central administrative staff in SCPSD wears multiple

hats and has done an admirable job. However, the division needs additional central administration staff if it is to continue to be effective.

The coordinator of Public Information should continue to report to the superintendent. However, the position should be upgraded and the title changed to public information officer. A clerical position, assistant to the superintendent, should be created that will report to the public information officer and be available to assist the superintendent with clerical needs that the Clerk to the Board cannot address.

The executive director for Legal and Administrative Services should also continue to report to the superintendent. The Code of Virginia and Stafford County School Board Policy provide that the superintendent or designee hear appeals of short-term suspensions, long-term suspensions, recommendations, and expulsion recommendations. The superintendent has named the executive director for Legal and Administrative Services as her designee. In addition to acting as the division's hearing officer, this position is responsible for contract oversight on behalf of the superintendent and the division. The secretarial position that is now split between the coordinator of Public Information and the executive director for Legal and Administrative Services should report wholly to the executive director.

The superintendent should no longer directly supervise the division principals. Two assistant superintendent positions should be created under Instruction and Technology - an assistant superintendent for Elementary Accountability & School Support, and an assistant superintendent for Secondary Accountability & School Support. These two positions will report directly to the associate superintendent for Instruction and Technology. Each assistant superintendent will require secretarial support.

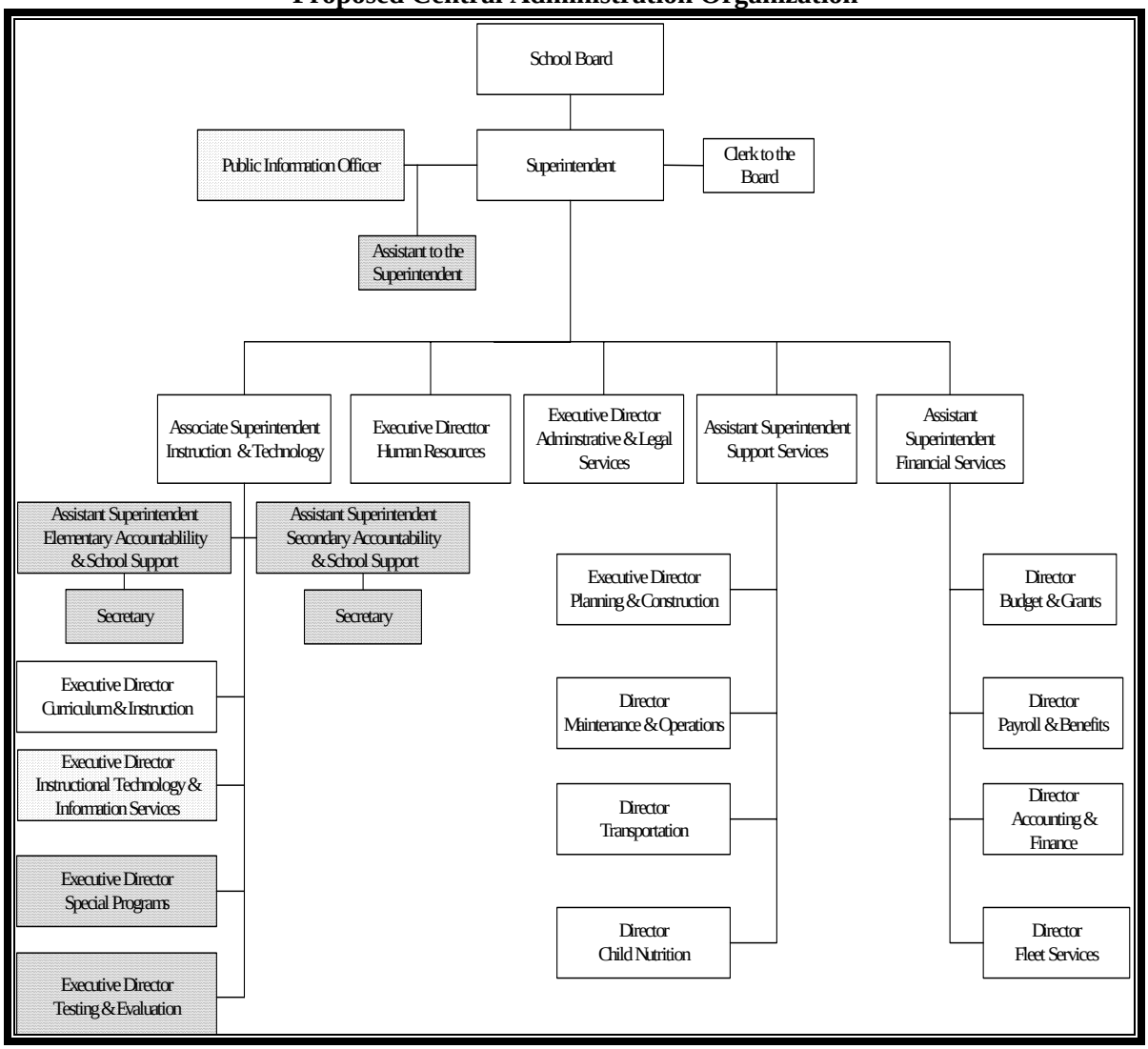
Additional central administrative positions should be created or upgraded in Instruction and Technology. SCPSD has committed to improving technology infrastructure throughout the division and to enhancing the degree to which technology is integrated into instruction. Given the level of importance that the division has placed on managing technology, the director of Instructional Technology and Information Services should be upgraded to an executive director.

Two new executive director positions should be created. One position will focus on student accountability data and address the lack of program evaluation. This position should be titled executive director of Testing & Evaluation. The other new executive director position will be responsible for overseeing special programs including special education, alternative education, and Head Start.

There are no recommended changes to either Financial Services or Support Services. The executive director of Human Resources will continue to report directly to the superintendent under the proposed reorganization.

Exhibit 1-4 illustrates the proposed central administration organization chart. The positions that are lightly shaded reflect upgraded positions, and the darker shaded positions are newly created positions under the new structure.

Exhibit 1-4
Proposed Central Administration Organization

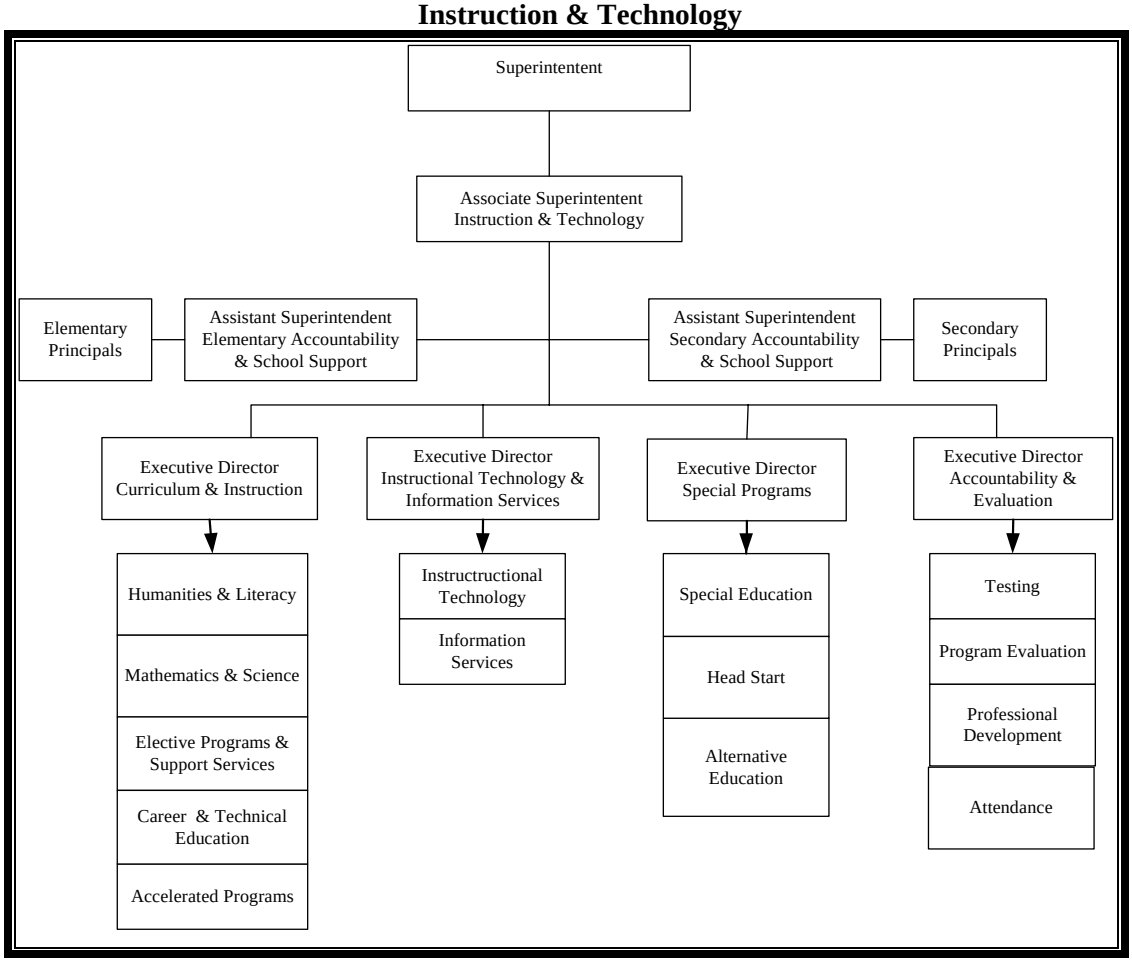


Source: Gibson Consulting Group, Inc., October 2004.

The Instruction & Technology Department has recently been reorganized. However, under the new administration structure, the Instruction & Technology Department will again be restructured to facilitate a more effective delivery of instructional services. The specific reorganization will be discussed in greater detail under Recommendation 2-4 in the *Education Services Delivery* section of this report.

Exhibit 1-5 presents the proposed restructuring of the Instruction & Technology Department and provides a breakdown of departmental responsibilities.

Exhibit 1-5
Proposed Structure
Instruction & Technology



Source: Gibson Consulting Group, Inc., October 2004.

As a school division grows, management must take steps to ensure that the operations continue to run effectively. Although school divisions endeavor to run with as lean a management structure as possible, it is important that adequate management and supervision is in place to ensure important activities are not dropped.

A program evaluation function is critical to ensure that the school division is allocating its instructional resources as effectively as possible. School divisions often try new academic approaches, and it is important to determine their effectiveness before expanding the division's investment in it. Further, it is important that these evaluations be conducted by an independent unit within the organization.

The recommended organizational changes result in a management structure that can more effectively support a 25,000 student school division, and will better position the division for future growth.

SCHOOL STAFFING FORMULAS

Recommendation 1-2: Conduct a process re-engineering study related to school staffing and establish school staffing formulas based on revised processes.

Some administrative and clerical support process inefficiencies exist in the division. Many processes are out-of-date, duplicative, and manual. The division could improve the way school clerical support staff perform daily tasks, redirect counselors away from clerical duties and back toward counseling students, and ensure that campus administrators are effectively managing their schools by reevaluating each process, identifying where inefficiencies exist, and redirecting staff resources as needed.

School administrative processes have traditionally been paper-intensive. Managing a school and ensuring that the appropriate records are maintained for every student in the division has often created the need for duplicative processes, as the same paper record could be stored in multiple locations within the school. For example, a counselor may have information on a student in his/her file that is also contained in the file maintained in the registrar's office. With the advent of technology, the need to maintain volume of paper has been reduced. However, school administrative and support staff are often too involved in the daily demands to be able to take a hard look at how they perform their duties. As a result, inefficiencies often become standard operating procedure.

In a reengineering effort, each major step in a process is reviewed and modeled in order to document how that process is currently being performed. During the review, obsolete activities can be documented and then eliminated, and a plan can be established to implement changes that will improve the overall process. The costs of the process, both direct and indirect, can be determined so that division management can clearly understand them and their impact on the division's budget. Activities can be simplified, the number of steps reduced, and a decision can be made on the degree of automation support that will be needed for success. Without a clear definition of each process, applying automated solutions effectively and cost-consciously is impossible.

One of the first techniques to re-engineer school processes will involve mapping out each step involved in every process. Process mapping will provide a means for the division to visualize the process. It shows who is doing what, with whom, when, and for how long. It also shows decisions that are made, the sequence of events, and any wait times or delays inherent in the process. It should consider the following:

- Examine each step in the process for bottlenecks, sources of delay, errors being fixed instead of prevented, ambiguous roles, duplication of effort, unnecessary steps, and cycle time;
- Examine each decision point to identify any ambiguity in authority, and whether or not the decision point is needed at that point;
- Examine each rework loop to find ways to eliminate the step, complete it in less time, or prevent it from occurring; and
- Determine whether each step adds value to the desired outcome.

Although the initial costs associated with process reengineering can be high, the potential savings that can be realized over time make the investment worthwhile. Staff can be redirected more effectively and often less staff is needed. This allows the division to reduce staff through attrition

and develop staffing formulas that meet their changing needs. Given the level of growth the division is currently experiencing, and expects to continue experiencing, staffing formulas based on improved processes will provide guidance when staffing new schools.

In order to begin the process, SCPSD should develop a process map of each school process based on how the work is being performed now. The maps should include manual as well as automated tasks, and document the various forms used in the process, the outputs produced, interfaces with other entities, and tools and systems used to support processes. **Exhibit 1-6** presents a summary list of the processes that should be documented.

Exhibit 1-6
School Processes to be Mapped

- School enrollment
- Special program enrollment
- Student attendance
- Truancy
- Grading
- Testing
- Transfers
- Withdrawals
- Discipline referrals
- Alternative education referrals
- Court filings
- Detentions
- Scheduling
- School data reporting (attendance, test scores, etc.)
- Other external reporting
- Front desk operations (walk-ins and phone calls)
- Event preparation
- Purchase requisitions
- Receiving and distribution
- Cash receipts and deposits
- Cash disbursements
- Activity fund management and transaction processing
- Employee time and absence reporting
- Hiring
- Substitute management
- Student records

Source: Gibson Consulting Group, October 2004.

Once the processes are mapped, the division should validate them with school staff and applicable central office personnel to confirm the understanding of processes and identify any gaps that need to be filled. Once all processes have been mapped and confirmed, the division should analyze them in order to identify efficiencies, inefficiencies, and opportunities for improvement. New process maps that represent optimum efficiency should then be developed. A cost benefit analysis should be conducted for each recommended process change. The advantages and disadvantages of each process change should be considered.

Some increases in automation may be available through existing software licensed to the division, new software, or the development of tools by SCPSD's Instructional Technology and Information Systems Department. As the division investigates the most cost effective means of integrating its current finance, student, and human resource systems, it should ensure that any new technology solution considers the streamlining of school processes.

Once the processes have been streamlined, new job descriptions will need to be developed for school staff. In addition, a training program will be required to ensure that staff is comfortable with the new processes and their revised job duties.

School Staffing Standards

Funding in Virginia schools is based on the Standards of Quality (SOQ) as set out under the Code of Virginia, Section 22.1-253.13:1 Standard 1: Instructional programs supporting the Standards of Learning and other educational objectives. The standards set out the minimum requirement to ensure the fundamental goal of the public schools in the Commonwealth, which is to "enable each student to develop the skills that are necessary for success in school and preparation for life." The General Assembly and the Board of Education find that the quality of education is dependent upon the provision of:

(i). the appropriate working environment, benefits, and salaries necessary to ensure the availability of high-quality instructional personnel;
(ii). the appropriate learning environment designed to promote student achievement;
(iii). quality instruction that enables each student to become a productive and educated citizen of Virginia and the United States of America; and
(iv). the adequate commitment of other resources.

The SOQ establish minimum campus-staffing requirements that are based on prevailing practice in Virginia and academic performance. The General Assembly modifies them as needed.

Other school staffing standards exist that can assist the division in developing its own staffing formulas. The Southern Association of Colleges and Schools (SACS) is one source of staffing standards that SCPSD should consider. These standards represent a common core of expectations that help to develop and maintain quality schools. However, it should be understood that these standards are benchmarks for efficiency. These standards represent what the division should strive to meet. Each standard must be closely examined and compared against the processes in place at each school in the division. It is unlikely that every standard will adequately meet the division's needs. However, when establishing staffing formulas, the division should use these standards as a baseline and then adjust them as needed. The division should document the reasons behind any adjustment and ensure that the staffing formulas are aligned with the reengineered processes.

EXPANDING PUBLIC INFORMATION ROLE

Recommendation 1-3: Expand the public information role in the division.

The division is not effectively utilizing the coordinator of Public Information. This position fulfills more of a clerical role than what one would expect of the public information representative within a school division. In addition to clerical duties, this position performs additional duties for the superintendent as they arise, unrelated to public relations.

Communication within the division has been cited as an area of concern. The superintendent has made it one of her priorities for the 2004-05 school year to improve communication throughout the division. A number of committees have been established to facilitate team decision-making. In addition, the superintendent has mandated the use of e-mail as the primary communication tool throughout the division. Although each of these initiatives should improve communication within the division, there has been little focus on improving communication between parents, students, and community members.

The Public Information Office should upgrade the content on the website, prepare formal presentations to community organizations, and enhance the communication channels between the division, the school board, and the Board of Supervisors.

The Public Information office should administer community involvement functions. Finally, this position should take a more active role with the media. All inquiries should go through this office and the public information officer should work closely with the superintendent to keep her apprised of any and all requests from the media.

Benchmark findings underscore the importance of a positive reputation for a school division to be successful. Benchmark partners known for their reputation-management success point to consistency as a fundamental factor in building credibility and maximizing communication efforts. Effective public information offices develop key messages to emphasize when dealing with the public on how to monitor public communications to ensure message consistency, track frequency of key messages in media mentions, and utilize a variety of technologies to facilitate the transfer of consistent messages.

To concentrate on strategic communication efforts, successful school division public information offices migrate public relations information to the school division's website to satisfy many needs of the public and press by providing important school announcements, executive biographies, downloadable promotional images, economic development applications, and other communications features electronically. Many school divisions post school news, executive speeches, and board-approved talking points surrounding specific issues to help non-public relations employees deal with the public.

QUARTERLY SUMMITS WITH BOARD OF SUPERVISORS

Recommendation 1-4: Request quarterly summits between the division, school board, and the Board of Supervisors.

A lack of communication between the school division and the Board of Supervisors has contributed to a strained relationship over the years. The division and the county have taken some steps to improve their working relationship. The division met with the Board of Supervisors to discuss budgetary and construction issues on November 11, 2004. This meeting provided the opportunity for both parties to sit down and openly discuss important issues.

The Board of Supervisors is the fiscal agent for the school division. All appropriations run through Stafford County and it is very important that the county and the school division communicate effectively in establishing and meeting expectations.

Much of the historical conflict between the county and the school division can be resolved through improved communication. Summits can provide the forum to begin improving communication. By instituting a formal quarterly summit meeting, both parties can gain a clear understanding of the goals and objectives of the school division and the fiscal constraints faced by the county.

In order to successfully open the lines of communication, the following issues should be considered:

- current situation and the short and long term goals of both parties;
- impact actions that each party will have on the other;
- strategies to manage unavoidable change;
- clear expectations; and
- mechanism for monitoring results.

SUPERINTENDENT EVALUATION

Recommendation 1-5: Improve the formal evaluation process for the superintendent.

The General Assembly identifies superintendent skills that should be evaluated but does not formally require a performance evaluation be conducted. However, the school board is required, by division policy, to annually evaluate the superintendent's performance. When interviewed, school board members were highly complementary of the superintendent's progress during her tenure, and said that the lines of communication between the superintendent and the school board are informally open. However, the school board is not providing formal feedback in a timely manner, as the board did not complete the superintendent's evaluation until the October 12, 2004 board meeting. A formal evaluation process should be followed for the protection of each party. If problems occur, a written evaluation provides documentation and reduces the division's vulnerability should a problem escalate toward litigation. Conversely, positive results should also be documented to reward the superintendent for moving the division forward.

Timely evaluations act to motivate and encourage the superintendent to be a productive contributor to the success of SCPSD. Performance appraisals can be a powerful tool toward this end. An effective evaluation process can:

- increase communication;
- establish clear expectations;
- reinforce good performance;
- improve unsatisfactory performance; and
- foster a spirit of cooperation and teamwork.

The following steps can improve the effectiveness of the evaluation process and should be considered by the school board:

- hold periodic, on-going progress review of the superintendent in addition to the formal annual review;
- acknowledge good performance immediately;
- address problems as soon as they arise;
- observe and record specific examples of performance whenever they occur; and

- keep communications open.

The school board should establish a timeline for the annual review. Included in the timeline should be:

- a deadline to complete individual appraisals;
- an established evaluation date;
- a scheduled closed session to discuss evaluation; and
- a provision for feedback to the superintendent within five days following the closed session.

The superintendent created the evaluation tool used by the board. This tool should be evaluated on a regular basis to ensure that it captures the proper elements and provides measurable performance standards that are based on the needs of the division. A performance standard is a written statement that describes how well a job should be performed and identifies specific criteria that should be met. It provides a benchmark against which performance can be measured. While a job description describes the tasks to be performed, a performance standard defines how well each function or task must be performed in order to meet or exceed expectations. When measurable performance standards are in place, both the supervisor and the employee understand what the expectations are, which provides a basis for ongoing feedback and performance counseling between evaluations as well as a providing the foundation for the formal performance appraisal process itself.

Performance standards should be written in clear language, describing the specific behaviors and actions required for the employee's performance to meet, exceed, or fail to meet expectations. The performance standards should:

- Describe performance expectations in terms of timeliness (deadlines, dates), cost (budget constraints, limits), quality (subjective and objective measures of quality, quantity (how many) and any other relevant verifiable measure.
- Specify the acceptable margin for error.
- Refer to any specific conditions under which the performance is to be accomplished or assessed. For example, what training will be required, or consider what percentage of the employee's day should be dedicated to performing a specific task.

Finally, when writing performance standards, one should ensure that they are realistic; specific; based on measurable, observable or verifiable data; consistent with the division's goals; challenging, clear, and understandable; and dynamic. Performance standards should be revised on a regular basis. As the division's goals, access to technology, and operating procedures change, the expectations of the superintendent should change as well.

POLICY MANAGEMENT

Recommendation 1-6: Subscribe to the VSBA policy maintenance service and post and maintain current online policies.

The division does not post policies online. This makes it difficult for board members, staff, parents, and community members to readily access the policies. By having the policies online, school divisions can keep board members, administrators, students, parents, and the community informed of the most current policies. It also ensures that everyone has access to the same version of the policy.

SCPSD meets minimum statutory requirements for maintaining a division policy manual, but does not routinely review and revise the manual or provide sufficient guidelines for implementation. The evaluation team found examples of different versions of the same policy indicating that policy changes may not be distributed division-wide. In addition, many of the policies reviewed were outdated and no longer valid.

In the personnel section of the manual (policy section 5), individual policies are updated or inserted as laws change, but are not coordinated with existing policies in other sections of the manual. Policies do not always show the date of last review, and some do not appear to have been reviewed since the early 1990s. As an example, policy 5-6 is a statement of SCPSD's commitment to non-discrimination and equal employment opportunity. The policy was last amended in 1994 and is not consistent with the discriminatory prohibitions of the Virginia Human Rights Act. **Exhibit 1-7** compares the protected groups or conditions in the SCPSD Equal Employment Opportunity policy with those in the Virginia Human Rights Act.

Exhibit 1-7
Discrimination Policy Comparison
2004

Protected Group or Condition	SCPS Policy	Human Rights Act
Race	Yes	Yes
Color	Yes	Yes
Religion	Yes	Yes
National Origin	Yes	Yes
Sex	Yes	Yes
Pregnancy	No	Yes
Childbirth	No	Yes
Medical Conditions Related to Childbirth	No	Yes
Age	Yes	Yes
Marital Status	No	Yes
Disability	No	Yes
Political Affiliation	Yes	No

Source: Analysis of Virginia Administrative Code §2.2-3900 and Stafford County Public Schools Policy Series Five.

In discussing the exhibit with division staff, the evaluation team discovered that the Human Resources Department had made all of the proper modifications to its paperwork and were in compliance with the statute. However, the policy has not been updated.

Inconsistencies were also found between policies. For example, the statutorily driven policies for fingerprinting employees are in two separate sections of the manual and have slight variations in described procedures. Fingerprinting procedures described in manual section 5-8 were approved by the superintendent in 1995 and updated in 1997. Fingerprinting procedures described in manual section 5-49 were adopted by the board in 1991 and updated in 1997 and 2000.

Examples also exist where the policy manual references associated procedure statements, but SCPSD does not have a coordinated set of guidelines. The board policy that recognizes the federal requirements of the Health Insurance Portability and Accountability Act (HIPAA) designates the superintendent to develop procedures. HIPAA Policy and Procedures are located in the Department of Financial Services and are available upon request by contacting the director of Payroll and Benefits. Certain HIPAA documents are available on the school division website under Employee Resources.

Instruction and Technology staff updated relevant policies for sections 6 and 7 of the School Board Policies and Regulations in 2000, shortly after they were adopted by the state. However, these changes have not been updated nor presented to the board.

Many of the issues cited can be improved by posting the policies and procedures to the division's website. It ensures that everyone is using the same set of policies and eliminates the need to distribute paper replacements of policy changes.

The executive director of Administrative and Legal Services is responsible for ensuring policies are updated and presented to the board for approval. Reassigning the secretary in the department from half time to full-time, should allow for more timely updates of policy changes.

The Virginia School Board Association (VSBA) provides a policy subscription service to division school boards. The VSBA provides a generic service to subscribers. Statutory policies are regularly updated in conjunction with changes in Virginia law. One hard copy as well as a CD version is provided to the subscribing division for their own internal distribution. Local policies can be modified to meet the unique needs of the division. Subscribers can post the policies on their own website for easy access to employees. By subscribing to this service, the SCPSD can provide easier access to division policies through the internet. It can reduce or eliminate staff time and copy costs associated with distributing and maintaining four paper copies at each school and building. Most importantly, it can ensure that all policies and procedures are being carried out consistently throughout the division. It will eliminate conflicting versions of the same policy. SCPSD can also redirect current staff to develop, modify, and implement local policies and procedures to be used throughout the division.

STRATEGIC PLANNING

Recommendation 1-7: Conduct a formal strategic planning process that includes representation from all areas of the division.

The division's planning process does not ensure that division activities are directly linked to the school board's goals. In the summer of 2003, the school board revised division's mission statement:

> *"The mission of Stafford Public Schools is to challenge each student to reach his or her potential and to prepare each student to succeed in society."*

During the same retreat, the school board devised eight goals. **Exhibit 1-8** presents the SCPSD goals as set out by the school board.

Exhibit 1-8
SCPSD Goals

Goal 1	Provide educational excellence through instruction that establishes high expectations for *all* students yet recognizes the unique needs of each learner.
Goal 2	Integrate technology in support of all instruction.
Goal 3	Encourage parents and the community to increase their interest and involvement in schools.
Goal 4	Address the impact of continuing population growth by developing plans to address expanding staff, facilities, transportation, attendance zones, and instruction.
Goal 5	Provide facilities that promote student learning and community support.
Goal 6	Introduce programs to enhance employee status within the school division and the community at large so that employees are aware of their value to school and community.
Goal 7	Provide school environments where teachers are safe to teach and students are safe to learn.
Goal 8	Provide School Board leadership in advocating for adequate funding in support of Stafford County Public Schools.

Source: SCPSD, Office of the Superintendent, October 2004.

Although the division has developed division-wide goals, the strategic planning process is incomplete. Elements of the division's six-year plan are prepared and updated by separate offices within central administration. Code of Virginia, Section 22.1 – 253.13:6, Standard 6 Planning and Public Involvement states the following:

> *A: The General Assembly and the Board of Education believe that careful planning is essential for providing educational programs of high quality and that public involvement is a fundamental component of meaningful planning for public schools.*
>
> *C: Each local school shall revise, extend, and adopt biennially a division-wide six-year improvement plan, which shall be developed with staff and community…..*

In November 2004, the Virginia Board of Education endorsed a change to the Virginia Standards of Quality, Standard 6, Planning and Public Involvement, if amended by the General Assembly in the 2005 session will direct local school boards to adopt a long-range strategic plan. The evaluation team encourages the division to maintain a strong strategic planning process to ensure that it keeps its focus on meeting the short- and long-term needs of the division.

The division has attempted to establish measurable objectives for the eight school board goals. The instruction related goals do have measurable objectives associated with them, as do the technology goals. The remaining goals have less measurable objectives. The division could monitor its performance against the school board goals more consistently. Although the division attempts to adjust departmental and campus objectives annually based on the progress reported during the prior school year, there is not a consistent process in place throughout the division.

With the exception of the division's technology plan, one weakness that was found in division planning initiatives currently in place was the lack of an evaluation and monitoring component in the planning process. Additionally, the budget is not directly tied to school board goals and the program needs of the division.

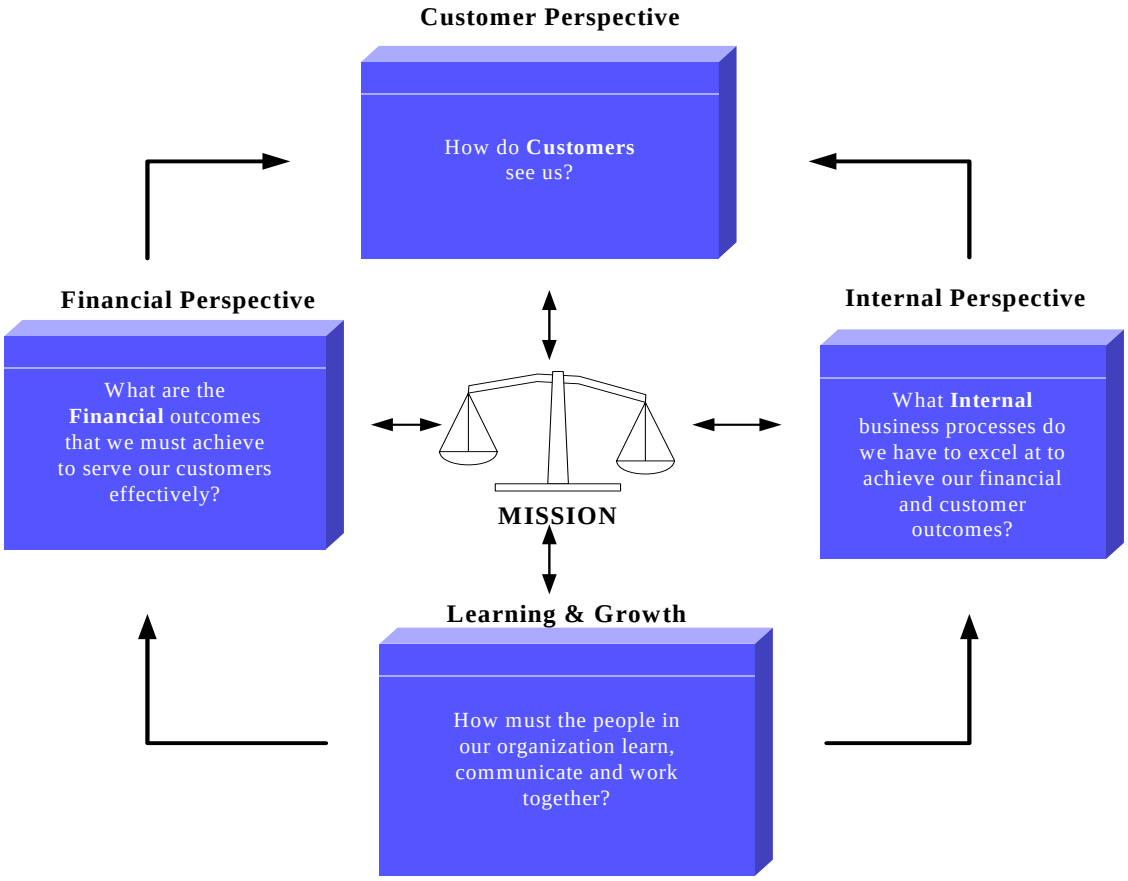
Recently, school divisions have attempted to define key performance measures that enable them to monitor the successful implementation of their strategic plan. One tool that has gained recent popularity among educational organizations is a variation of the Balanced Scorecard.

A Balanced Scorecard is a management tool that provides an integrated framework for describing and translating strategy through the use of linked performance measures for balanced perspectives: Customer, Internal Processes, Employee Learning and Growth, and Financial. It acts as a measurement system, strategic management system, and a communication tool for the organization.

Robert Kaplan, an accounting professor at Harvard University and David Norton, a consultant from the Boston area, developed the Balanced Scorecard in 1990. Previously, management relied solely on financial information, the bottom-line, to measure its performance. Over time, managers began to wonder if financial measurement provided an effective management tool. Financial measurements are historical in nature, and do not allow managers to predict outcomes or to respond quickly to changes in the business environment. The Balanced Scorecard has long been considered the domain of for-profit business. However, in recent years it has been translated and implemented in both the nonprofit and public sectors and has been found to be a valuable tool for all types of organizations.

Exhibit 1-9 illustrates what perspectives should be considered to ensure that the Balanced Scorecard plays an integral role when establishing the objectives of the strategic plan.

Exhibit 1-9
Balance Scorecard Perspectives



Source: Paul R. Niven, Balanced Scorecard: Step-by-Step for Government and Nonprofit Agencies, 2003

The strategic planning cycle does not end with the publication of the strategic plan. Ongoing strategic management must occur so that SCPSD can be poised to respond to changes in the environment and as a prelude to the next round of strategic planning. Effective strategies must be monitored and revised through vigilance, adaptability, and updates.

Implementation is the most difficult aspect of this process. The amount of effort that goes into the planning process itself can leave even the most dedicated planning team exhausted. Any implementation, by its nature, brings about change, and change is difficult. The following guidelines can help direct the implementation of a strategic plan and monitor its success:

- Stay focused on what is important and never lose sight of the mission and statutory mandates;

- Focus on early signs or indicators of success and failure and on new indicators that may be important to key stakeholders;
- Review whether the issues that guided the formulation of the original strategies are still valid; and
- Use existing review opportunities or create new ones to closely monitor the successful implementation of the plan.

Without a mechanism to track performance and monitor the value of the plan, strategic planning becomes a time consuming process that provides very little benefit. SCPSD should solicit the services of a strategic planning firm to facilitate a thorough planning process that incorporates the Balanced Scorecard.

EDUCATIONAL DELIVERY SYSTEM

Chapter 2

EDUCATIONAL SERVICE DELIVERY

BACKGROUND

The primary function of any school division is educating children. The extent to which this goal is achieved is dependent largely on the efficient use of the division's human and financial resources. The division must also have a well-designed and well-managed process for directing instruction, maintaining the curriculum, and providing the resources needed to support its programs. In addition, assessment data must be collected and used to evaluate and monitor its educational programs.

Stafford County Public Schools Division (SCPSD) provides educational services to 25,635 students in Grades PK-12 in 25 schools—four high schools, six middle schools, and 15 elementary schools. All schools in the division are fully accredited meaning that the students in each school achieved adjusted pass rates of 70 percent or above in the four content areas—English, mathematics, history/social science, and science. Margaret Brent Elementary, being a new school in 2004-5, is rated "conditionally accredited," a rating awarded to a school formed from one or more existing schools for one year pending an evaluation of the performance of the school's eligible students on Standards of Learning (SOL) or any additional tests described in state statutes. Stafford is the only school division in the greater Fredericksburg region and within its peer cluster whose schools meet all state accreditation standards.

The SOL establishes the expectations for student learning and achievement for various subjects in Grades K-12. In the four core areas of English, mathematics, science, and history/social science, state-developed tests are utilized at Grades 3, 5, 8 and in high school to determine the extent to which students have mastered the specific knowledge and skills contained in the curriculum frameworks for those subjects. Compared with students statewide, the pass rates for SCPSD students were equal to or higher at all grades in all subjects tested except in history/social science at Grade 3 and mathematics at Grade 5. SCPSD students had the highest advanced pass rate on mathematics (53 percent) and history/social science (48 percent) at Grade 3 and the lowest advanced pass rate in reading/language arts at Grade 3 (14 percent) and mathematics (16 percent) at Grade 5.

Exhibit 2-1 presents the division's 2003-04 pass rates on the SOL by grade and subject and compares them to the state.

Exhibit 2-1
SOL Pass Rates by Grade and Subject
Division and State
2003-04

Grade/ Level	Subject Area	Percent					
		Division Advanced	Division Proficient	Division Passed	State Advanced	State Proficient	State Passed
3	Rdng/LA	14	58	72	14	58	71
	History/SS	48	38	86	51	37	87
	Math	53	35	88	49	38	87
	Science	39	48	88	38	48	86
5	Rdng/LA	34	53	86	31	53	84
	History/LA	40	47	87	39	48	87
	Math	16	60	75	20	58	78
	Science	23	64	87	22	62	84
8	Rdng/LA	27	54	81	22	50	72
	History/SS	*	*	100	29	54	83
	Math	23	62	85	22	52	80
	Science	33	59	92	28	60	88
High School	Rdng/LA	28	62	90	30	60	89
	History/SS	26	61	87	27	56	83
	Math	25	61	86	23	61	84
	Science	13	73	86	12	69	81

Source: Virginia Department of Education Web Site, 2004.

A. ACHIEVEMENTS

- SCPSD is implementing *MyLearningPlan*, a web-based service for tracking professional development activities for educators, which will be used to ensure that all staff members are engaging in learning opportunities aligned with the Virginia Department of Education (VDOE) Highly Qualified Staff Development criteria.

- SCPSD actively uses inclusionary practices for its special education students.

- SCPSD effectively uses mediation practices in its special education program to reduce the number of due process hearings and special education complaints filed.

- SCPSD offers exemplary training for its teachers of students identified as gifted.

- SCPSD trained teachers to assist other instructional personnel to gain skills necessary to meet technology standards defined by the Virginia Department of Education.

- SCPSD completed an innovative project to expand students' technology skills via the creation of an infomercial.

B. RECOMMENDATIONS

Recommendation 2-1 (p. 2-10): Develop and adopt a board policy that provides direction for the management of the curriculum. Strong management policies include statements that define the curriculum, outline how the curriculum is developed, and establish the relationship between the curriculum and student assessment and between curricular priorities and development of the budget.

Recommendation 2-2 (p. 2-11): Design and implement a process that emphasizes monitoring the delivery of the curriculum as a focus for improving student achievement. Tests scores indicate a possible inconsistency between what is being taught in the classroom and what students are being tested over, particularly in Grade 3 in reading/language arts and in Grade 5 mathematics. Although when ranked against its peers, Stafford's scores are lower for Grades 3 and 5 in some of the other content areas.

Recommendation 2-3 (p. 2-14): Develop a plan for and schedule an evaluation of all division instructional programs on a rotating basis. Guidelines for program evaluation and process oversight are needed in order to help determine program effectiveness. A schedule should be developed by which all instructional programs are evaluated within a designated period of time.

Recommendation 2-4 (p. 2-15): Reorganize the reporting lines in the Instruction and Technology Department based on a more functional alignment of responsibilities. Emphasis on the assignment of staff should be placed on providing support to schools in the four content areas—reading/English Language Arts, mathematics, social science, and science. The evaluation team recommends that the division expand its testing function to include program evaluation that reports directly to the associate superintendent for Instruction & Technology. The evaluation of principals as well as providing oversight for the daily operations of schools should be assigned to this department.

Recommendation 2-5 (p. 2-20): Collect and analyze the data required for a report to the School Board on the status of the division-developed "measurable objectives." The division has objectives related to meeting student achievement goals, however, only one report has been provided to the board outlining its progress over the past two years.

Recommendation 2-6 (p. 2-20): Revise the division's strategic planning process to ensure that all schools and departments focus on common goals and measurable objectives within a single planning document. Information from a number of documents was provided regarding the division's strategic planning process, including a Capital Improvements Plan, a Technology Plan, the Division Six-year Plan, and School Board Goals and Objectives. School Improvement Plans are not consistent throughout the division and do not reference division-level planning documents.

Recommendation 2-7 (p. 2-22): Develop a written plan specifying timelines for implementing additional tracking and reporting functions of *MyLearningPlan* (MLP) and the staff responsible for training users. The MLP is currently being used for registration for division-sponsored workshops. As well as evaluating these workshops. MLP can also collect feedback and analyze the effectiveness of professional development activities through evaluations and summary forms. No specific timelines for further implementation of MLP functions exist.

Recommendation 2-8 (p. 2-23): Train principals to use the appropriate reporting features of *MyLearningPlan* and assign them first line responsibility for meeting the NCLB requirement related to "quality teachers in the classroom." The building principal is most familiar with the skills, abilities, and needs of the staff and makes most teaching assignments. He/she should have first line responsibility and authority for ensuring that professional staff meet the No Child Left Behind legislation mandating "quality teachers in the classroom." The reporting functions of MLP can greatly facilitate principals in this endeavor.

Recommendation 2-9 (p. 2-24): Train collaborative-model teachers in collaboration, co-teaching, and inclusion and ensure that the co-teachers have a daily joint planning period. The division is using a collaborative model to serve many of its special education students. This model pairs a general education and a special education teacher to co-teach academic classes. While this model meets the intent of IDEA and can work efficiently, there is inconsistency in the effectiveness of the model due to lack of training and lack of joint planning time for teachers. The evaluation team recommends that the division recruit teachers in the spring so training can take place at the beginning of the school year as part of the regularly scheduled staff development session.

Recommendation 2-10 (p. 2-25): Employ a supervisor for compliance and mandated services in the office of Special Education. The evaluation team recommends that the division write a job description for a supervisor for compliance and mandated services, which should include, but not be limited to: monitoring procedural and regulatory issues; and managing due process hearings, complaints, mediations, and manifestation determinations.

Recommendation 2-11 (p. 2-26): Request that parents sign a form during IEP meetings that allows the division permission to file for Medicaid reimbursement based on student eligibility. Of 160 students eligible for direct services in 2004–05, the division has only obtained parent permission for 25 students. The division should consider developing, with its legal counsel, a standard permission form for all parents to sign during the IEP meeting allowing the division to file for Medicaid reimbursement.

Recommendation 2-12 (p. 2-27): Provide special education supervisors with cell phones with two-way radio capabilities. Cell phones would improve communication between special education supervisors and school personnel.

Recommendation 2-13 (p. 2-27): Redefine the parameters of the FOCUS On Excellence resource teacher model. The evaluation team recommends that the division define expectations for co–teaching and develop job descriptions for FOCUS teachers.

Recommendation 2-14 (p. 2-29): Develop program in the intermediate and middle school grades to increase minority representation in the gifted program and enrollment in AP courses. Both African American and Hispanic students are underrepresented in the division's gifted program, while African American students are underrepresented in the Commonwealth Governor's School. The division should consider developing a program to identify minority and economically disadvantaged students as gifted. It would benefit the division to begin the process of identifying potential students in Grade 4. Forming partnerships with a local university and community agencies would enhance the success of the program.

Recommendation 2-15 (p. 2-30): Develop a FOCUS scope and sequence that extends the curriculum in the four core content areas and includes higher order thinking skills at the

elementary and middle school levels. The scope and sequence for the FOCUS program is in the process of being developed and is in draft form. It is important that SCPSD gifted teachers determine the extent to which general education curriculum in the four content areas should be extended. Cooperation between elementary and middle school teachers will help define a scope and sequence that extends in a logical manner from Grades K through 8.

Recommendation 2-16 (p. 2-31): Develop a standard format for FOCUS independent studies throughout the division and pair each student taking an independent study with an outside mentor. As part of serving students identified as gifted, the high school FOCUS teachers facilitate independent studies. The requirements of the independent study vary among the four high schools and the depth to which the students delve into a particular topic is not always at the level one would expect for a high school gifted program. The evaluation team recommends that the division develop a standard format for its independent study process.

Recommendation 2-17 (p. 2-32): Ensure that FOCUS teachers' primary certification is at the level in which they are facilitating instruction. The division currently requires FOCUS teachers to complete their gifted endorsement or advanced degree within three years. While the gifted endorsement or advanced degree is an all level certification, not all FOCUS teachers have their primary certification in the level at which they are facilitating instruction.

Recommendation 2-18 (p. 2-34): Expand the job responsibilities of the high school FOCUS teachers to include the teaching of advanced academic courses and co-teaching with general education teachers in addition to their FOCUS program responsibilities. Most high school FOCUS teachers do not teach additional courses in their content areas or co-teach with general education teachers in addition to their FOCUS program responsibilities.

Recommendation 2-19 (p. 2-35): Improve coordination between representatives of the departments of ESL and Special Education through regularly scheduled meetings. Currently, a need exists to enhance communication and collaboration between the departments to ensure proper identification and services for students who are limited English proficient and Special Education.

Recommendation 2-20 (p. 2-36): Use existing technology to create an electronic database for entering and reporting data about LEP students. The ESL department does not have an electronic database to report data to the state at regular intervals. The process used by SCPSD to report ESL data is manual and is vulnerable to errors.

Recommendation 2-21 (p. 2-37): Determine if LEP students have met division and state goals for academic progress and provide teachers with the results for use in instructional planning. ESL teachers need to be able to track detailed performance analyses of assessment data for use in instructional planning. This will help the division evaluate the success of its LEP program.

C. FINANCIAL IMPACT OF RECOMMENDATIONS

This chapter contains recommendations to improve the efficiency of SCPSD instructional operations. Once fully implemented, these recommendations will result in savings of $313,669 each year, representing 0.16 percent of the division's annual operating budget. The major savings opportunities are presented in **Exhibit 2-2**. Details of how the financial impact was calculated can be found in Appendix C.

Exhibit 2-2
Summary of SCPSD Savings Opportunities

Functional Area	Recommendation	Annual Savings
Education Service Delivery	Increase Medicaid reimbursements	$172,154
	Expand responsibilities of High School Focus teachers	$141,515
Total Annual Savings		$313,669
Percent of annual operating budget		0.16%

Source: Gibson Consulting Group.

This chapter also includes recommended investments by SCPSD, intended to improve instructional efficiencies to ensure the best quality education will be provided to the division's student. If savings cannot support these investments in the short-term, then the division should request additional investment funds from the county, or delay the implementation if the investment does not yield future savings.

The recommended investments are listed below:

1. Reorganize reporting lines in Instruction & Technology. Annual investment: $415,813.

2. Add supervisor of compliance and mandated services in special education. Annual investment: $84,412.

3. Provide special education supervisors with two-way radios. Annual investment: $2,160. One-time investment for the acquisition of the cell phones of $320.

If all recommendations found in this chapter are implemented, the net annual costs to SCPSD will be $188,716 or 0.10 percent of the division's operating budget. The net annual costs do not include the one-time investments of $320.

D. DETAILED ACHIEVEMENTS

STAFF DEVELOPMENT USE OF TECHNOLOGY

Recognizing that the NCLB emphasis on highly qualified teachers makes it necessary to more closely monitor professional development, in June of 2003, SCPSD set the following measurable objective:

> *"By the end of the 2003-2004 school year, 100% of teachers in core subjects will participate in an intensive professional development program of study, application, and reflection in content and pedagogy to enhance student achievement in the core subject areas."*

In an internal review of the professional development program in 2001-02, subject area coordinators and supervisors indicated that there was no way to reliably track the teachers' professional development activities. In addition, less than 40 percent of the professional

development opportunities offered through SPCSD Professional Development program were in core subject area content or pedagogy.

As a result, the division identified a need to redefine the professional development program to better track and monitor the professional development of teachers. This would, in turn, provide administrators with the necessary information to advise and assist teachers in developing their growth plans in compliance with NCLB. In response to this need, the division selected and purchased *MyLearningPlan* (MLP), a user-friendly, comprehensive, and cost effective internet service that helps organizations manage professional development. There are tools for monitoring and managing enrollment for each activity. Administrators and teachers can view professional development offerings. The program can pre-register participants, manipulate wait lists, print sign-in sheets, check participant status and more. Activity information and reports can be viewed by participant, activity, instructor, etc.

SPECIAL EDUCATION INCLUSIONARY PRACTICES

SPCSD uses a number of practices that promote inclusion for its special education students. First, the division uses a collaborative model to serve many of its special education students, particularly at the secondary level. This model pairs a general education teacher and a special education teacher to co-teach classes. Second, the division is piloting a collaborative model to meet the needs of students with developmental disabilities and mild mental retardation. A special education teacher who has certification in the disability area serves as the case manager. Currently, there are four pilot sites: Falmouth, Ferry Farm, Barrett, and Moncure Elementary Schools. The division plans to expand this model to other elementary campuses. Third, approximately 97 percent of the special education students access the general education curriculum. Of the 2,725 students served in special education during 2003–04, 25 were exempt from either the Virginia Alternate Assessment Program (VAAP) or the Standards of Learning (SOL), 50 took the VAAP, and 2,650 took the SOL. In 2004, 71 percent of special education students were served in general education classes more than fifty percent of the day. Finally, the majority of special education students attend their home schools. In 2004, 2,777 students were served in the special education program, with 86 percent attending their base school.

SPECIAL EDUCATION MEDIATION PRACTICES

SPCSD's mediation practices in its special education program have resulted in a decrease in the number of due process hearings and special education complaints that have been filed. Due process hearings are impartial procedures used to resolve disagreements over issues related to special education services that arise between a parent and a school division. Special education complaints are typically expressions of some disagreement with a procedure or a process regarding special education programs or services. A formal complaint is a request that the alleged violation be investigated. The difference between these two is that due process hearings are likely to involve disputes between the parent and the local school division over the appropriateness or nature of the student's program or services, while a complaint usually involves a review of the alleged procedural violations. Both are handled at the state level. The DOE prefers that special education issues be resolved at the local level. For this reason, the state has set up a mediation process and will provide the division with a neutral, trained impartial mediator to assist in the process.

The division has made conducting more informal mediations for its special education program a priority. Supervisors of special education serve as mediators in their areas of expertise. **Exhibit 2-3** presents the number and percent of due process hearings and special education complaints filed

and the number of mediations for SCPSD from 2002 through 2004. SCPSD had no special education complaints filed in 2003–04. While mediation cases increased slightly, the VDOE prefers that mediation be used before a complaint or due process is filed.

Exhibit 2-3
Number of SCPSD Special Education Students, Due Process Hearings, Special Education Complaints and Mediations
2002 Through 2004

Year	Special Education Students	Due Process Hearing	Special Education Complaints	Mediation Cases	Total
2001–02	2,169	3	4	2	9
2002–03	2,589	1	4	1	6
2003–04	2,721	2	0	3	5

Source: SCPSD, Office of Special Education, October 2004.

GIFTED EDUCATION TRAINING

SCPSD offers exemplary training for its teachers of students identified as gifted. Full-time teachers of gifted students are required to have the add-on endorsement or advanced degree in gifted education within three years of their assignment. All but two FOCUS teachers have either an endorsement or an advanced degree in gifted education, and both are currently completing one or the other.

Part-time teachers of gifted students include classroom teachers in Grades K-8 with identified gifted students; high school teachers who teach advanced, Honors, Advanced Placement (AP), and Dual Enrollment courses; part-time teachers in the Commonwealth's Governor's School; elementary, middle, and high school art teachers with students identified as gifted in the visual arts; and the FOCUS art teacher. Training for part-time teachers consists of county-level training in gifted characteristics, identification and differentiation techniques. The supervisor of accelerated programs has a small budget for full- or part-time teachers to attend workshops or conferences outside the county.

The division now requires all teachers teaching in the Commonwealth Governor's School to have an endorsement or advanced degree in gifted education by their second teaching year and has contracted with Mary Washington College to provide the endorsement classes. In addition, all teachers of Advanced Placement courses are required to attend a three-day AP institute.

TECHNOLOGY TRAINING RESOURCES FOR INSTRUCTIONAL PERSONNEL

Technology training provided by Technology Lead Teachers (TLT) is available to instructional personnel to ensure that they gain skills necessary to use technology effectively and fulfill technology standards defined by the State Board of Education (BOE). In addition to teaching responsibilities, more than 200 TLTs provide after-hours training in basic technology knowledge to instructional personnel as part-time technology trainers. All division teachers completed the basic technology training by the end of school year 2003-04. The primary technology taught in the basic training included Microsoft Office application use and email. The ongoing technology training is now focusing on assisting teachers in integrating technology into curriculum.

A component of the overall technology plan to enhance instructional technology is the Technology Resource Teacher (TRT) demonstration project. The project is designed to improve student performance through best practice in technology integration and to cultivate a climate that supports seamless integration of technology into professional practice.

The primary purpose of the TRT program is to help teachers develop the insights, knowledge, and skills they need to become effective classroom and school leaders and, as a result, better able to improve student learning. The TRT is a full-time technology trainer who works with administrators and teachers in the use of technology as a means of improving communications, task efficiency, data-driven decision making, instruction, and, in the end, student performance. The demonstration project is piloting three TRTs, and, if project goals are met, one TRT will be assigned to each campus.

INFOMERCIAL PROJECT

A project was conducted to expand students' technology skills while gaining an understanding of the difference between infomercials and advertisements. The project allowed students to work cooperatively to create a 30-second presidential candidate infomercial. Working in groups of three or four, the students selected a candidate and made use of the Internet and other public information sources to find information to support the candidate they selected. The students used a storyboard to develop their infomercial based on their research findings. Using the storyboard, a script was written and designs created for scenes, props, costumes, and their individual roles. Suggestions and directions were provided by a TRT to assist the students with the filming of the infomercial. After filming was completed, the students edited the video clips, recorded narration and added titles, transitions and other elements. Outcomes of the project included:

- understanding the purpose of infomercials;
- learning the difference between infomercials and advertisements;
- using video as a format to communicate effectively;
- raising awareness about political issues;
- demonstrating creative thinking and problem-solving skills;
- working cooperatively in small groups;
- thinking twice about the right to vote and the possible impact of those actions; and
- expanding technology skills.

E. DETAILED FINDINGS AND RECOMMENDATIONS

MANAGEMENT OF THE CURRICULUM

Recommendation 2-1: Develop and adopt a board policy that provides direction for the management of the curriculum.

SCPSD maintains a policy manual with one section, or series, devoted to instruction. Each policy in the section is formatted similarly—general statements related to the topic or policy area followed by legal references, usually including the *Code of Virginia* and *Regulations of the Virginia Board of Education.* In addition to general information, the section on instruction includes "articles" on schedules, curriculum development and evaluation, instructional programs, extracurricular activities, instructional arrangements, building-wide and division-wide services, tests and measurements, and curriculum extensions. The article on curriculum development and evaluation includes general information, curriculum scope and sequence, curriculum guides, experimental and innovative programs, evaluation of the instructional program, and multicultural education.

Several SCPSD board policies reference one or more of these key elements.

- Policy 6-15, Curriculum Development: Generally speaks to providing "adequate quantities of necessary instructional materials" based on the financial limits of the division. It also stipulates that "a planned program of evaluating the educational program" is to be established and maintained.
- Policy 6-17, Curriculum: Scope and Sequence adequately defines the scope of the curriculum in referencing various sections of the Code of Virginia.
- Policy 6-18, Curriculum Guides indicates that guides are to be maintained in "all subject and instructional areas," are to be periodically revised, and must reflect the Virginia SOL.
- Policy 6-59, Assessment of Students, and related policies 6-60 through 6-62, outline the various assessment strategies to be used to assess student learning but fail to indicate how the assessment data is to be used to improve instruction.

It is recommended that the SCPSD school board develop and adopt a curriculum management policy that provides direction for curriculum related issues. Elements to consider in the development of a comprehensive policy on curriculum management include the following:

- purpose and definition;
- curriculum philosophy and beliefs;
- expectation of a written curriculum and the process of its development;
- use of student assessment data;
- purpose and use of curriculum guides/documents and the development cycle;
- professional development/training;
- roles and responsibilities of the Board of Education and all staff with instructional responsibilities; and
- the relationship between curricular priorities and budget development.

MONITORING DELIVERY OF CURRICULUM

Recommendation 2-2: Design and implement a process that emphasizes monitoring the delivery of curriculum as a focus for improving student achievement.

SOL pass rates of SCPSD students compared favorably to statewide pass rates. The comparison is less favorable, however, when the comparison group is the eight divisions in its cluster although the differences in percentages among the divisions in some instances may not be large. At Grade 3, the 2003-04 pass rates of SCPSD students were the second lowest among peer divisions in reading/language arts, history/social science, and mathematics and the fourth highest in science. At Grade 5, SCPSD pass rates were fourth lowest in reading/language arts and science, second lowest in history/social science, and lowest in mathematics. SCPSD student's pass rates compared more favorably at the secondary level, particularly at Grade 8. At that grade, the division's students had the highest pass rates among the nine divisions in reading/language arts and history/social science and the third highest in science. However, the pass rates in mathematics at Grade 8 were fifth lowest among the divisions. At high school, the pass rates of SCPSD students were second, third, and fourth highest in science, history/social science, and reading/language arts, respectively, but the fourth lowest in mathematics.

Exhibit 2-4 presents the 2003-04 Grade 3 pass rates for the division, its peers, and the state.

Exhibit 2-4
SOL Pass Rates Grade 3
SCPSD, Peer Divisions, and State
2003-04

		SOL Pass Rates			
Grade	**Division**	**Reading/ Language Arts**	**History/ Social Science**	**Mathematics**	**Science**
3	Arlington	70	86	89	86
	Chesapeake City	74	92	91	89
	Chesterfield	78	93	93	92
	Fairfax	76	90	91	88
	Henrico	81	95	89	92
	Prince William	73	91	90	87
	Spotsylvania	72	85	83	85
	Stafford	**72**	**86**	**88**	**88**
	Virginia Beach	77	91	90	87
	State	**71**	**87**	**87**	**86**

Source: Virginia Department of Education Web Site, 2004.

Exhibit 2-5 presents the 2003-04 Grade 5 pass rates for the division, its peers, and the state.

Exhibit 2-5
SOL Pass Rates Grade 5
SCPSD, Peer Divisions, and State
2003-04

Grade	Division	SOL Pass Rates			
		Reading/ Language Arts	History/ Social Science	Mathematics	Science
5	Arlington	84	85	79	86
	Chesapeake City	86	88	85	88
	Chesterfield	92	92	89	92
	Fairfax	90	89	83	87
	Henrico	87	91	83	87
	Prince William	85	89	80	85
	Spotsylvania	83	87	76	77
	Stafford	**86**	**87**	**75**	**87**
	Virginia Beach	88	91	85	90
	State	**84**	**87**	**78**	**84**

Source: Virginia Department of Education Web Site, 2004.

Exhibit 2-6 presents the 2003-04 Grade 8 pass rates for the division, its peers, and the state.

Exhibit 2-6
SOL Pass Rates Grade 8
SCPSD, Peer Divisions, and State
2003-04

Grade	Division	SOL Pass Rates			
		Reading/ Language Arts	History/ Social Science	Mathematics	Science
8	Arlington	73	80	83	89
	Chesapeake City	75	75	87	94
	Chesterfield	80	89	88	91
	Fairfax	81	66	89	93
	Henrico	76	83	78	90
	Prince William	77	87	83	89
	Spotsylvania	73	75	75	88
	Stafford	**81**	**100**	**85**	**92**
	Virginia Beach	78	98	87	92
	State	**72**	**83**	**80**	**88**

Source: Virginia Department of Education Web Site, 2004.

Exhibit 2-7 presents the 2003-04 high school pass rates for the division, its peers, and the state.

Exhibit 2-7
SOL Pass Rates High School
SCPSD, Peer Divisions, and State
2003-04

Grade	Division	SOL Pass Rates			
		Reading/ Language Arts	History/ Social Science	Mathematics	Science
High School	Arlington	90	82	86	76
	Chesapeake City	85	86	90	83
	Chesterfield	93	87	84	83
	Fairfax	93	94	88	84
	Henrico	94	93	90	88
	Prince William	88	80	80	77
	Spotsylvania	87	82	76	79
	Stafford	**90**	**87**	**86**	**86**
	Virginia Beach	90	87	87	85
	State	**89**	**83**	**84**	**81**

Source: Virginia Department of Education Web Site, 2004.

The division has a well-developed set of curriculum guides available to teachers on a compact disk. In reading/language arts, history/social science, mathematics, and science, a curriculum framework details the knowledge and skills students are expected to learn or acquire, and are covered in the SOL assessments. The less than expected performance of SCPSD students on those tests suggests that the material being tested may differ from what students are being taught, particularly in Grade 3 in reading/language arts and in Grade 5 mathematics. Although when ranked against its peers, Stafford's scores are lower for Grades 3 and 5 in some of the other content areas.

An important component in developing a comprehensive system for managing the curriculum is to ensure that there is an effective process in place for monitoring what is being taught and how the curriculum is being delivered. To achieve this, it is recommended that the division design a process for monitoring the curriculum that includes, but is not limited to, the following:

- incorporating a comprehensive review of lesson plans into the instructional monitoring cycle to ensure that instructional planning is occurring;
- requiring principals to correlate their monitoring plans more directly to SOL results and have the plans reviewed and feedback provided by the appropriate instructional personnel;
- requiring principals to informally conference with teachers and teams of teachers on a regularly scheduled basis as a means of encouraging two-way communication regarding the teaching/learning process;
- directing principals to become more actively involved with instructional personnel in plan development and in the selection of professional development opportunities, particularly those most likely to contribute to improved student performance;

- conducting additional professional development training for principals on disaggregating of data and how to communicate that data in ways most useful to teachers; and
- requiring central office instructional staff to visit schools and classrooms regularly for the purpose of informally observing instruction and providing assistance to school-based personnel.

EVALUATION OF INSTRUCTIONAL PROGRAMS

Recommendation 2-3: Develop a plan for and schedule an evaluation of all division instructional programs on a rotating basis.

The division does not evaluate its instructional programs to ensure that they are meeting established goals and objectives, or to ensure that the programs are cost effective. Program evaluation in SCPSD is limited to those required by external funding sources. As with all divisions in Virginia, the SOL tests are used to assess student progress relative to the content embedded in the SOLs. However, there is only a limited formal linkage between the use of the state assessments and the evaluation of division programs. No documentation was provided to the evaluation team to indicate that student assessment data of any kind is used to assess program effectiveness.

The primary reason for conducting program evaluation is to collect information or data that will lead to informed decisions about programs. Knowing the extent to which a program is meeting its goals will assist in determining what program modifications, if any, are necessary. Concerns related to accountability, funding limitations, and added requirements from state and federal agencies have led to a greater emphasis on program evaluation.

The steps in developing an effective program evaluation process require deliberate and thoughtful planning to ensure that efforts lead to improvement. Guidelines and procedures must be developed early in the process to ensure that the evaluation is sufficiently comprehensive for its intended purpose. The process involves gathering information so that decisions will be supportable and applying accepted criteria to the data collected in order to arrive at justifiable decisions. It must be completed systematically and recorded in a manner that ensures the process can be replicated. The results must be communicated clearly and accurately so that decisions related to program continuation and resource allocation can be made.

The evaluation team recommends that the division develop and implement procedures and processes for evaluating all instructional programs on a rotating basis and that the results of the evaluations be provided decision-makers. At a minimum, the steps in the process should include determining the purpose of the evaluation, designing the scope of the evaluation, collecting and analyzing needed data/information, and reporting and interpreting the findings. It is also recommended that a schedule be developed by which all programs will be evaluated within a specified period of time with the results made available to the superintendent and school board in conjunction with budgetary and other decisions that impact programs. The responsibility for program evaluation should be assigned to the new office of Testing and Program Evaluation (see recommendation 2-4).

REORGANIZATION OF THE INSTRUCTION AND TECHNOLOGY DEPARTMENT

Recommendation 2-4: Reorganize the reporting lines in the Instruction and Technology Department based on a more functional alignment of responsibilities.

An assistant superintendent provides leadership for the division of Instruction with support provided by department heads for instructional services, special education, career and technical education, and instructional technology and information. An executive director provides leadership for instructional services and directors have administrative responsibility for the other three departments. Major responsibilities in instructional services include professional development, elective programs, Head Start, humanities and literacy, student services, accelerated programs, mathematics and science, and alternative programs. Principals, who currently report to and are evaluated by the superintendent, provide leadership for the instructional program at the building level.

The sections within Instruction and Technology Department and the major responsibilities of each are indicated in **Exhibit 2-8**.

Exhibit 2-8
Departments, Administrators, and Areas of Oversight
Division of Instruction
July 2004

Department/Office	Administrator	Areas of Oversight
Instructional Services	Exec Director	
Professional Development	Coordinator	Professional Development
Elective Programs	Supervisor	Health, Physical Education, Drivers Education K-12; Fine and Performing Arts K-12; Textbooks; Media Specialists K-12*
Head Start	Supervisor	Head Start-related programs
Humanities and Literacy	Supervisor	Social Studies K-12; Foreign Language and ESL K-12; Elementary Education K-5; Reading Specialists K-8
Student Services	Supervisor	SOL Testing; Achievement/Aptitude Testing; Strong Students/Safe Schools; Counselors K-12*; Nurses K-12*
Accelerated Programs	Supervisor	English 9-12; Gifted Resource Teachers K-12; Advanced Placement; Commonwealth Governor's School; Character Education K-12; Summer School 8-12; Verified Credit and Remediation Initiatives
Mathematics and Science	Supervisor	Science K-12; Mathematics K-12; Algebra Coaches*; Math Specialists*
Alternative Programs	Administrator	Attendance Services; Regional Alternative Education; Middle School Alternative Education; Homebound Instruction; Safe- and Drug-Free Schools
Special Education	Director	
Preschool and Elementary Programs	Supervisor	Elementary Schools (4); Child Find; Early Childhood; Occupational/Physical Therapy
Elementary Programs	Supervisor	Elementary Schools (11); Psychologists
Middle School Programs	Supervisor	Middle Schools; Behavior Specialist; Autism; Social Workers
High School Programs	Supervisor	High Schools; Transition and Reading Specialists; Alternative Placements; Job Coaches
Career and Technical Education	Director	Adult Education; Partnerships' Program
Career and Technical Ed	Coordinator	Career and Technical Education
Building Bright Futures	Specialist	Building Bright Futures
Service Learning	Specialist	Service Learning
Instructional Technology and Information Services	Director	
Network and Technology Support	Supervisor	Network
Technology Projects and Planning	Supervisor	Technology Initiatives; Technology Planning
Computer Information Services	Manager	Main Frame; Systems Analysis; Computer Support; Records Management
Computer Repair Services	Manager	Computer Repair
Instructional Technology	Coordinator	
Assistive Technology	Coordinator	

Source: SCPSD Organizational Charts, July 2004.
**Program coordination only. Personnel report to principals at assigned schools.*

The current organization, effective beginning July 2004, balances responsibilities within the instructional services department among supervisory staff but does not assign staff in a manner

that maximizes services to schools especially in the four content areas. In some instances, content area responsibilities are divided between two supervisory personnel. In other situations, there are too few personnel available to assist schools, resulting in limited visitations to schools by some content area specialists. Memoranda and emails are the major means of communicating with teachers and other instructional personnel in the schools.

The evaluation team recommends that two positions be created to provide assistance and support to principals on daily operations and to conduct the principal evaluations that are now performed by the superintendent. One position will be responsible for elementary principals and one for secondary principals. Additionally, it is recommended that the title of assistant superintendent for Instruction and Technology be changed to associate superintendent for Instruction and Technology. A more detailed description is provided in recommendation 1-1 of the Division Leadership, Organization and Management chapter of this report.

In instructional services, the evaluation team recommends that the division place its emphasis on providing support for the four SOL-assessed content areas—reading/language arts, mathematics, history/social science, and science. Personnel associated with those areas should be assigned to one of two current supervisors—humanities and literacy or mathematics and science. Certain other personnel or functional areas should be reassigned. Program evaluation and student testing have not been provided the support needed to monitor and track the effectiveness of the division's instructional programs.

Exhibit 2-9 provides detail of the recommended reassignment of responsibilities within the Instruction and Technology Department. No departmental changes are recommended for career and technology education or instructional technology and information services. The evaluation team is, however, recommending that one additional position be created in special education. This position and the justification behind its creation is discussed in greater detail in recommendation 2-10.

Exhibit 2-9
Recommended Changes to Instructional Services
Division of Instruction

Department/Office	Administrator	Areas of Oversight
Curriculum & Instruction	**Executive Director**	
Humanities and Literacy	Supervisor	• English 9-12 (reassign from Accelerated Programs). • Add one (1) English/LA position. • Add one (1) History/Social Science position. Total: Add two (2) professional positions
Mathematics and Science	Supervisor	• Elementary Education (reassign from Humanities and Literacy). • Add one (1) science position. • Algebra coaches • Math specialists Total: Add one (1) professional position.
Elective Programs & Support Services	Supervisor	• Health, Physical Education, Drivers' Ed • Foreign Language and ESL (reassign from Humanities and Literacy) • Fine Arts • Counseling and Health Services (reassign from Student Services; program coordination only) Total: No additional positions.
Accelerated Programs	Supervisor	• Gifted Resource Teachers • Advanced Placement Programs • Commonwealth Governor's School • Character Education • Summer School (all levels) • Verified Credit and Remediation Initiatives Total: No additional positions.
Career and Technical Education	Director	• Adult Education • Career and Technical Education • Partnership Programs • Building Bright Futures • Service Learning Total: No additional positions.
Instructional Technology & Information Services	**Executive Director**	
Instructional Technology	Coordinator	• Technology Resource Teachers • Assistive Technology
Data Services	Manager	• Student Information Systems • Business Systems • Records Management

Exhibit 2-9 (Continued)
Recommended Changes to Instructional Services
Division of Instruction

Department/Office	Administrator	Areas of Oversight
Network and Computer Repair	Supervisor	• Computer Repair Services
Technology Project and Planning	Supervisor	• Technology Initiatives • Technology Planning
Special Programs	**Executive Director**	
Special Education	Director	• Supervisor Preschool and Elementary Programs, Child Find, Early Childhood, Occupational and Physical Therapists • Supervisor Elementary Programs, Psychologists • Supervisor Middle School Programs, Behavior and Autism, Social Workers • Supervisor High School Programs, Transition, Alternative Placements, Reading Specialist • Add one (1) supervisor Compliance and Mandated Services (see recommendation 2-10) Total: Add one (1) additional position.
Alternative Education	Administrator	• Regional Alternative Education • Middle School Alternative Programs • Turning Point • Homebound Education • Safe and Drug-Free Schools • Strong Students/Safe Schools (reassign from Student Services). Total: No additional positions.
Head Start	Supervisor	• All Head Start-related functions. Total: No additional positions.
Testing & Program Evaluation	**Executive Director**	
Program Evaluation	Supervisor	• Instructional program evaluation • Add one (1) professional position • Add one (1) clerical position Total: Add one (1) professional position and (1) clerical position.
Testing	Supervisor	• SOL Testing • Achievement/Aptitude Testing • Add one (1) clerical position Total: Add one (1) clerical position.
Professional Development	Coordinator	• Certification/license renewal (reassign clerical position currently reporting to executive director). • Grants administration. Total: No additional positions.

Source: Gibson Consulting Group, Inc., October 2004.

REPORT ON SUCCESS OF DIVISION-DEVELOPED MEASURABLE OBJECTIVES

Recommendation 2-5: Collect and analyze the data required for a report to the school board on the status of the division-developed "measurable objectives."

At various times during the past two years, the division has publicly communicated a number of objectives with measurable outcomes and timelines. In fall 2002, Instruction personnel developed and presented 15 "measurable objectives," seven of which were related to student achievement. No report on the department's success in meeting those objectives has been given to or requested by the school board or the superintendent. The presentation is currently posted on the division's website.

In October 2003, the school board approved a document entitled, "School Board Goals and Measurable Objective, School Year 2003-04." The document contained eight goals of which two were instruction-related:

- provide educational excellence through instruction that establishes high expectations for all students yet recognizes the unique needs of each learner were instruction-related**,** and
- integrate technology in support of all instruction.

Nine measurable objectives were developed to support the first goal and five for the second goal, some of which were different from those contained in the fall 2002 presentation. A 45-page report, "2003-2004 Final Summary Review," was presented to the school board on August 2, 2004. It contained a listing of activities related to each of the 15 objectives set out in October 2003 but did not include quantifiable data to support whether any of the objective had been met. The evaluation team received both a copy of the final summary review for 2003-2004 and a copy of the student achievement progress report made to the board on October 14, 2004. However, this was the first such report to the school board.

It is recommended that data be collected and a report prepared outlining the extent to which the division has been successful in meeting each of the measurable objectives presented since fall 2002.

DIVISION SIX-YEAR PLAN/SCHOOL IMPROVEMENT PLAN DEVELOPMENT

Recommendation 2-6: Revise the division's strategic planning process to ensure that all schools and departments focus on common goals and measurable objectives within a single planning document.

Virginia statute requires each school division to "revise, extend, and adopt biennially a division-wide six-year plan." Standard 6 of the Virginia *Standards of Quality*, supported by Board Policy 2-18, specifies that the division's plan shall include:

- the objectives of the school division;
- an assessment of the extent to which these objectives are being achieved;
- a forecast of enrollment changes;
- a plan for managing enrollment changes including consideration of the consolidation of schools to provide for a more comprehensive and effective delivery of instructional services to students and economies in school operations;

- an evaluation of the appropriateness of providing certain regional services in cooperation with neighboring school divisions;
- a technology plan, designed to integrate educational technology into the instructional programs of the school division, including the school division's career and technology education programs, consistent with the six-year technology plan for Virginia adopted by the school board; and
- an assessment of the needs of the school division and evidence of community participation in the development of the plan.

Upon approval of the division's six-year plan by the BOE in February, each school in the division is required to align its school improvement plans (SIP) to "each" goal and strategy contained the division's plan. Completed SIP's are due to the superintendent in August. A report must be presented to the school board by November 1 of each odd-numbered year indicating the extent to which the division's objectives were met during the previous two years. SCPSD currently fulfills these requirements through its use of school board goals and objectives and separate documents for enrollment forecasting, capital improvements planning and technology planning. Division staff reports on the status of these individual plans to the board annually. However, while the division is to be commended for its annual preparation of goals and objectives and planning documents, it appears that the plans are prepared independently of each other.

A review of the 2003-04 SIPs developed by division schools found that no common format was used in developing the documents, nor did the documents address the goals and strategies set out in the division's Six-Year Plan. One high school improvement plan, for example, used a format with the following column headings with only limited notations regarding what data or information was to be provided in each area:

- *action strategies*: usually completed with a single phrase, such as "Use DOL (Daily Oral Language)";
- *person(s) responsible for implementing strategy*: usually "teachers" or a staff member's name;
- *resources needed to complete task*: one-word response such as "agenda" or "maps";
- *budget implications*, mostly blank;
- *dates of Activity (start to end):* in some cases only the year (e.g., 03-04) was indicated;
- *monitoring dates and indications*: almost all were listed as "Nov 03, Feb 04, April 04 and June 04; and
- *SACS Target Area:* all listed as "SOL" or "#1 increase SOL."

Only limited references were made to any of the goals and strategies contained in the division's six-year plan.

A second high school used a format that targeted one or more division goals but, while a much more complete document in terms of the information/data provided, did not specifically address any of the division strategies or link the school's goals to those in the six-year plan. Similar variances exist in the SIP's developed by both the middle and elementary schools.

Division staff is making efforts to streamline the strategic planning process. Beginning in 2001, a division six-year planning committee made up of representatives from each of the eight school board advisory committees proposed a focused framework for division planning. That document, adopted by the school board in February 2002, established four target areas: Student Attendance and Achievement; School Climate and Safety; Professional Development; and School and

Community Relations. In July 2003, the SCPS school board incorporated these target areas into eight long-range goals: Educational Excellence; Technology Integration; Parent Community Involvement; Planning for Continued Population Growth; Enhancing Employee Value; Safe School Environments; and Advocating for Adequate Funding. In October 2004, the school board received its first substantive report of student achievement data as a result of the board's adoption of goals and objectives in 2003.

In November 2004, the BOE endorsed a change to the Virginia Standards of Quality. Standard 6, Planning and Public Involvement, if amended by the General Assembly in its 2005 session, will direct local school boards to adopt a long range strategic plan. The evaluation team encourages the division to continue its progress toward establishing measurable goals and objectives, refining goals and objectives as necessary, and reporting to the community the status of efforts on an annual basis. As discussed in Recommendation 1-7, the school board is encouraged to develop a comprehensive strategic plan that incorporates student achievement outcome expectations, comprehensive planning for a growing enrollment, and the use of technology tools for instruction, administration, and data analysis.

The review team also encourages the division to adopt a common school improvement planning document. Each school should be expected to incorporate school board goals and objectives within its plan and to tailor those goals and objectives to individual school needs as identified by the school planning committee. Each school should consider student achievement outcomes when developing these plans.

EXPANDED USE OF *MyLearningPlan*

Recommendation 2-7: Develop a written plan specifying timelines for implementing additional tracking and reporting functions of *MyLearningPlan* and the staff responsible for training users.

MyLearningPlan (MLP) was initiated in 2004. The components currently being used are for registration and evaluation of division-sponsored workshops. MLP has a great capacity for improving professional development efficiency. The professional development staff can view one of the built-in system reports, use the Report Designer to create their own report, or download data for further use. Online forms such as those for reimbursement and the proposal of activities can be customized to collect information and automatically route registration online through the division approval process. The design and customization of online forms and workflow enables school divisions to go paperless and save the cost of printing forms. In addition, full implementation of MLP can support the division's three core pillars for technology as stated in the division's Integrated Technology Plan: effective integration of technology into instruction, data-driven decision making, and enhanced communication, both internally and externally. At the time of the review, there was no specific timeline for further implementation of MLP functions although staff indicated that online approval and tracking for professional development offerings such as college credit and conferences would probably be implemented over the next two years.

Any rollout of additional functions would require training of the users and affected departments, and an implementation plan to outline the kinds of training needed and to identify who will provide the training. There has been discussion regarding the appointment of a steering committee whose primary purpose would be to articulate a three- to five-year plan for professional development. A decision has not been made, however, on whether the committee

would have the authority to make recommendations that might require budget allocations and/or require collaboration/cooperation with other departments, such as technology.

The evaluation team recommends that the division use the Technology Lead Teachers (TLT) and/or the Technology Resource Teachers (TRT) already in place to train all professionals to use the new modules as they are rolled out. It is also recommended that a professional growth steering committee be appointed with representation from all affected groups, such as principals, technology, etc.

PRINCIPAL TRAINING RELATED TO *MYLEARNINGPLAN*

Recommendation 2-8: Train principals to use the appropriate reporting features of *MyLearningPlan* and assign them first line responsibility for meeting the NCLB requirement related to "quality teachers in the classroom."

The growth in SCPSD professional staff as well as an increased federal, state, and local emphasis on professional development requires principals to be more actively involved in identifying the professional development needs of the professional employees they supervise. SCPSD regulation R 5-49.6 requires that, prior to October 15 of each year, each licensed/professional employee shall conference with his/her principal or designee and determine the appropriate plan necessary to facilitate his/her professional development. During these conferences, principals have the opportunity to ensure that the goals and objectives of the individual are aligned with those of the building and division.

Currently, central administration is responsible for license renewal and certification activities. The Professional Development coordinator meets with provisional teachers and those up for renewal each year to ensure they meet the state requirements. In addition to the license renewal responsibilities, the Professional Development coordinator is responsible for all division professional development. The duties of this position include tracking compliance issues, identifying needs, and arranging courses/training as appropriate. Additional duties include creating the professional development course catalog, scheduling courses and speakers, and tracking attendance and participation. The current staffing for license renewal for approximately 2,000 professionals is the same as it was 12 years ago when there were approximately 600 licensees. While the use of technology has helped with reporting and tracking, the number of phone calls, emails, and volume of paperwork for outside conferences and workshops continues to increase.

The reporting functions of *MyLearningPlan* will greatly assist principals in tracking professional development for their staff. Both principal and professional can view a summary of current activities on the Learning Plan screen or view detailed records on a Portfolio Screen. Portfolio views enable staff to view completed activities by division-defined purposes (i.e., those activities completed towards recertification or to meet a specific in-house requirements). Staff can even view or print Adobe Acrobat PDF completion certificates automatically generated when an administrator grants final credit.

The evaluation team recommends that the building principal, who is familiar with the skills, abilities, and needs of the staff and makes most teaching assignments, have first line responsibility and authority for ensuring that professional staff meet the "No Child Left Behind" legislation mandating "quality teachers in the classroom." The legislation specifies professional growth, appropriate licensing, certification and endorsements and advanced degrees as indicators of "quality."

SPECIAL EDUCATION COLLABORATIVE MODEL

Recommendation 2-9: Train collaborative-model teachers in collaboration, co-teaching, and inclusion and ensure that the co-teachers have a daily joint planning period.

The division uses a collaborative model to serve many of its special education students. This model pairs a general education and a special education teacher to co-teach academic classes. Currently, 377 classes are being taught using the collaborative model, most of which are at the secondary level. Recently, the division has begun piloting collaborative classes at the elementary level for students with developmental disabilities and mild mental retardation as described in the achievement section of this chapter. While this model meets the intent of IDEA and can work efficiently, its effectiveness has been inconsistent due a lack of training and of joint planning time for teachers.

Training in the collaborative model is not mandatory. Rather, the majority of training occurs on-site through the administrator designee. In 2003, the Virginia Association of School Superintendents (VASS) conducted a study of the division's Office of Special Education. A major recommendation of the study was to ensure open and clear communication between central office staff and the schools. The study pointed out that principals and assistant principals must take ownership of and connection with the special education program as part of the overall instructional program. Part of the implementation of this recommendation was to appoint administrator designees (usually an assistant principal) for each school. The central office special education staff meets two hours a month with the administrator designees, with one hour focused on instruction. The administrator designee offers training at the school level based on the needs of the campus. The VASS report emphasized giving ultimate accountability for the school's special education program to the individual school. While such autonomy is generally appropriate, some training should be mandatory. For example, training in the collaborative model should be mandatory for every teacher teaching in it.

The collaborative model loses its effectiveness when teachers lack joint planning times, a situation occurring most frequently at the high school level. Individual Education Plans (IEP) meetings are often scheduled during teachers' planning times resulting in less time for co-teachers to plan together. Administrators have difficulty scheduling teachers with joint planning periods particularly when the special education teacher is working collaboratively with more than one general education teacher.

Best practices in co-teaching state that it is a necessity to have a consistent, protected planning time so that co-teachers can incorporate information about student needs into their curriculum decisions, lesson planning, evaluation, and behavior management techniques. In addition, co-teachers should have equal status and both should have strong content knowledge. The division uses the resources of researchers who have written extensively on the collaborative model as part of its training on the collaborative process.

To ensure effective collaborative classrooms, the evaluation team recommends that teachers be recruited as a team in the spring semester. By recruiting early, training can be conducted at the beginning of the school year during the regularly scheduled staff development session Training topics should include collaboration, co-teaching, and inclusion. Other topics may be added at the division's discretion. The division determines the number of hours needed for the training based on the topics to be discussed.

Recommendation 2-10: Employ a supervisor for compliance and mandated services in the office of Special Education

There are four special education supervisors: one assigned to preschool and selected elementary schools, one to the majority of elementary schools, one to the middle schools, and one to the high schools. In addition to their grade level responsibilities, each supervisor has other responsibilities. For example, the preschool/elementary school supervisor oversees the Speech-Language Pathologists, the elementary supervisor oversees the school psychologists, the middle school supervisor oversees the division's autism program, and the high school supervisor is the division's representative on the Family Planning Assessment Team.

The division has several specialists that assist the supervisors. The specialists include: two half-time Child Find specialists, an early childhood instructional specialist, a behavior specialist, an autism specialist, a transition specialist, and a reading specialist. The VASS study pointed out that although there was a different configuration of positions in the division's Instruction and Technology Department from 2002–03 to 2003–04, the actual number of positions was the same.

SCPSD is experiencing rapid growth in the number of students enrolled. **Exhibit 2-10** indicates that from 2000 through 2004, enrollment increased by slightly more than 25 percent in the division and almost 27 percent in the special education program.

Exhibit 2-10
Enrollment and Change in Enrollment
SCPSD and Special Education
2000 Through 2004

Year	Division Enrollment	Special Education Enrollment
2000	19,885	2,190
2001	21,124	2,463
2002	22,635	2,596
2003	24,003	2,725
2004	24,869	2,777
Change in number	4,984	587
Change in percent	25.1%	26.8%

Source: Virginia Department of Education; SCPSD Office of Special Education, 2004.

Another recommendation made in the VASS study was that division management considers the establishment of a compliance section as part of its special education program. Enrollment projections for the division indicate an increase of 6,000 to 7,000 students between 2005 and 2010. Increased overall enrollment translates to an increase in special education enrollment.

In spring 2004, the Office of Special Education completed a local procedural manual. Because the manual contains all forms used by the division in its special education program, it needs to be updated on a continuous basis. The effort was spearheaded by one of the supervisors of Special Education, although many individuals in the department assisted in its completion.

Approximately 65 manifestation determinations occur in the division yearly as indicated in **Exhibit 2-11**. Each manifestation determination is time intensive because the team must conduct a functional behavioral assessment (FBA) per the 1997 reauthorization of IDEA.

Exhibit 2-11
SCPSD Number of Manifestation Determinations
2001-02 Through 2003-04

Year	Manifestation Determinations
2001–02	65
2002–03	71
2003–04	64

Source: SCPSD, Office of Special Education, October 2004.

Other legal or compliance issues include Freedom of Information Act requests, special education complaints, due process hearings, and mediations. While special education complaints and due process hearings are low within the division, when they do occur, they are extremely time intensive. One reason for the low number of due process hearings and complaints filed can be attributed to the strong informal mediation process conducted by special education supervisors at the local level. At least 10–15 cases per year are considered potentially litigious and require multiple reconvening of meetings with strict procedural requirements. The majority of these cases required four meetings annually that last two to four hours.

The evaluation team recommends that the division hire a supervisor of compliance and mandated services. This position should be at the supervisor level, rather than the specialist level, because supervisors must hold administrative certification while specialists do not. To oversee manifestation determinations, complaints, due processes, mediations, and mandated services, it is critical that the individual in this position hold an administrative certification and have the necessary experience. Adding this position would allow the other four special education supervisors more time to engage in instructional issues. It is further recommended that the division write a job description for the position, which should include, but not be limited to: monitoring procedural and regulatory issues and managing due process hearings, complaints, mediations, and manifestation determinations.

MEDICAID REIMBURSEMENT

Recommendation 2-11: Request that parents sign a form during IEP meetings that allows the division permission to file for Medicaid reimbursement based on student eligibility.

The division submits claims to Medicaid for reimbursement for its special education school health and related services (SHARS) in nursing, speech therapy, occupation therapy, physical therapy, and transportation. Future plans include submitting claims for psychological services by 2006. The division also submits for reimbursement under the Family Access to Medical Insurance Security Plan (FAMIS) and files for reimbursement for Medicaid Administrative Claiming (MAC).

Exhibit 2-12 indicates the SHARS/FAMIS and MAC reimbursement amounts received by the division in 2002-03 and 2003-04.

Exhibit 2-12
Amount of Medicaid Reimbursement
2003 and 2004

Year	SHARS/FAMIS	MAC	Total
2002–03	$16,981	$22,129*	$39,110
2003–04	$15,981	$84,257	$100,238

Source: SCPSD, Medicaid Specialist, October 2004.
*****Based on filing from April-June 2003, the first quarter the division participated.*

SCPSD staff suggested that one way to increase the amount of Medicaid reimbursement was to increase the number of parents granting permission to file for eligible students. Of 160 students eligible for direct services in 2004–05, the division has obtained parent permission for only 25. The evaluation team recommends that the division, with assistance from legal counsel, develop a standard permission form for parents to sign that grants the division permission to file for reimbursement if the student is eligible for Medicaid. Many school divisions have parents sign a formal permission form during the IEP meeting granting the division permission to file for Medicaid reimbursement.

IMPROVING COMMUNICATION BETWEEN SPECIAL EDUCATION AND CAMPUSES

Recommendation 2-12: Provide special education supervisors with cell phones with two-way radio capabilities.

The VASS study recommended that the division improve communication between central office staff and the schools. Because special education supervisors are in the field almost daily due to their extensive responsibilities, being available for contacts from the schools has been difficult. One approach to try and solve this was to have a supervisor in the office on each day of the week. This has not always been satisfactory given that many times the supervisor that was needed to address the issue was not the one in the office. Another solution was for supervisors to use their personal cell phones. Although the ability to contact the appropriate staff was improved, supervisors experienced large increases in their personal cell phone bills.

The evaluation team recommends that the division consider providing special education supervisors with cell phones with two way radio access to facilitate effective communication between the supervisors and schools. This would be similar to the practice currently in place in Instructional Technology and Information Services.

GIFTED PROGRAM DELIVERY OF SERVICES

Recommendation 2-13: Redefine the parameters of the FOCUS On Excellence resource teacher model.

In kindergarten and first grade, students in the division's gifted program, FOCUS On Excellence, are heterogeneously grouped and classroom teachers have been trained to meet the needs of gifted students in those grades. In Grades 2 through 8, students identified as gifted are cluster-grouped

either on teams or in individual classes with trained teachers. The FOCUS resource teacher works collaboratively with the classroom teachers to plan appropriate curriculum for identified gifted students.

In the elementary grades, the FOCUS teacher works with identified students for a minimum of 45 minutes once a week providing instruction in higher level thinking skills. In middle schools, the FOCUS teachers work with the classroom teacher to develop units that extend or enrich the curriculum. The FOCUS teachers pull students from classes to teach these units. In Grades 9 through 12, students are offered a range of challenging opportunities including Honors, Advanced Placement (AP), Dual Enrollment courses, and enrollment in the Commonwealth Governor's School. FOCUS teachers, at this level, provide co-curricular and extra-curricular enrichment opportunities and coordinate applications for the Governor's School and other special programs. In addition, they supervise the independent studies of FOCUS students. Elementary FOCUS teachers serve two campuses and middle and high school FOCUS teachers each serve one campus, although at one high school campus, there are two FOCUS teachers.

The degree to which FOCUS teachers work collaboratively with general education teachers varies considerably from school to school in the division. Instruction is delivered primarily through a pull-out program. Some confusion exists regarding the role of the FOCUS teacher. The limited description of services for gifted students included in the gifted education plan has caused program parameters to be interpreted in a variety of ways depending upon the particular school and FOCUS teacher. While some flexibility in the delivery of services is necessary, there are too few guidelines related to the delivery of services in the FOCUS program.

Some school divisions use a resource teaching model in their gifted program in elementary grades. Gifted students are cluster-grouped and resource teachers co-teach part of the day with the cluster teacher. In addition, all students are pretested at the beginning of academic content area units and the resource teacher works with those students demonstrating mastery of the content. The small groups work with the same content; the resource teacher differentiates the content by adding complexity to it.

Co-teaching is often used in special education. The division has a strong co-teaching model in its special education program. The FOCUS program could benefit by incorporating more co-teaching in its program. While the goals of gifted education are different from those of special education, several co-teaching approaches could be used to enhance the FOCUS program. An article discussing how to apply co-teaching strategies to gifted education was included in the 2001 *Gifted Child Quarterly,* volume 45, number 3.

The evaluation team recommends that the division more clearly define the parameters of the FOCUS program and the responsibilities of the FOCUS teachers, including the amount of time teachers should spend co-teaching. The division should also consider how higher level thinking skills can best be delivered by incorporating it into the core curriculum content rather than through a 45-minute weekly period.

UNDERREPRESENTATION OF MINORITIES IN GIFTED PROGRAM

Recommendation 2-14: Develop program in the intermediate and middle school grades to increase minority representation in the gifted program and enrollment in AP courses.

Minorities are underrepresented in the division's gifted program. Both African American and Hispanic students are underrepresented in the FOCUS program, while African American students are also underrepresented in the Commonwealth Governor's School. The number and percent of students identified as gifted in 2003-04 in the division's FOCUS program, by ethnicity, are indicated in **Exhibit 2-13** and students enrolled in the Commonwealth Governor's School are indicated in **Exhibit 2-14**.

Exhibit 2-13
Number and Percent of Students Identified as Gifted by Ethnicity
SCPSD
2003–04

Ethnicity	Number	Percent in Gifted Program	Percent in Division
American Indian/Native Alaskan	6	0.3%	0.4%
Asian/Pacific Islander	83	4.1%	2.5%
Black/Non-Hispanic	146	7.2%	19.3%
Hispanic	54	2.7%	4.5%
White/Non-Hispanic	1,723	85.3%	72.3%
Other/Unspecified	8	0.4%	0.9%

Source: Virginia Department of Education, Annual Report Gifted Education 2003–04.

Exhibit 2-14
Number and Percent of Students in Commonwealth Governor's School by Ethnicity
SCPSD
2004–05

Ethnicity	Number	Percent in Gifted Program	Percent in Division
American Indian/Native Alaskan	2	1.1%	0.4%
Asian/Pacific Islander	16	8.8%	2.5%
Black/Non-Hispanic	12	6.6%	19.3%
Hispanic	8	4.4%	4.5%
White/Non-Hispanic	144	79.1%	72.3%
Other/Unspecified	0	0.0%	0.9%

Source: Virginia Department of Education, Annual Report Gifted Education 2003–04.

Exhibit 2-15 compares the percent of SCPSD students in Grades 9 through 12 who take Advanced Placement courses to its cluster peers in 2000-01 through 2003-04. As the exhibit indicates, the percent of SCPSD students taking AP courses in 2003-04 was the fourth lowest among its peer divisions.

Exhibit 2-15
Percent of Students Taking Advanced Placement Courses
SCPSD and Peers
2000–01 Through 2003–04

Division	2000–01	2001–02	2002–03	2003–04
Arlington County	NA	20.3%	23.3%	24.8%
Fairfax County	18.0%	20.3%	19.7%	19.7%
Spotsylvania County	11.7%	12.0%	14.9%	14.6%
Virginia Beach City	13.2%	12.2%	14.1%	14.3%
Prince William County	11.1%	10.2%	10.1%	12.2%
Stafford County	**7.7%**	**7.1%**	**9.1%**	**10.9%**
Henrico County	9.1%	8.6%	9.4%	10.0%
Chesapeake City	7.3%	9.2%	7.9%	8.2%
Chesterfield County	7.6%	8.2%	8.8%	8.0%

Source: Virginia Department of Education, 2000-01 through 2003-04.

Typically, school divisions identify students from these populations at young ages who show promise. For example, a university in Ohio developed a Young Scholars Program with nine urban Ohio school districts. To be eligible for the program, students who are nominated in Grade 6 must be members of an underrepresented minority group and come from low-income families in which neither parent has earned a college degree. Another program supported through a GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) grant is Project Promise which targets low income students in Grades 6 through 12. Its primary purpose is to increase participation of at-risk students in college preparatory classes and is a partnership among a university, a technical college, a community college, a Communities in Schools/county youth collaboration, a school division, a city, and a foundation in central Texas. These and similar initiatives have several features in common: 1) partnerships with universities and other community agencies, 2) summer enrichment programs, 3) school year follow-up, and 4) establishment of mentorships for students.

The evaluation team recommends that SCPSD develop one or more programs to identify minority and economically disadvantaged students as gifted. It is further recommended that the SCPSD programs begin the process of identifying likely students in Grade 4. To enhance the success of these programs, SCPSD should consider forming a partnership with one or more universities and community agencies.

FOCUS SCOPE AND SEQUENCE

Recommendation 2-15: Develop a FOCUS scope and sequence that extends the curriculum in the four core content areas and includes higher order thinking skills at the elementary and middle school levels.

The scope and sequence for the FOCUS program is in the process of being developed and is in draft form. Prior to 2004-05, the division used a collection of units and activities to teach gifted students at the elementary and middle school levels. At the elementary level, the draft scope and

sequence consists of 13 goals with objectives tied to each goal. Goal two, for example, states, "The student will think critically in response to given information." Three objectives are tied to this goal. The last two pages of the draft consist of the goal numbers and the resource activities that will be taught to meet that goal. At the middle school level, the draft contains 12 instructional goals and 13 learner outcomes.

The FOCUS program has as one of its goals to work collaboratively with classroom teachers to meet the needs of the gifted students. Teaching a lesson on higher order thinking skills or a unit in isolation is not the best way to deliver instruction to gifted students. Rather, the general education curriculum should be extended and more co-teaching needs to occur. Developing a scope and sequence for its curriculum will assist in meeting this goal.

Best practices in curriculum development for students identified as gifted state that the general education curriculum must be differentiated. Differentiation should occur in the three dimensions of curriculum: content, process, and product. The content determines the domain, the process determines the method one uses to study the domain, and the product determines the outcome of the study of the domain. The Center for Gifted Education at The College of William & Mary has descriptions of curriculum units developed for gifted learners that describe how to differentiate curriculum for gifted students.

The evaluation team recommends that the division's gifted teachers determine the extent to which general education curriculum in the four content areas should be expanded. If units are used, these should be included in the scope and sequence and the objectives that extend the general education curriculum should be identified. Higher order thinking skills are best taught in a content area. With an emphasis on more co-teaching, the scope and sequence for thinking skills could support the extension of the general education curriculum. Further, it is recommended that elementary and middle school teachers work together so that the scope and sequence extends in a logical manner from Grades K through 8.

GIFTED PROGRAM INDEPENDENT STUDY

Recommendation 2-16: Develop a standard format for FOCUS independent studies throughout the division and pair each student taking an independent study with an outside mentor.

As part of serving students identified as gifted, the high school FOCUS teachers facilitate independent studies. The requirements for independent study vary among the four high schools and the depth to which the students are delving into a particular topic is not always at the level one would expect for a high school gifted program. One reason for the lack of depth may be a lack of expertise. To help compensate for this shortcoming, one program requires a mentor from within the division. However, if the topic is in a technical field that falls outside the realm of the FOCUS teacher's expertise, this practice may place additional burden on the faculty.

Currently, five FOCUS high school teachers facilitate 45 independent studies at four high schools. Each FOCUS teacher is responsible for developing an independent study packet. For example, one high school FOCUS teacher has included the components of course requirements, student proposal, proposal worksheet, study plan, self evaluation, and portfolio requirements while another teacher includes the additional components of grading rubric and time log.

Using independent study is one option to meet the needs of gifted students. Independent study is a best practice in the field. Renzulli suggests using a Triad Enrichment model to serve the needs of gifted students. The third component of his model prescribes independent or small group study to conduct investigations of real world problems. One division in Virginia has a well-developed format for their independent study program, which includes information on selecting and using mentors. This packet is in PDF format and is posted on the division's website. Both of these sources have a well-defined process for conducting independent studies and suggest that the student be paired with a mentor.

The evaluation team recommends that SCPSD develop a standard format for its independent study that would include the following components: independent study procedures, mentorships establishment, progress reporting, portfolio requirements, grading rubric, and policies (e.g., policy for early termination of the independent study). In addition, each student should be paired with a community or in-house mentor. The in-house mentor could be the FOCUS teacher or another teacher in SCPSD. Community mentors should be used whenever feasible.

FOCUS TEACHERS CERTIFICATION

Recommendation 2-17: Ensure that FOCUS teachers' primary certification is at the level in which they are facilitating instruction.

SPCSD's gifted education plan states that all FOCUS teachers will have an endorsement or advanced degree in gifted education within 3 years of assignment.

Exhibit 2-16 presents the certifications of all FOCUS teachers. As this exhibit shows, one high school FOCUS teacher holds an elementary certificate, and two high school FOCUS teachers lack endorsements in gifted education. Of the two without endorsements (exclusive of the Art teacher), neither has been teaching in the program more than 3 years. While the gifted endorsement is an all level endorsement, it is important for FOCUS teachers' primary certification to be in the level at which they facilitate instruction. For example, a teacher holding an elementary certification as his or her primary certification should be facilitating instruction at the elementary level, not at the high school level.

Exhibit 2-16
FOCUS Teachers Certifications
2004–05

Teacher	Certification Grades	Certification Areas	Assignment
1	Grades PK–12	Art Education	Middle School FOCUS Art
2	Grades 1–7	Elementary; Gifted Education	Elementary FOCUS Resource
3	Grades NK–4	General Mathematics; Early Childhood; Gifted Education	Elementary FOCUS Resource
4	Grades 1–7	Elementary; Gifted Education	Elementary FOCUS Resource
5	Grades PK–6	English; Elementary; Gifted Education	Elementary FOCUS Resource
6	Grades PK–6	Elementary; Gifted Education	Elementary FOCUS Resource
7	Grades NK–4	Early Childhood; Gifted Education	Elementary FOCUS Resource
8	Grades NK–5	Early Childhood; Gifted Education	Elementary FOCUS Resource
9	Grades PK–8	Early/Primary Education; Elementary; Middle Education; Gifted Education	Middle School FOCUS Resource
10	Grades NK–8	Elementary; Gifted Education	Middle School FOCUS Resource
11	Grades NK–8	Early Education; Middle Education; Gifted Education	Middle School FOCUS Resource
12	Grades PK–12	Provisional Administration and Supervision; Early Education; Middle Education; Gifted Education	Middle School FOCUS Resource
13	Secondary	English; Gifted Education	Middle School FOCUS Resource
14	Grades 4–8	Middle Education; Gifted Education	Middle School FOCUS Resource
15	Grades PK–12	Provisional Administration and Supervision; English; Journalism Gifted Education	High School FOCUS Resource
16	Grades K–8	Elementary; Gifted Education	High School FOCUS Resource
17	Secondary	Provisional Secondary and Middle School Principal; English; Gifted Education	High School FOCUS Resource
18	Secondary	English; Middle Education	High School FOCUS Resource
19	Secondary	Chemistry	High School FOCUS Resource

Source: SCPSD, Human Resources, October 2004.

The evaluation team recommends that SCPSD ensure that teachers hold the certification appropriate to the grade level at which they serve gifted students. For example, the high school FOCUS teacher with K through 8 certification should be facilitating instruction at the elementary or middle school level. In addition, it is recommended that SCPSD continue the practice of requiring that all full-time FOCUS teachers have an endorsement or advanced degree in gifted education within 3 years of assignment.

HIGH SCHOOL FOCUS TEACHERS

Recommendation 2-18: Expand the job responsibilities of the high school FOCUS teachers to include the teaching of advanced academic courses and co-teaching with general education teachers in addition to their FOCUS program responsibilities.

Most high school FOCUS teachers do not teach additional courses in their content areas. At one high school, the FOCUS resource teacher teaches two Honors English courses in addition to the independent studies. At a second high school, there are two FOCUS resource teachers, one of whom teaches an English course in the Commonwealth Governor's School, while the other teaches two periods of chemistry. The teachers at the other two high schools serve primarily as facilitators of various activities. With the small number of independent studies and only seven of 550 total referrals for the gifted program at the high school level, high school FOCUS teachers have much lighter schedules than elementary and middle school FOCUS teachers. **Exhibit 2-17** shows the current student-related daily assignments of the high school FOCUS resource teachers.

Exhibit 2-17
Current Daily Assignments and Number of Independent Studies
High School FOCUS Resource Teachers
2004–05

Teacher	G/T-Related Daily Assignments	Other Student-Related Daily Assignments	Number of Independent Studies
1	0	• ½ time elementary (temporary assignment)	7
2	0	• facilitates three distance learning classes • one service learning class	16
3	2	• one homeroom	10
4	1	• facilitates three distance learning classes	0
5	0	• two science classes	12

Source: SCPSD, Human Resources, October 2004.

Exhibit 2-18 shows the proposed student-related daily assignments of the high school FOCUS resource teachers. The evaluation team recommends that each teacher, except teacher 5, teach three honors, advanced placement, or Governor School courses. Teacher 5 would provide instruction in his or her content area and would no longer work with the FOCUS program. In other student-related daily assignments, the ½ time elementary FOCUS position would need to be filled. Teacher 2 teaches a service learning class. Because the class has only four students, it can be eliminated or taught through the independent study process. The three distance learning classes taught by teachers 2 and 4 have a total of 17 and 14 students respectively. Because these teachers do not provide any direct instruction pertaining to the three distance learning classes, the classes could be facilitated by a paraprofessional or teacher on duty assignment who could turn on the television and fax completed assignments.

Exhibit 2-18
Proposed Daily Assignments and Number of Independent Studies
High School FOCUS Resource Teachers

Teacher	G/T-Related Daily Assignments	Other Student-Related Daily Assignments	Number of Independent Studies
1	3	• none	TBD
2	3	• none	TBD
3	3	• none	TBD
4	3	• none	TBD
5	0	• full time teacher in content area.	0

Source: SCPSD, Human Resources, October 2004.
TBD = To be determined.

The evaluation team recommends that the division consider changing its program model to require high school FOCUS teachers to teach three advanced academic courses in their content area. In addition, they should provide a half day of support to FOCUS students by co-teaching in general education, honors, and advanced placement classes, and they should facilitate independent studies. Because the FOCUS teachers would be teaching academic courses in their content areas, the division would save 2.5 teacher positions.

COMMUNICATION BETWEEN ESL AND SPECIAL EDUCATION

Recommendation 2-19: Improve coordination between representatives of the departments of ESL and Special Education through regularly scheduled meetings.

There is a need for improved communication between both administration and staff of Special Education and the English as a Second Language (ESL) program due to the growth of the Limited English Proficient (LEP) population and the increased number of students in the ESL program with special needs. The number of LEP students increased from 203 in 2000-01 to 420 as of October 2004. The total number of LEP students receiving Special Education services in 2004 is 26.

Until March 2003, SCPSD did not have a dual assessment process for identifying students who are both LEP and special education. At that time, the supervisor of Elementary Special Education developed a comprehensive, research-based process for dual assessment. The procedure is in use in draft form by staff who have been trained in the process, including principals/designees, regular teachers of special needs students, and special education staff. For the process to provide

maximum benefits to LEP students, ESL teachers and special education staff will need to collaborate in the final revisions to language assessment procedure and receive appropriate training in the process.

Both ESL and special education teachers participate in conferences to develop IEP for special education/LEP students. There are some difficulties scheduling these conferences, and ESL teachers report they are not always notified. Both ESL teachers and special education teachers work with regular classroom teachers on modifications and teaching strategies for special needs students. Ongoing communication between the ESL and special education staff would facilitate addressing and resolving problems related to the dual assessment process, IEP scheduling, and collaboration with regular teachers, as well as other related issues such as identifying and training interpreters to participate in IEP meetings, and devising strategies to help special needs students prepare for SOL tests.

In both the current and recommended organizational structures, the supervisor of Special Education and the coordinator of English as a Second Language report to different supervisors, and there are no regularly scheduled common meetings. The evaluation team recommends that the division institute regular meetings between the ESL and special education staffs as a means of enhancing communication and collaboration between the departments, and helping to ensure appropriate services to students served by both programs.

ESL DATA REPORTING AND RECORDKEEPING

Recommendation 2-20: Use existing technology to create an electronic database for entering and reporting data about LEP students.

The ESL department does not use an electronic database to record and report data to the state. During an observation of a meeting of the ESL coordinator and faculty, the evaluation team noted that the faculty was instructed to come to the office and fill out some numbers that were needed for a report due to the state. The numbers were to be filled in on a chart that would be left on the table. It was apparent from discussion that all data reports are handwritten and kept in paper file folders in paper boxes in the ESL office. The system is inefficient because it requires extra time for teachers to travel to the ESL office to submit data. No backup system exists, so data might be lost and the data integrity is at risk from being hand-copied by multiple people.

Current use of an electronic base may be hampered because some ESL teachers do not currently have computers in their classrooms. However, the Technology Improvement Replacement Plan provides for all teachers to have computers on a detailed cycle. The evaluation team recommends that ESL teachers be given priority on the replacement schedule so that they can begin to automate the reporting process as soon as possible.

ESL MEASURABLE OBJECTIVES

Recommendation 2-21: Determine if LEP students have met division and state goals for academic progress and provide teachers with the results for use in instructional planning.

Participating in the SOL assessments, even with accommodations, is difficult for many LEP students whose level of English proficiency is inadequate. However, state code *8 VAC 20-131-30, G* states, "In kindergarten through eighth grade, limited English proficient students may be granted a one-time exemption from SOL testing in each of the four core areas." In order to be granted verified credit, all students must meet the clock hour and testing requirements set forth in the regulations.

On October 8, 2003, the school board adopted the following measurable objectives applicable to LEP students:

- By July 2004, the percentage of total student population and those in targeted subgroups as defined by No Child Left Behind in Grades 3, 5, 8 and high school subjects achieving Advanced Proficiency SOL scores will increase by 10 percent.
- By July 2004, the failure rate of all students K-3 and those in targeted subgroups will be reduced by 5 percent as measured by the Phonemic Awareness Literacy Screening.

The following objective from the consolidated application for NCLB is required of all school divisions in the state.

"Ten percent of LEP students will be re-classified as non-LEP after receiving instruction for five years or less and 20 percent of the LEP students will have advanced one proficiency level, as defined by the Virginia English Language Proficiency Standards, and as measured by a body of evidence, one piece of which will be the student's score on the end-of-year proficiency test."

In 2004, 324 LEP students took the Stanford English Language Proficiency test (SELP) as part of the NCLB requirements. Of these

- 84 percent met the required proficiency level,
- 37 percent became Non-LEP, and
- 135 percent advanced one or more proficiency levels.

The evaluation team recommends that the division provide SOL test data to teachers to allow them to examine individual student's performance and develop an individual instructional plan that identifies specific areas of weakness. Using these data also can pair a teacher with particular instructional strengths with a teacher who needs help in specific areas.

HUMAN RESOURCES

Chapter 3

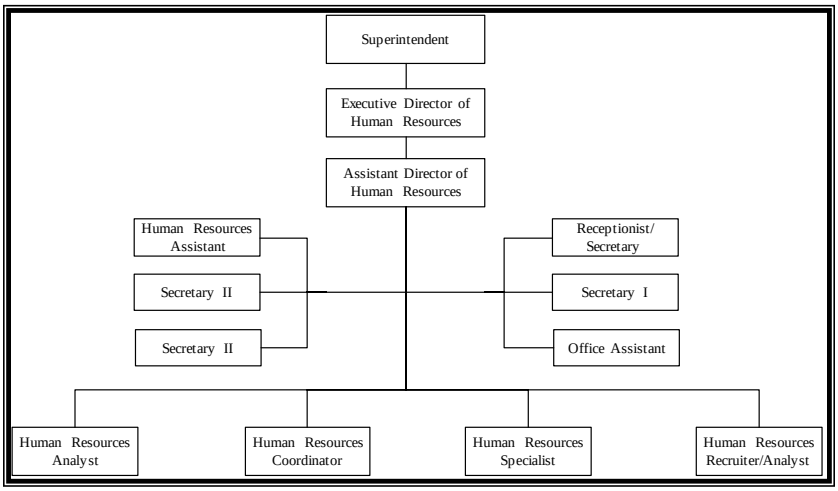
HUMAN RESOURCES MANAGEMENT

BACKGROUND

Stafford County Public Schools Division (SCPSD) student enrollment has grown from 19,885 in 2000 to 25,635 in September 2004, an increase of 29 percent. SCPSD staff is also increasing as student enrollment increases, particularly teacher positions. Since 2001, teacher positions have increased 21 percent from 1,370 in 2001 to 1,660 approved positions in 2005.

The SCPSD Human Resources Department (HR) is responsible for recruiting efforts, hiring new employees (excluding School Nutrition and Transportation bus drivers), processing initial teacher licensure information, hiring and training substitutes, and preparing employment contracts. The HR Department has 12 staff and is headed by an executive director of Human Resources who reports to the superintendent (**Exhibit 3-1**).

Exhibit 3-1
SCPSD Human Resources Organization 2004



Source: SCPSD Superintendent's Office, October 2004.

Department staff manages the division's wellness program and works with the Financial Services Department staff to administer the division's other benefits programs. The department assisted in developing choices in the health insurance plan. HR also coordinates with supervisors to ensure federal and state regulations are properly applied.

In addition to its traditional human resources duties, the department established and also manages a new teacher mentorship program, the Colleague Assistance and Mentor Program (CAMP). CAMP provides new teachers with a mentor, staff development opportunities, and ongoing support throughout their first year at SCPSD. The program is partially funded by a grant from the Virginia Department of Education. The department also established support classes and financing for National Board Certification for teachers.

The HR Department uses various technologies to support daily functions. It implemented a "live scan" fingerprint technology to perform criminal background checks through the Virginia State Police and instituted a computerized identification badge system. It also uses the applicant

tracking and personnel/payroll modules of the Harwood Technical Enterprises (H.T.E.) financial system. The applicant tracking module allows HR staff to enter and track cursory applicant demographic and skills information to match applicants with vacant positions. The personnel module allows staff to view staff position and salary information.

The division's website provides information to prospective and current employees on topics such as salaries and benefits, employment opportunities, terminating employee requirements, and special programs such as CAMP and the division's wellness program. The website also contains an application form that can be downloaded or completed online, printed, and faxed to the department. In addition to using the internet for HR communications, the department has also used the internet to expand recruitment opportunities.

A. ACHIEVEMENTS

- SCPSD partnered with a local financial institution to offer an interest-free loan to assist new teachers with relocation costs.
- SCPSD uses the Visiting International Faculty (VIF) program to increase its pool of qualified teacher applicants.

B. RECOMMENDATIONS

Recommendation 3-1 (p. 3-4): Expedite teacher hiring by offering contracts earlier in the process and using hiring targets based on projected needs. The evaluation team recommends that the division change its hiring approach to allow limited hiring based on a target percentage of needed positions, rather than waiting until final positions are approved in the budget. The target percentage is derived from an analysis of enrollment projections, multi-year turnover data, and acceptance rates. The evaluation team recommends that SCPSD allow recruiters to extend contracts to top candidates during recruiting trips based on the target percentage.

Recommendation 3-2 (p. 3-6): Adopt classification and compensation strategies that retain quality staff while minimizing payroll costs. The evaluation team recommends that the division develop a market-based compensation schedule and corresponding board policy. These salary schedules need to be updated every two to three years to ensure that they remain current. The division may wish to conduct a formal classification review every five to seven years to ensure the internal equity of jobs across the division.

Recommendation 3-3 (p. 3-9): Expand the oversight role of the Human Resources Department to include all SCPSD employees. The evaluation team recommends that the division expand HR's role and require that the department be involved in oversight and monitoring of employment processes for bus drivers and School Nutrition employees to ensure compliance with policies and procedures. This oversight would include the development of detailed, written procedures for screening, training on procedures, conducting interviews, and extending offers of employment, as well as the development of conditional offer of employment letters. Another important task would be to develop training on the liability associated with managers creating and keeping their own personnel files. The HR Department may wish to periodically audit employee files and randomly participate in screening and interview processes to ensure procedures are followed.

Recommendation 3-4 (p. 3-10): Develop a plan to acquire technology to improve the efficiency of the Human Resources Department operations. The evaluation team recommends that the HR staff work with the Technology Department staff to define its needs, develop a phased acquisition of technology, and determine how these systems will integrate with the existing H.T.E. payroll system. In the short-term, HR may wish to complete the initiative to acquire the online application system that was begun in 2004–05 and focus on acquiring a substitute management system. In the long-term, HR may wish to work with Financial Services Department staff to define its need for a Human Resources Information System (HRIS), and determine how it will integrate with the payroll system.

Recommendation 3-5 (p. 3-12): Initiate a program for the development, review, and annual update of division and department operational procedures and employee handbooks. The evaluation team recommends that the division implement a program for developing and annually updating the internal procedures which guide staff in daily operations. HR may wish to work with principals and department heads to develop an outline or general format for procedures and employee handbooks. The evaluation team recommends that HR develop procedures that have division-wide application and also review all handbooks and procedures for consistency and compliance with law and policy.

Recommendation 3-6 (p. 3-13): Develop a timetable for the periodic review and update of job descriptions and integrate approved job descriptions into processes that require a determination of essential functions. Well-written job descriptions can be used in a variety of personnel related functions to ensure consistency and reduce the risk of non-compliance with the law or division policy. Job descriptions can be used during the hiring process as well as in cases associated with workers' compensation, medical leave, and reasonable accommodations. The evaluation team recommends that job descriptions be updated by the supervisor and employee during the annual staff performance appraisals in order to supplement the periodic formal reviews by HR.

C. FINANCIAL IMPACT OF RECOMMENDATIONS

This chapter contains recommendations to improve the efficiency of SCPSD human resource management operations. Once fully implemented, these recommendations will result in savings of $522,407 each year, representing 0.27 percent of the division's annual operating budget. The major savings opportunities are presented in **Exhibit 3-2**. Details of how the financial impact was calculated can be found in Appendix C.

Exhibit 3-2
Summary of SCPSD Savings Opportunities

Functional Area	Recommendation	Annual Savings
Human Resources	Realign positions and salaries	$522,414
Total Annual Savings		$522,414
Percent of annual operating budget		0.27%

Source: Gibson Consulting Group.

This chapter also includes a recommended one-time investment of $30,000 to conduct a compensation review similar to the one recently completed for clerical staff.

If all recommendations are implemented, the net annual savings to SCPSD is $522,414, or 0.27 percent of the division's operating budget. The net annual savings does not include the one-time investments of 30,000.

D. DETAILED ACHIEVEMENTS

INTEREST-FREE LOAN PROGRAM FOR TEACHERS

SCPSD has partnered with a local financial institution to provide interest-free loans to teachers, which has enhanced teacher recruiting efforts. In the fall of 2003, SCPSD issued a request for proposals (RFP) for financial services. Apple Credit Union was selected by the advisory committee for award. One reason for its selection was that it offered teachers relocating to Stafford County an interest-free loan for $2,500. The purpose of the loan is to help defray relocation costs. To qualify for the loan, the teacher must become a member of the credit union. The teacher repays the loan through payroll deductions over the course of the first year of employment.

With the loan program, SCPSD has an additional recruiting tool. SCPSD has been able to attract teachers from out-of-state, who may otherwise have not applied because of relocation costs.

VISITING INTERNATIONAL FACULTY PROGRAM

SCPSD participates in the Visiting International Faculty (VIF) program as an additional resource to fill teacher vacancies. The VIF program recruits, screens, and provides qualified applicants from outside the United States to teach in American classrooms. VIF also provides a week-long orientation program and handles the administrative details of relocating to the United States, such as travel arrangements and local housing assistance.

Host schools that participate in the program pay the VIF a $10,000 fee for every teacher selected. Host schools also pay the teacher's salary, but do not pay health benefits. SCPSD participated in the program in 2004 on a pilot basis, hiring one teacher. Its participation was cost neutral, since the $10,000 fee was offset by the absence of health insurance costs. In 2005, SCPSD increased the number of teachers hired to six.

Participating in the program provides SCPSD with another source for teacher applicants and enhances the diversity of its teaching staff. In addition, students benefit from exposure to different cultures. Program participation is cost effective as well. There are minimal recruiting costs since the screening and other functions are handled by the VIF, and the participation fee is offset because the school does not pay benefits.

E. DETAILED FINDINGS AND RECOMMENDATIONS

RECRUITMENT AND HIRING PRACTICES

Recommendation 3-1: Expedite teacher hiring by offering contracts earlier in the process and using hiring targets based on projected needs.

The SCPSD HR Department has aggressively recruited quality teachers from Virginia, as well as a number of other states, to fill staffing needs. However, over time the teacher applicant pool in Virginia and other states has declined. This is especially true in hard to fill positions like special education and some math and science subjects. SCPSD's current policies and recruiting strategies

are not flexible enough to allow the division to effectively compete for these scarce teacher resources.

SCPSD has a recruiting budget of $35,000. To expand its applicant pool, SCPSD uses a variety of recruiting strategies including, holding its own local job fair, participating in other job fairs, and recruiting from states as far away as Pennsylvania, New York, Michigan, and Ohio. The division also uses internet advertisements on its own website as well as teacher-teacher.com and Education America Network. It offers recruiting giveaways such as CD cleaners and key chains and has developed a CD-ROM promoting Stafford County Public Schools. For the past three years, recruiting trips and job fairs have netted approximately 150 hires each year.

While SCPSD is aggressively applying strategies to locate new sources of applicants, practices that have ensured quality applicants in the past now limit its ability to hire teachers in a timely manner. SCPSD operates at a competitive disadvantage with other school divisions by not offering contracts to highly qualified applicants early in the recruiting process.

SCPSD's competitors are making job offers onsite at the job fairs and recruiting trips, while SCPSD is offering limited numbers of letters of intent, primarily in hard to fill areas such as special education and some math and science. Principals interviewed for this study told the evaluation team that it was hard to convince a top candidate to come visit Stafford for a job interview with a letter of intent, when they already had multiple contracts in hand. At the time of this review, SCPSD has a conservative hiring approach that focuses on ensuring that the division does not hire teachers in excess of their needs, rather than an aggressive approach to minimize beginning of the year vacancies. There are three types of positions that HR must fill: known vacancies because of terminations, growth positions associated with enrollment increases, and last-minute, start of year vacancies where teachers have indicated they will return and unexpectedly do not.

At the time of this review in October 2004, SCPSD did not extend contracts based on expected needs that were a result of enrollment and normal turnover. Instead, recruiting was primarily based on known vacancies, with some flexibility to hire hard to fill positions. HR identifies expected needs, but growth positions are typically not filled until approved in the budget. The school board's policy limits hiring until state funding levels have been determined. If there is a delay in state funding decisions, the division must delay hiring teachers, as occurred this past year, resulting in fewer new hires and limiting the division's ability to hire highly desired applicants. In early October, there were 12 vacancies in elementary schools and approximately 12 positions vacant in secondary schools. Last-minute vacancies that can be anticipated based on analyzing turnover data remain unfilled and have resulted in the use of long-term substitutes while the principal and HR try to find a qualified replacement.

To attract and "lock in" top applicants, existing SCPSD policies should be amended to allow recruiters to extend contracts, contingent on funding, on recruiting trips. SCPSD should also change its conservative approach to waiting until vacancies are known to extend job offers and allow limited hiring based on a target percentage of the total projected growth and anticipated turnover. This conservative practice was effective in a smaller and less competitive environment. Now the division is of a size that recruiting practices can be more aggressive, without exposing the division to hiring teachers in excess of needs. Since completion of the review's field work, SCPSD has begun to address this issue. The November 9, 2004 board agenda included a pilot program to allow HR to offer limited contracts to new teachers before budget approval. The pilot program allows HR to offer contracts to teachers at up to 50 percent of the expected vacancy rate.

In implementing the pilot program, HR has recommended a level of 50 percent of the expected vacancy rate for known attrition. SCPSD may want to consider expanding the recommended target hiring percentage based on a combination of enrollment projections, multi-year analysis of turnover data, contract offer acceptance rates by level of teaching position (elementary, middle, high school), and by area such as math, science, and special education. To minimize the possibility of over-extending offers, SCPSD may want to apply a probability factor to the number of target offers. **Exhibit 3-3** presents a simplified example of what such an analysis for developing a target hiring percentage might look like for middle school level.

Exhibit 3-3
Example Target Hiring Percentage Analysis

Position	Middle School Science Teacher	Middle School Math Teacher	Middle School Special Education
Known Vacancies	6	5	4
Growth Positions	3	2	3
Start of Year Vacancy	1	1	3
Total Needed	10	8	10
Job Offer Acceptance Rate	80%	70%	60%
Target Offers Needed (Total Needed/Acceptance Rate)*	13	11	17
Probability Factor	75%	75%	75%
Total Target Offers*	10	8	13

Source: Gibson Consulting Group, Inc. November 2004.
**Note: the number of target offers to extend has been rounded to the nearest whole number.*

As an additional competitive tool, SCPSD may want to consider including a tentative starting salary amount in the early contract offers. The contract could contain language that would indicate the final amount is subject to change pending budget approval. If SCPSD chooses to use this tool, the contract terms should be developed and reviewed by its legal team to ensure that this contract provision is enforceable. In addition, any necessary revisions to school board policy should be completed to ensure the division is in compliance with local policy.

CLASSIFICATION AND COMPENSATION APPROACH

Recommendation 3-2: Adopt classification and compensation strategies that retain quality staff while minimizing payroll costs.

SCPSD annually surveys other school divisions in the area to identify changes in the market for teachers, principals, and other instructional positions and, as funds permit, adjusts its salary structures based on this information. Service and clerical positions are periodically surveyed, but the surveys do not include private sector employers in the area. Turnover rates by employee group are monitored primarily to focus recruiting efforts with limited use in developing compensation strategies.

The informal compensation policy of the division is to pay less than the school divisions to the north of Stafford and closer to Washington, D.C., and more than the divisions located south of SCPSD.

Exhibit 3-4 describes the results of the latest survey for selected positions conducted as part of the budget preparation for 2004-05, updated by the Virginia Education Association surveys published in 2003. The salary surveys reflect the division's informal compensation philosophy. The division typically pays teachers and principals more than the divisions south of SCPSD (Fredericksburg and Spotsylvania) and less than the divisions nearer to Washington, D.C. (Prince William and Loudoun).

Exhibit 3-4
Hiring Range Salary Comparison
Representative Positions
2003-04 School Year

Position	Stafford	Fredericksburg	Loudoun	Prince William	Spotsylvania
Teacher – Bachelors 0 years	$32,681	$33,350	$34,742	$35,455	$33,660
Teacher – Bachelors 5 years	$36,885	$35,832	$41,293	$41,800	$34,764
Teacher – Bachelors 20 years	$53,032	$48,645	$68,313	$65,471	$52,418
Teacher – Bachelors 30 years	$65,141	$55,114	$72,579*	$67,566**	$55,093
Teacher - Masters 5 years	$40,143	$37,832	$45,727	$44,833	$37,197
Principal–High Level 5	$81,163	$71,664	$84,350	$82,627	$76,620
Principal- High Top	$106,493	$92,252	$116,523	$111,045	$91,016
Principal – Elementary Level 5	$69,569	$63,440	$73,675	$72,584	$68,639
Principal – Elementary Level Top	$91,280	$81,379	$104,788	$97,546	$79,515

*Source: SCPSD Human Resources Department, November- December 2003 and Virginia Education Association, 2003-2004 Salary Schedules for Teachers. * Teacher salary schedule end at 23 steps.** Teacher salary schedule ends at 21 steps.*

SCPSD maintains traditional salary step schedules for all its permanent employees. Currently the division has 12 separate schedules, including administrative, service directors, teachers, occupational and physical therapists, paraprofessionals, nurses, educational interpreters, bus drivers, bus monitors, service personnel (2), and nutrition services. Placement on a given step on a schedule is dictated by the number of identical or similar years of experience in a given job.

The division's salary schedules are based primarily on the results of a local salary survey of other school systems as well as the county by HR staff to identify local market conditions and a stated philosophy of maintaining equity. This may limit the effectiveness of salary schedules in non-instructional areas such as maintenance and custodial because it does not take into account other private sector competitors. Instead, salary schedules should be based on a formal compensation

and classification evaluation of prevailing market conditions, a formal compensation philosophy, or to address actual staff turnover rates.

According to interviews, schedules are adjusted over time, with the primary goal being to provide equity between each level and each step. Based on information in the VEA survey, beginning teacher salaries in SCPSD rank 22nd in the state, while the teacher salaries for teachers with 25 and 30 years of experience rank 6th in the state. Given the anecdotal information from interviews regarding the division's difficulty in recruiting new teachers, the current salary schedules may hinder recruiting rather than help the process. SCPSD places teachers on the salary schedule based on their actual years of experience, while most other divisions in the area, including Fairfax, Loudoun, Prince William, Alexandria, and Spotsylvania, cap teacher salaries for initial hires at 12 or 15 years. Personnel at the top steps of the salary schedules continue to receive cost of living adjustments, without considering the value of the positions in the marketplace.

Exceptions are not made for different types of experience, which can affect the ability of the division to recruit highly qualified staff, particularly in non-instructional positions such as mechanics or system analysts. Many school divisions or districts across the country have simplified their compensation practices by adopting a limited number of job families, often six or fewer, and using minimum, midpoint, and maximum salaries for each position within a given job family. This reduces the number of salary schedules to be maintained. It can also provide more flexibility to non-instructional directors in hiring staff that may have differing levels of experience. A common practice is to allow department directors to hire staff based upon their experience up to the salary midpoint for that position.

The division does not routinely review compensation schedules to determine if pay among similar internal positions is equitable. Instead, positions are reclassified based upon changes identified by individual department directors or principals. Over time, there is a tendency for positions to be upgraded based on the individual capacity of an employee or the desire to provide increased compensation to specific individuals based on job performance. During the fall of 2004, the division implemented a division-wide committee to review requests for changes in position classification. During the fall of 2004, the division initiated a comprehensive review by an outside consultant to evaluate position classifications for clerical staff across the division. However, there is no systematic process to review all positions periodically to ensure both internal and external equity.

Effective human resource practices require the periodic review of position classifications and compensation to ensure both internal and external equity. Salaries are often capped or "redlined" when the person in the position reaches the maximum salary for their position. The purpose is to limit payroll costs and to maintain the external equity of the position. Compensation strategies should reflect the organization's goals of recruiting and retaining quality staff while limiting payroll costs through the practical application of actual experience in staff turnover. For example, some organizations choose to slow or limit salary increases for highly experienced staff. This decision is made after an analysis of actual data for highly experienced staff and a determination of the impact of increased turnover on hard-to-fill positions. The organization may accept increased turnover rates as one means to reduce salary costs and/or rely instead on other benefits and quality of life factors to retain staff.

By not conducting periodic classification and compensation reviews, SCPSD may not be using salary schedules to their best advantage, as a means to recruit and retain quality staff. Additionally, the division may be losing the opportunity to manage the growth of payroll costs as the division grows and current staff progress through the schedules.

In implementing this recommendation SCPSD should conduct a review of the current classification and compensation system using outside consultants as well as internal staff. The review should be driven by SCPSD's current retention rates and not by informal assumptions or the activities of other external market competitors. There are three goals in this review: (1) maximize the effectiveness of the salary schedules for recruiting and retention purposes; (2) ensure reasonable internal and external equity of positions; and (3) reduce salary costs where possible.

The review should be based on research including: a determination of prevailing salaries in the region using both private and public sector positions for comparison as appropriate, and an evaluation of current turnover rates to identify positions that have high turnover or are difficult to fill. The review should also evaluate the impact of differing compensation strategies on measurements such as overall costs and increased turnover. For example, SCPSD could choose a strategy that increases the earlier steps of the teacher salary range to improve recruiting efforts, while capping latter steps to reduce costs without significantly increasing turnover rates. The result of the process should help SCPSD achieve the lowest possible salary costs while maintaining acceptable turnover rates for various classes of employees.

HR OVERSIGHT OF ALL EMPLOYEES

Recommendation 3-3: Expand the oversight role of the Human Resources Department to include all SCPSD employees.

The HR Department does not participate in the screening and hiring of bus drivers or School Nutrition employees, nor do they provide oversight for the human resources related activities of these departments. The Transportation Department screens, hires, and maintains the personnel files for all of its bus drivers, and HR performs these functions for its other employees. The School Nutrition Department performs all human resources functions for its employees. The only functions performed by HR for these departments are background checks and creating employee identification badges.

All phases of the employment process are affected by federal and state regulation. Documentation is one of the best methods for proving compliance. Human resources oversight of all employees ensures that the division is handling all employee groups consistently. The expertise within HR can also assist supervisors in assembling and maintaining appropriate documentation that reduces the division's exposure to potential litigation. For example, state law requires that before the division hires bus drivers, they must pass drug and medical tests to determine driver fitness and must periodically participate in drug testing as a condition of employment. The Transportation Department extends verbal offers of employment to bus drivers, not written conditional letters of employment based on passing the required testing. Testing occurs after the employee begins the four-week training period. If a bus driver trainee does not pass the required testing, they are terminated. A written, conditional letter of employment would protect the division's interests.

Because the Transportation and School Nutrition Departments are not located near the administrative complex, it is more efficient for applicants to be referred directly to these locations for screening and interviews. However, to protect the division legally with this decentralized approach, the evaluation team recommends that the division expand HR's role and require that it be involved in oversight and monitoring to ensure compliance. The evaluation team recommends that the oversight include detailed, written procedures developed by HR for the Transportation and School Nutrition Departments to use in screening, conducting interviews, and extending

offers of employment. The HR Department should develop and distribute a conditional offer of employment letter for the Transportation Department to use in hiring bus drivers and train staff in its use. It is also recommended that the HR Department periodically audit files and randomly participate in interviews to ensure that procedures are followed.

There are many laws governing what can and cannot be in a personnel file, as well as how long documents must be kept. If the managers in Transportation and School Nutrition are not aware of each of these laws, then the existence of these personnel files creates a liability for the division. If there is litigation involving one of these employees, everything in their personnel file can be used in court. The evaluation team recommends that all personnel files in Transportation and School Nutrition be kept centrally in the Human Resources Department. Should the Division choose to continue to keep decentralized files, it is essential that HR staff train and inform the managers in Transportation and School Nutrition of the risk of keeping their own personnel files on an ongoing basis, and that HR staff periodically monitors and audits the files to ensure they are compliant.

TECHNOLOGY USE

Recommendation 3-4: Develop a plan to acquire technology to improve the efficiency of the Human Resources Department operations.

SCPSD does not have administrative technology that would streamline human resource operations, improve staff efficiency, and provide information for reporting and analysis. This is a major limiting factor in HR staff's efficiency and effectiveness. Systems that would reduce or eliminate staff involvement in receiving and processing applications, managing the number and type of positions available and reconciling them to payroll, and managing substitutes either do not exist or were not fully activated in the personnel module of the H.T.E. system. Employee profile information to support data analysis of recruiting, attendance, retention, and turnover is not integrated in one system, but is maintained off-line in small databases or spreadsheets. The current system is used primarily by small to mid-size governmental organizations with fewer than 2,000 employees. Most of the governmental organizations do not include school payroll characteristics.

Exhibit 3-5 summarizes the effects and inefficiencies caused by lack of technology.

Exhibit 3-5
Effects on SCPSD Staff Efficiency
Caused By Lack of Human Resources Technology

Area	Current Situation	Effect on Staff Productivity
Application/ Applicant Tracking	SCPSD does not have online application – applicant prints and faxes application The existing applicant tracking module of H.T.E. has only cursory information	1. HR Staff inputs data from application into applicant tracking. 2. HR staff pulls and manually matches available applicants to open positions. 3. Principals cannot view applications online – they must visit HR office to view applications. 4. HR cannot track recruiting source to determine effectiveness of various recruiting efforts.
Position Management	SCPSD does not use position control software instead, small databases or spreadsheets are used, which are extremely limited in their ability to track and monitor positions for a division this size.	1. HR staff maintains separate lists of positions with demographic and certification information offline in three separate databases. 2. HR staff and payroll staff perform manual reconciliation of payroll to offline databases on monthly basis. 3. HR staff submits data changes for individual when budget codes change, rather than changing position budget codes. 4. Reporting is limited based on manipulation of offline databases. 5. HR cannot easily monitor and calculate vacancy rates and length of time to fill vacancies.
Payroll and Benefits Administration	SCPSD does not track compensatory time using its payroll system.	1. Campus and department bookkeepers track compensatory time using manual logs based on forms completed by employees.
Substitute Management	SCPSD does not have an automated substitute management system.	1. HR staff maintains paper directory of 400 substitutes that is updated and distributed monthly to principals. 2. Principals and campus staff average 3-5 hours per week per campus to call/contact substitutes. 3. Campus staff processes manual timesheets for substitutes. 4. Principals do not have an automated means to evaluate performance and provide feedback to HR on substitute performance. 5. Campus staff manually tracks and reports absences.

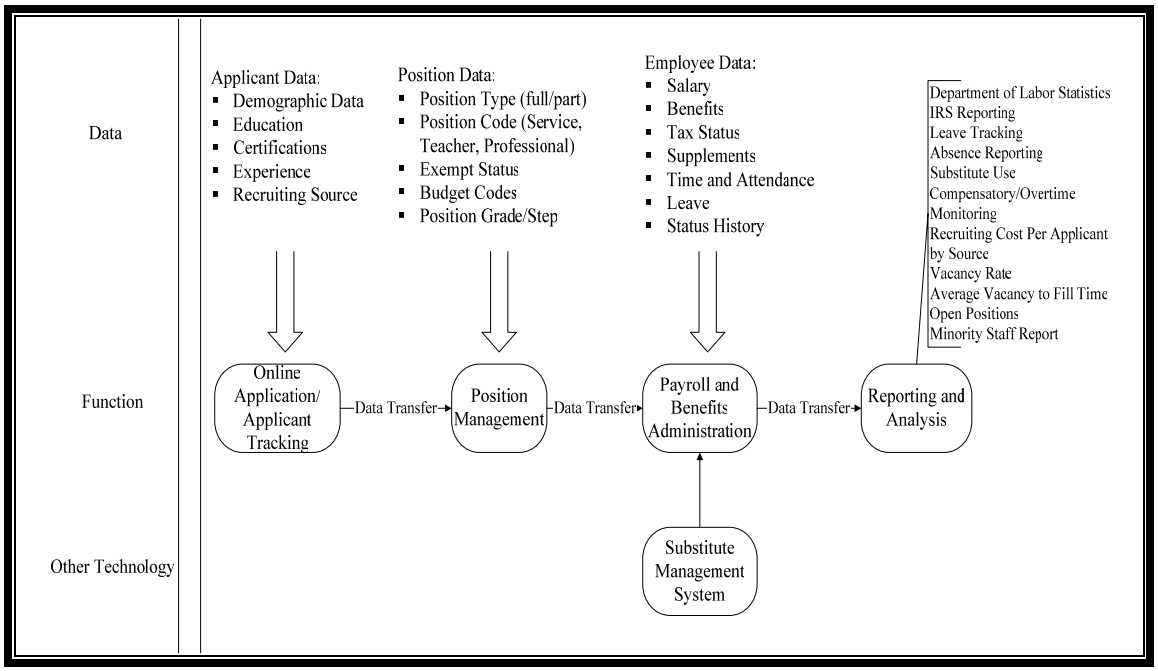
Source: SCPSD Human Resources Department, October 2004.

The HR Department is currently researching a paperless, online application system to implement at SCPSD. The department has $40,000 approved in its 2005 budget for implementation. The executive director of Human Resources indicated that he hoped to have the system implemented by February 2005.

An integrated Human Resources Information System (HRIS) improves efficiency because it captures applicant data on the front-end of the system and processes it through hiring and employment, without duplicate data entry. It also stores information needed to measure and report HR benchmarks, such as turnover data and average length of time to fill positions. An effective HRIS will also integrate with other systems, such as substitute management systems, to improve overall monitoring and management of human resources

In developing a technology plan, the evaluation team recommends that SCPSD first define its functional requirements, system data elements, and how the data should flow from one area to another throughout an integrated HRIS. **Exhibit 3-6** outlines the basic data flow and functions in an integrated HRIS. The evaluation team recommends that the division work with the Stafford County Department of Computer Services regarding new systems or activation of new modules to ensure compatibility with the current or planned systems.

Exhibit 3-6
Integrated Human Resources Information System
Process/Data Flow



Source: Gibson Consulting Group, Inc. October 2004.

POLICIES AND PROCEDURES

Recommendation 3-5: Initiate a program for the development, review, and annual update of division and department operational procedures and employee handbooks.

SCPSD has a decentralized approach to employee handbooks. Many schools and departments develop their own handbooks while the Human Resources Department develops and maintains

the division handbook for substitute teachers. These handbooks are updated annually. This approach allows individual schools or departments to tailor the handbooks to meet the needs of specific groups of employees, such as bus drivers or staff at an individual school. It provides an opportunity for specific information about a given school, such as school history and school goals, to be included in the handbook, and allows employees to participate in the development of the handbook for their school or department. However, these handbooks are not reviewed for consistency with division policies and could present legal problems for the division if they contain false or misleading information, or if there is a problem with harassment, discrimination, or different treatment of employees. The division does not have a single source document that employees and staff can reference to ensure that they are implementing policies correctly.

Organizations use policies and procedures as tools to reduce risk, control legal liability, ensure operational consistency and efficiency, and increase productivity during times of staff turnover. Well-written policy manuals can provide important reference information to all levels of employees. Together, updated policies and procedures can prevent the development of inappropriate or inefficient practices.

In developing procedures and reviewing employee handbooks, HR should work with a committee of principals and department heads and develop an outline or general format to be used consistently throughout the division. Procedures that have a division-wide application, such as requesting disability accommodations or requesting/using compensatory time, should be provided by HR. Procedures specific to a particular area or department can be developed by the individual department, but should be reviewed by HR for consistency and compliance with law and policy. The process should include a scheduled annual review and update.

JOB DESCRIPTIONS

Recommendation 3-6: Develop a timetable for the periodic review and update of job descriptions and integrate approved job descriptions into processes that require a determination of essential functions.

Current job descriptions are not centrally maintained, regularly updated, or fully used in all HR processes. SCPSD does not have a defined procedure or time table for reviewing and revising job descriptions. HR staff tries to update job descriptions over a cycle of three to four years. Updates to job descriptions are generally triggered by vacancies. For new positions, HR provides a template for department supervisors to use in drafting the job description. HR reviews the job description and maintains it on file. Descriptions are not reviewed or approved by the superintendent or board.

SCPSD has an excellent job description format that includes key qualifications and duties, the operating environment, and a place for both administrator and employee acknowledgement. SCPSD has an opportunity to enhance its compliance by expanding the hiring process to include the use of its comprehensive job description.

Currently the job description is not provided to the applicant during the hiring process. While hiring forms advise disabled persons to request accommodations, the applicant needs to know what the specific functions and expectations are for the position. The division needs to know if the applicant can perform those functions. This can be accomplished easily during the hiring process by providing the applicant with the essential functions of a position and asking if the applicant can perform the functions with or without accommodation. Once hired, should the

employee need medical or injury leave, the approved job description provides an established benchmark for communicating with health care providers.

In addition, employees do not routinely participate in a review of current tasks, even though the job description form contains an employee signature line. Keeping job descriptions current ensures employees are properly classified and receive appropriate treatment under overtime regulations. Having employees participate in the review process provides an opportunity to match actual duties to described duties.

In implementing this recommendation, SCPSD may consider using the annual performance appraisal process to update job descriptions and supplement the periodic formal reviews by HR. During the performance appraisal, the employee could be provided with the job description, and could be asked to review the description and note any changes. Position descriptions without changes could be signed by both supervisor and employee with a copy sent to HR. Position descriptions with identified changes would then be forwarded to HR for review and revised as necessary. Revised descriptions would be provided to the supervisor and employee for signature and would be kept on file. When formal updates occur, HR should seek superintendent and board approval of the updated job descriptions.

FACILITIES USE
&
MANAGEMENT

Chapter 4

FACILITIES USE AND MANAGEMENT

BACKGROUND

Facility planning and management of construction and renovation projects are significant activities for most divisions. Planning for facilities based on student growth, programmatic needs, aging facilities, and legislative requirements are essential to provide for student needs without overcrowding, use of substandard facilities, or use of costly portable alternatives. Active management of construction and maintenance projects and procedures can provide cost control, ensure quality of workmanship, and help ensure timely completion and facility operations. Facilities also must be maintained and cleaned on a routine basis to provide for a safe and healthy environment for students, teachers, and staff.

The Stafford County Public Schools Division (SCPSD) owns and maintains 25 schools with 3.2 million square feet of building space, comprised of:

- four high schools (not including High School 2005, under construction),
- six middle schools (not including 2 middle schools in the planning stage, opening in 2006),
- 15 elementary schools (not including Elementary School 2005, early construction stage, or Elementary School 2006, in planning),
- four administrative sites, including the administration complex, the central garage, support services, maintenance storage, and
- one special use site housing Head Start, alternative education, and other uses.

In the last 15 years, the division has experienced extraordinary growth, both in terms of student enrollment and facilities—over 56 percent (1.8 million square feet) of the division's facilities have been built since 1990. In the 1990s, the division built three new elementary schools, two new middle schools, two new high schools, and school additions at 15 sites. Since 2000, the division has opened the following schools:

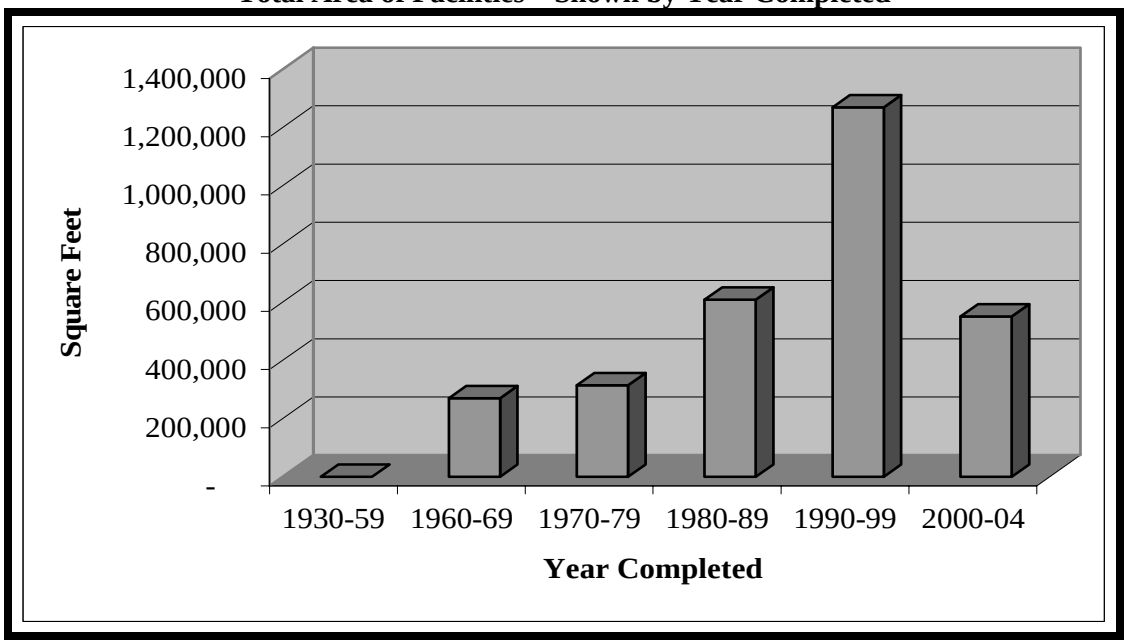
- R. E. Thompson Middle School, opened 2000
- Rocky Run Elementary School, opened 2000
- T. Benton Gayle Middle School, opened 2002
- Kate Waller Barrett Elementary School, opened 2002
- Margaret Brent Elementary School, opened 2004

In addition, the following schools are planned to open by 2010.

- New Elementary School 2005
- New High School 2005
- New Middle School 2006 - Northeast
- New Middle School 2006 - Southeast
- New Elementary School 2006
- New High School 2007
- New Elementary School 2008
- New Middle School 2010

The average age of the division's facilities is 17 years, making the average building in the division relatively new by national or statewide comparisons. **Exhibit 4-1** depicts the total facilities area shown by year of project completion.

Exhibit 4-1
Total Area of Facilities – Shown by Year Completed



Source: Operations and Maintenance Department Data, October 2004.

Operations managed by the facilities group include construction management and planning (the Planning and Construction Department) and building operations and maintenance (Operations and Maintenance Department). Facilities funds categories in SCPSD's 2004-05 annual budget include **Facilities** (architectural and engineering services for special projects); the **Construction Fund** (new construction and major renovation); **Planning, Construction, and Census** (planning and construction division personnel); and **Operations and Maintenance**. For 2004-05, Facilities Funds are budgeted at $51,000; Construction Funds are budgeted $80,908,000; Planning, Construction, and Census Funds are budgeted at $587,423; and Operations and Maintenance Funds are budgeted at $17,527,593. Construction Funds are comprised of the new schools described previously.

Major categories of Operations and Maintenance costs are shown in **Exhibit 4-2**:

Exhibit 4-2
Operations and Maintenance Costs – Major Categories
2004-05

Cost Category	Cost	Cost per Student
Custodial Salaries and Contracts	$ 2,826,590	$110.26
Skilled Maintenance Employees	1,163,358	$45.38
Utilities	6,365,866	$248.33
Grounds Maintenance	1,005,864	$39.24
Maintenance/Special Projects	673,491	$26.27
Health Insurance	651,108	$25.40
All Other Costs	4,841,316	$188.86
TOTALS	**$ 17,527,593**	**$683.74**

Source: SCPSD 2004-05 Budget.

A. ACHIEVEMENTS

Facilities Management and Organization

- Overall, the division is efficient both in terms of facilities personnel per student and total Operations and Maintenance cost per student. The division ranks #1 in both categories (lowest cost per student) among its peer group.
- Facilities management staff is competent, appropriately organized, and well qualified. Site visits indicate that facilities are appropriately maintained and efficiently designed.

Facilities Plans, Policies, and Procedures

- The division has excellent planning (demographics) practices and personnel. Through accurate projections and effective long-range planning, the division has managed its growth without the use of modular (transportable) facilities while maintaining a 100 percent average utilization rate for the last five years.
- The division uses efficient prototype designs, saving on design costs, and continually improving facilities quality through design updates.
- The historical cost of new construction for the division was very efficient (cost per student, square feet per student, cost per square foot), prior to the change to public/private design/build contracting in July 2003.

Maintenance Operations

- The division maintains its facilities using less staff than its peers or national averages.
- The division has appropriate policies, training, warehousing operations, annual budgeting, preventive maintenance, and work-order management programs.
- The division appropriately outsources services and continually compares the effectiveness of outsourced programs with in-house capabilities.
- The division uses onsite maintenance personnel where appropriate, saving travel time and transportation expense and increasing efficiency.

- The division uses management plans for roofing repair and replacement, carpet replacement, and painting.

Custodial Operations

- The division has appropriate custodial policies, training, and warehousing operations. Custodial staff meets or exceeds national standards for area cleaned per custodian.
- The division has achieved significant savings by outsourcing custodial operations at high schools and division offices.

Energy Management

- The division has begun the process of looking at ways to reduce energy consumption.

B. RECOMMENDATIONS

Recommendation 4-1 (p. 4-15): Carefully review cost of construction in public/private design/build proposals compared to traditional design/bid/build proposals (the division has already moved in this direction). The historical cost of new construction for the division was very efficient prior to the change to public/private design/build contracting in July 2003. At that point, new construction cost per student increased dramatically and cost per square foot became the highest in the state.

Recommendation 4-2 (p. 4-18): Consider outsourcing custodial operations at middle and elementary schools. The division has outsourced custodial operations at high schools, saving the division approximately $445,000 per year in custodial costs. This is a model practice and should be commended. The division has considered but currently rejected the idea of using the practice in middle schools and elementary schools, citing security concerns. The evaluation team recommends that the division reconsider taking advantage of potential savings at elementary and middle school sites if it can adequately address the security concerns of outsourced staffing with younger children. Additional savings are potentially $786,000 per year, but risks need to be carefully considered.

Recommendation 4-3 (p. 4-19): Design and implement a division-wide energy management policy. Currently, the division does not have a comprehensive energy policy. The division's energy cost at $1.25 per square foot is high possibly by as much as 30 to 50 percent. Initial calculations indicate possible savings of $800,000 to $1,400,000 per year—a significant portion of which would initially be used for lease or debt service payments associated with related capital expenditures.

Recommendation 4-4 (p. 4-24): Implement a policy of assessment and accountability for after hours non-school uses. Rental income from some facilities may not adequately cover the cost of operating these facilities for non-school uses. Also, rental fees go to the campus, not to the general funds of the division. Therefore, the division suffers a net loss at the general fund level and there is a lack of equity between schools based on the level of rentals. The evaluation team recommends that the division consider an accountability program for these rental fees and should consider raising fees for non-school uses where appropriate.

Recommendation 4-5 (p. 4-25): Update the division's facility assessment and long-range facilities plan. The division recognizes the need to prepare an updated long-range facilities plan. The division last prepared a comprehensive facilities assessment in fiscal year 2000; this assessment was done using division personnel.

Recommendation 4-6 (p. 4-27): Review the division's historical and planned spending on capital renewal items (special projects). Once the division has completed its long-range comprehensive assessment, the evaluation team recommends that the division review its historical and planned spending on capital renewal and capital improvement items and develop a budget strategy that will provide for high-quality sustainable facilities in the long-term.

Recommendation 4-7 (p. 4-27): Review Operations and Maintenance staffing for possible areas of understaffing. The division may be understaffed with respect to certain trades or general maintenance staff, based on Operations and Maintenance Department interviews and when compared to national and peer standards. The evaluation team recommends that the division take advantage of its recently upgraded capability in the work-order management system to set standards and policies for work-order fulfillment by trade, monitor this data for trends, compare the trends to national and local standards, and add staff as needed.

C. FISCAL IMPACT OF RECOMMENDATIONS

This chapter contains recommendations to improve the efficiency of SCPSD facilities use and management operations. Once fully implemented, these recommendations will result in savings of $1.3 million each year, representing 0.68 percent of the division's annual operating budget. The major savings opportunities are presented in **Exhibit 4-3**. Details of how the financial impact was calculated can be found in Appendix C.

Exhibit 4-3
Summary of SCPSD Savings Opportunities

Functional Area	Recommendation	Annual Savings
Facilities Management	Consider outsourcing custodial services (or increase productivity of in-house staff) at elementary and middle schools	$786,000
	Implement energy conservation measures	$400,000
	Implement energy management performance contracting	$59,000
	Modify policy for after-school facility use	$87,000
Total Annual Savings		$1,332,000
Percent of annual operating budget		0.68%

Source: Gibson Consulting Group.

The chapter also includes recommended investments by SCPSD, to achieve best practices or to generate subsequent savings. If savings cannot support these investments in the short-term, then the division should request additional investment funds from the county, or delay the implementation if the investment does not yield future savings.

The recommended investments are listed below:

1. Update facilities assessment and long-range facilities plan. One-time investment: $250,000.

2. Increase maintenance staff to levels commensurate with industry standards. Annual investment: $207,000.

If all recommendations are implemented, the net annual savings to SCPSD is $1.1 million, or 0.57 percent of the division's operating budget. The net annual savings does not include the one-time investments of $250,000.

D. DETAILED ACHIEVEMENTS

EFFICIENT FACILITIES STAFFING AND SPENDING

Overall, the division is efficient both in terms of facilities personnel per student and total Operations and Maintenance cost per student. The division is ranked 1 in both categories (most efficient) among its peer group, as shown in **Exhibit 4-4**.

Exhibit 4-4
Facilities Operations and Maintenance Staff – Peer Group Comparison
2001-2002

Division	2001-02 ADM	Admin.	Technical, Clerical	Other Professional	Trades, Labor, Service	Total	Total per 1,000 ADM
Stafford County	**22,346**	**12.5**	**23.8**	**0**	**122.4**	**158.7**	**7.1**
Spotsylvania County	20,117	1.0	3.5	2.0	175.0	181.5	9.0
Prince William Co.	57,345	14.3	46.0	0	518.1	578.4	10.1
Henrico County	42,368	3.0	8.0	13.4	437.5	461.9	10.9
Chesterfield County	52,543	9.8	15.8	0	550.1	575.7	11.0
Fairfax County	161,623	34.0	114.9	18.7	1,890.0	2,057.6	12.7
Virginia Beach City	75,090	5.0	22.7	17.0	1,097.7	1,142.4	15.2
Chesapeake City	38,271	2.0	15.2	7.8	580.2	605.2	15.8
Arlington County	18,410	13.0	8.0	4.0	285.0	310.0	16.8
Stafford County Rank							**1**
Peer Average	**58,221**						**12.7**

Source: State website, Superintendents Annual Reports
Notes: ADM = Average Daily Membership
2002-03 and 2003-04 data not available for comparison.
Fairfax City data included in Fairfax County.
Apparent discrepancies between divisions in individual categories (such as Administrative positions) may be attributable to differences in reporting methodology. Therefore, the best comparison is most likely a comparison of total staff rather than a comparison by category.
Total positions September 2004 in Stafford County were 162, total ADM was 25,635, and total per 1,000 ADM was 6.3.

Total staffing in facilities for the Stafford County Public School Division is comprised of custodial staff, maintenance operations, and planning and construction personnel. While comparative staffing analyses provide a benchmark indicating the staffing efficiency of a division, this benchmark should be used only in conjunction with other data. Using staffing statistics alone can be misleading because different divisions build, maintain, and operate buildings which vary widely in terms of total quantity of space, amount of on-going new construction and renovation projects, number of buildings and sites, geographic area and density of the division, age and condition of buildings, and efficiency of building systems. In addition,

some divisions tend to outsource more services than others, thus reducing staff. When considering efficiency of operations, the total cost of operations should also be taken into account. **Exhibit 4-5** presents facilities Operations and Maintenance expenditures for SCPSD as compared to its peers from 1996-97 through 2002-03.

Exhibit 4-5
Facilities Operations and Maintenance Expenditures – Peer Group Comparison
Cost per Student
1996-97 through 2002-2003

Division	2002-03 ADM	2002-03	2001-02	2000-01	1999-2000	1998-99	1997-98	1996-97
Stafford County	**23,655**	**$581.12**	**$594.73**	**$611.05**	**$575.36**	**$559.08**	**$496.88**	$496.93
Spotsylvania County	21,216	**617.04**	625.72	613.98	563.22	541.52	493.48	527.15
Henrico County	43,230	**701.41**	692.64	683.75	670.12	636.51	638.55	592.80
Chesapeake City	39,108	**774.55**	714.82	704.29	675.37	628.77	617.70	589.30
Chesterfield County	53,550	**797.35**	751.33	741.26	744.90	633.15	551.56	572.44
Prince William County	58,973	**811.37**	781.08	786.00	747.61	729.11	706.83	692.16
Virginia Beach City	75,161	**815.66**	781.62	712.39	641.78	555.78	516.08	491.12
Fairfax County	158,177	**855.90**	803.13	811.61	790.42	797.39	795.00	811.68
Arlington County	18,238	**1,225.63**	1,186.05	1,114.35	1,130.35	1,044.48	1,049.69	1,037.29
Stafford Co. Rank		**1**	**1**	**1**	**2**	**3**	**2**	**2**
Peer Median	**48,390**	**$804.36**	**$766.21**	**$726.83**	**$710.14**	**$634.83**	**$628.12**	$591.05
Peer Average	**58,457**	**$824.86**	**$792.05**	**$770.95**	**$745.47**	**$695.84**	**$671.11**	$664.24

Source: State website, Superintendents Annual Reports 1996-2003
Note: ADM = Average Daily Membership
2003-04 and 2005-05 data not available for comparison.

The data shown **in Exhibit 4-5** includes the cost of operating and maintaining schools and other division buildings, which includes items such as utility bills, custodial costs, and general maintenance and capital renewal. It does not include the cost of new construction, major renovation, or large capital improvement projects. While SCPSD does have the advantage of a relatively new building inventory, this advantage does not solely explain the division's cost efficiency. For example, the largest single facilities cost category for the division is utilities, which accounted for $177.20 per student in 2002-03 (and have risen to $248.33 per student in 2004-05). As described later in this chapter, the division has relatively high-energy use. The conclusion can therefore be made that the division is very cost-effective in other areas of facilities Operations and Maintenance. While some divisions reduce facilities costs by failing to fund appropriate maintenance and capital renewal items at a level that would provide sustainable and viable facilities, this does not appear to be the case in Stafford County.

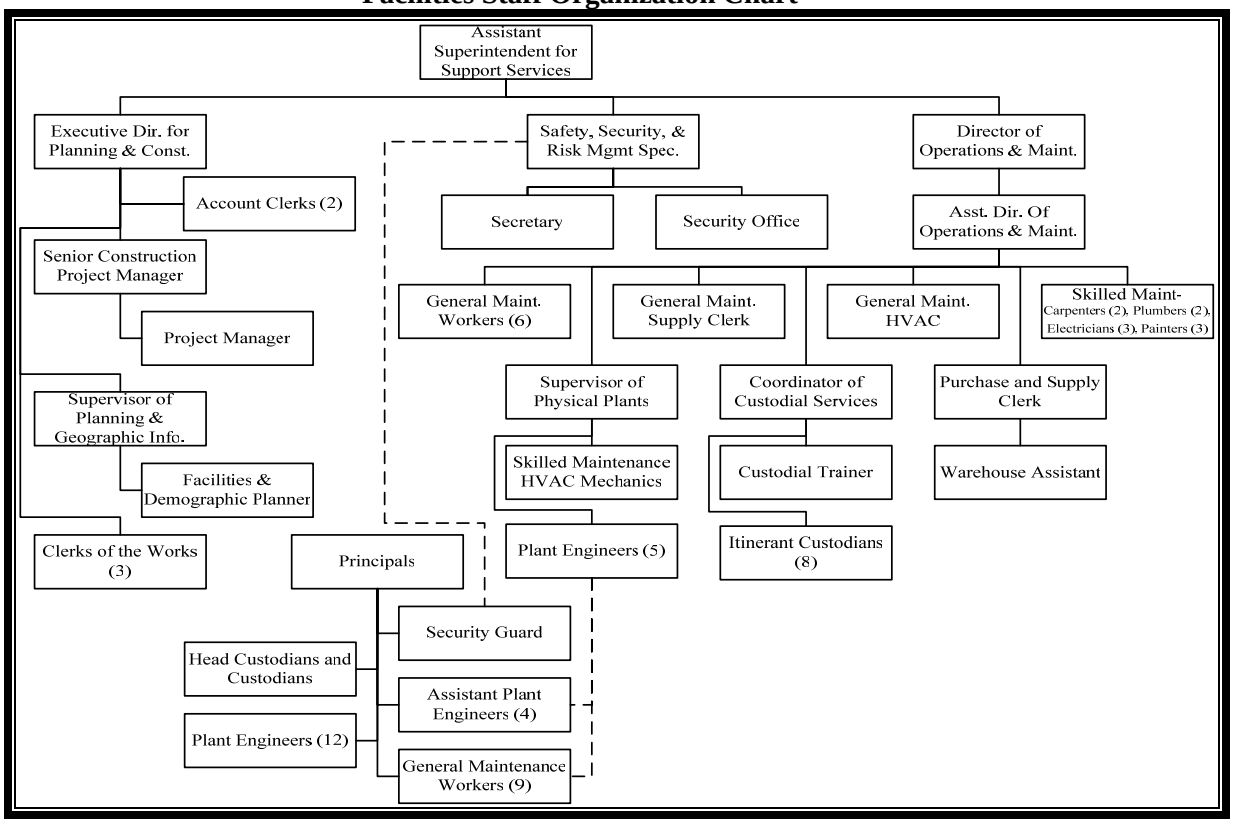
SCPSD's total Operations and Maintenance costs have risen to $683.74 per student in 2004-05 (SCPSD approved budget). The 2003-04 and 2004-05 Superintendents Annual Report data were not available for comparison. However, SCPSD's cost per pupil will still be lower in 2004-05 than any of its peer group's 2002-03 costs, with the exception of Spotsylvania County. Note, however, that in 2004-05 Spotsylvania County's costs have risen to $706.80 per student and remain higher than SCPSD.

The above comparisons do not include the "Facilities" category of funds shown in the Superintendents Annual Reports (generally paid from operating funds) or Construction Funds paid from the issuance of debt. These categories are comprised of the costs of acquiring land and buildings, remodeling and constructing buildings, and improving sites. Because these costs are unique to the requirements of a division, based on growth of student population and the age and condition of existing buildings, a comparison of these costs between divisions is not statistically meaningful.

APPROPRIATE ORGANIZATION

Operations managed by the facilities group include construction management and planning (the Planning and Construction Department) and building operations and maintenance (Operations and Maintenance Department). These departments report to the assistant superintendent for Support Services. In addition, the Safety, Security, and Risk Management Department is closely associated with facilities, though not technically a part of the facilities group. Based on interviews, observations, site visits, and a review of division documentation, the facilities management staff is competent, appropriately organized, and well qualified. The organization of the facilities group is shown in **Exhibit 4-6**:

Exhibit 4-6
Facilities Staff Organization Chart



Source: Stafford County Public Schools Division, October 2004.

EXCELLENT PLANNING AND DEMOGRAPHIC PROJECTION

The division has excellent planning (demographics) practices and personnel. Through accurate projections and effective long-range planning, the division has managed its growth without the use of modular (transportable) facilities while maintaining a 100.0 percent average utilization rate for the last five years. In the period from 1988 to 2004, the division's projected enrollments have differed from actual enrollments by an average of 0.09 percent. During this seventeen year period, the division's estimates missed actual enrollment by more than 2.0 percent in only four years. The maximum difference between estimates and actual enrollment was 2.63 percent in 1989. Historical and projected enrollment and facilities utilization data is shown in **Exhibit 4-7**.

Exhibit 4-7
Facilities Enrollment and Utilization
2000-01 through 2009-10

Parameter	Historical				Current	Projected				
	2000-01	2001-02	2002-03	2003-04	Sept 2004	2005-06	2006-07	2007-08	2008-09	2009-10
High School Enrollment	6,394	6,718	7,103	7,467	7,941	8,495	8,963	9,407	9,811	10,148
High School Capacity	6,725	6,725	7,325	7,325	7,325	9,125	9,125	10,325	10,925	10,925
Utilization	95.1%	99.9%	97.0%	101.9%	108.4%	93.1%	98.2%	91.1%	89.8%	92.9%
Middle School Enrollment	4,964	5,322	5,782	6,077	6,271	6,582	6,905	7,311	7,664	7,954
Middle School Capacity	5,720	5,720	6,020	6,020	6,020	6,020	8,220	8,220	8,220	8,220
Utilization	86.8%	93.0%	96.0%	100.9%	104.2%	109.3%	84.0%	88.9%	93.2%	96.8%
Elem. School Enrollment	9,766	10,595	11,118	11,325	11,423	11,838	12,500	13,115	13,654	14,091
Elementary Capacity	9,898	9,898	10,848	10,848	11,798	12,748	13,698	13,698	14,648	14,648
Utilization	98.7%	107.0%	102.5%	104.4%	96.8%	92.9%	91.3%	95.7%	93.2%	96.2%
Total Enrollment	**21,124**	**22,635**	**24,003**	**24,869**	**25,635**	**26,915**	**28,368**	**29,833**	**31,129**	**32,193**
% Increase		7.2%	6.0%	3.6%	3.1%	5.0%	5.4%	5.2%	4.3%	3.4%
9-Yr % Student Increase										52.4%
Student Increase		1,511	1,368	866	766	1,280	1,453	1,465	1,296	1,064
9-Year Student Increase										11,069
Total Capacity	**22,343**	**22,343**	**24,193**	**24,193**	**25,143**	**27,893**	**31,043**	**32,243**	**33,793**	**33,793**
Total Utilization	**94.5%**	**101.3%**	**99.2%**	**102.8%**	**102.0%**	**96.5%**	**91.4%**	**92.5%**	**92.1%**	**95.3%**
5-Yr Avg. Utilization					**100.0%**					93.6%

Source: SCPSD Planning and Construction Department

The division has achieved accurate demographic capabilities through investment in personnel (an on-staff Supervisor of Planning and Geographic Information and a Facilities and Demographic Planner), as well as investment in technology, including geographic information systems.

For demographic projections, the division uses a combination of cohort-survival projections, combined with a detailed analysis of potential dwelling units. The cohort survival projection methodology uses historic live birth data and historic student enrollments to age a known population or cohort throughout the school grades. A cohort is a group of persons (in this case, students). For instance, a cohort begins when a group of kindergarteners enrolls in Grade K and moves to first grade the following year, second grade the next year, and so on. A survival ratio is developed to track how this group of students grew or shrunk in number as they moved through the grade levels. By developing survival ratios for each grade transition (e.g. second to third grade) over a period of time, patterns emerge and can be folded into projections by using the survival ratios as a multiplier.

The division's analysis of potential dwelling units includes the tracking of all approved units in an area planning unit (APU), the projection of build-out periods, and the estimation of the number of potential students that will be added, based on the economic value of the dwelling units. The division is in continual contact with county planners. In addition, the division is often able to obtain school sites cost-effectively by using developer proffers when the county considers potential land-use rezoning.

The division attains high utilization rates by redistricting where appropriate, adding classroom additions to schools where core facilities are able to support the addition, and by long-range planning for the construction of new schools. Long-range planning often includes the analysis of multiple alternatives.

The division has managed its growth without the use of modular (transportable) facilities. While this practice has contributed to overcrowding in some parts of permanent facilities, the effect appears to be short-term. Examples observed during site visits included an elementary school stage converted temporarily for use as an art room, administrative space used as a resource room, and general overcrowding of some facilities. However, these instances were planned to be relieved by new school construction included in current budget projections.

USE OF EFFICIENT PROTOTYPICAL DESIGNS

The division uses efficient prototype designs, saving on design costs and continually improving facilities quality through design updates. As an example, the division has used a prototype design for the construction of its last three elementary schools (Kate Waller Barrett, Margaret Brent, and Rocky Run Elementary Schools) and plans to use the prototype for its next new elementary school (Elementary School 2005). The division has continued to use prototypical designs since the 1960's, though new prototypes have been introduced. The current elementary school prototype totals 94 square feet per student. Of the 42 elementary schools constructed in Virginia since 2000, only three have achieved higher space efficiency, and these have been more efficient by less than two square feet per student (the most efficient was 92 square feet per student). The division's current middle school prototype, at 142 square feet per student is 17.4 percent below the state average (2003-04 data). The division's new High School 2005, at 132 square feet per student, was the most space efficient of the four high schools contracted state-wide in 2003-04. These school prototypes are updated and improved when site-adapted, with the input of the Operations and Maintenance Department, principals, teachers, and administrators. The division

has recently updated its educational specifications for middle schools and high schools, and may wish to update educational specifications for elementary schools when designing a new prototype.

HISTORICAL COST OF NEW CONSTRUCTION

The historical cost of new construction for the division was very efficient (cost per student, square feet per student, cost per square foot), prior to the change to public/private design/build contracting in July 2003. When Kate Waller Barrett Elementary was contracted in 2000-01, its construction cost, using traditional design/bid/build methodology, was $10,738 per student—8.2 percent below the state average of $11,699 per student. The school ranked as the fourth most cost effective among the eleven schools contracted that year. The division currently manages new construction averaging approximately $50 million per year with an executive director of Planning and Construction and two project managers, including one senior manager. (For more information and analysis of historical construction costs and the effects of the move to public/private contracting, see Recommendation 4-1.)

EFFICIENT MAINTENANCE STAFFING

The division maintains its facilities using less staff than its peers or national averages. A detailed analysis of staffing is included in Recommendation 4-8, and potential sources of efficiency are described in the following three division achievements: "Operations and Maintenance Policies," "Maintenance Outsourcing," and "Use of Onsite Maintenance Personnel."

OPERATIONS AND MAINTENANCE POLICIES

The division has appropriate policies, training, warehousing operations, annual budgeting, preventive maintenance, and work-order management programs. Site visits indicate that facilities are appropriately maintained and efficiently designed. While some of the division's policies are formal but not officially adopted, and some are instituted by use rather than doctrine, the Operations and Maintenance Department operates efficiently.

The division is in the process of instituting a new work-order management system and has recently upgraded its work-order software system, using Teamworks™ software. Maintenance requests currently come in by courier every day (high priority items are faxed) from the sites and are prioritized by the director and assistant director of Operations and Maintenance. The data is currently entered into a database by Operations and Maintenance personnel, and one copy of the request is returned to the site marked with the day received. If the work cannot be performed, the entire request is returned to the site; however, the Operations and Maintenance Department estimates that 98 percent of the requests are satisfied. The new work-order system will allow site administrators to enter maintenance requests online. The division currently processes 7,500 maintenance requests per year. No maintenance items are purchased without purchase orders and no vendor has open purchase orders. The director and assistant director have credit cards for emergencies, but these have not been used. No personnel have access to division petty cash.

As described in "Use of Onsite Maintenance Personnel" later in this Chapter, the division uses personnel based onsite when feasible. For work performed by onsite personnel, no work-orders are processed by central maintenance operations. Plant engineers onsite (and assigned to sites) receive extensive training in HVAC preventive maintenance and procedures are documented. Training expenses are included in the division's annual budget.

Larger items not handled with traditional work-orders are handled through the annual budgeting process and the Capital Improvements Program (CIP). Requested capital improvements originate onsite with the site administrator (generally the principal), or with the Transportation or Operations and Maintenance Departments. All requests are sent to the Operations and Maintenance Department with requested priorities provided by the site administrator or appropriate personnel. Items are then classified by the Operations and Maintenance Department into three categories: 1) work-order maintenance items, 2) capital improvement items, and 3) projects that are not feasible (cancelled). Work-order items are transferred and handled as described above. Capital improvement items are initially prioritized and assigned a cost estimate by the Operations and Maintenance Department, reviewed and adjusted as required by the assistant superintendent for Support Services, submitted to the superintendent with recommendations, and ultimately provided to the board for adjustment or approval.

Maintenance warehousing is minimal. Purchases are handled as appropriate through purchase orders. Hand tools are provided by the division and are kept onsite or on the truck. Loss of tools or supplies has not been a problem in the division.

All schools have generators, which are maintained by the Operations and Maintenance Department though service contracts and onsite personnel. When most of the County of Stafford lost electricity during Hurricane Isabel, the division lost a minimal amount of milk and ice cream compared to other school divisions losing all frozen food products.

MAINTENANCE OUTSOURCING

The division appropriately outsources services and continually compares the effectiveness of outsourced programs with in-house capabilities. The Operations and Maintenance Department estimates that approximately 30 to 40 percent of maintenance activities are currently outsourced. The division bids these services for a specified period and jointly bids services with the County of Stafford when appropriate. Following is a partial list of outsourced services (bold items indicate services that are jointly bid with the county):

- **Carpet Replacement**
- **Concrete**
- Cooling Tower and Boiler Cleaning
- **Elevator Maintenance**
- Energy Management Systems
- Fire Alarms, Smoke Detectors and Clocks
- **Fire Sprinkler Systems**
- Glass Replacement
- Grease Traps Pumping
- Handicap Lifts
- **Lawn and Shrub Treatment**
- Media Retrieval Systems
- **Parking Lot Cleaning**
- **Pole Light Repair**
- **Roofing Repairs & Maintenance**
- School P.A. Systems
- Security Alarms
- **Snow Removal**
- **Trash Services**
- **Uniform Services**
- **Vehicle Radios**

USE OF ONSITE MAINTENANCE PERSONNEL

The division uses onsite maintenance personnel where appropriate, saving travel and transportation expense, increasing efficiency, and decreasing Operations and Maintenance Department supervision needs. Currently, the division has permanently assigned a plant engineer, an assistant plant engineer, and a general maintenance position at all four high schools; a plant engineer and a general maintenance position at middle schools; and plant engineers at the administrative offices and alternative education/head start complexes. Plant engineers are also assigned to cover specific elementary schools (three schools per engineer). Plant engineers and assistants are responsible for the school physical plant, machinery, and equipment and for performing preventative maintenance on HVAC and food service equipment, among other responsibilities. Onsite personnel report directly to the site administrator and indirectly to the Operations and Maintenance Department.

CAPITAL RENEWAL PLANS

The division uses management plans for roofing repair and replacement, carpet replacement, and painting. These plans are used to schedule repairs and replacements and provide long-term budget data for capital renewal expenses. The roofing plan is prepared by an outside consulting engineer and is updated every five years. (See also Recommendations 4-5 and 4-6).

EFFICIENT CUSTODIAL OPERATIONS

The division has appropriate custodial policies, training, and warehousing operations. Job descriptions for custodial staff include detailed descriptions of qualifications, required abilities, and key duties and responsibilities. Custodians attend training sessions and receive detailed information regarding the use of equipment and the handling and care of hazardous materials. The division employs a full-time custodial trainer. Full procedural manuals are provided at every school, including job descriptions, equipment instructions, and safety data. Custodial supplies are bid every three years and ordered in bulk annually. Paper products and dispensers are standardized. Supply inventory lists are kept at each school and at the central warehouse. Supplies are delivered monthly to schools. The division has recently instituted a program of onsite review that includes a comprehensive checklist of school cleanliness. Reviews are performed by onsite personnel as well as a custodial supervisor. Custodial staff meets or exceeds national standards for area cleaned per custodian.

Typical standards range from 18,000 to 24,000 square feet per custodian, depending on the source of data and on cleaning standards. SCPSD custodians clean an average of 22,410 square feet each as shown in **Exhibit 4-8**. (See also Recommendation 4-2).

Exhibit 4-8
Custodial Staffing

Location	Custodial Staffing			Contract	
	Sq Ft	Staff	Average SF/Staff	Cost	Cost/SF
High Schools					
Brooke Point High School	266,656			$ 185,850	**$ 0.70**
Colonial Forge High School	244,617			$ 190,496	**$ 0.78**
North Stafford High School	285,860			$ 211,773	**$ 0.74**
Stafford High School	287,836			$ 189,000	**$ 0.66**
Total	**1,084,969**			**$ 777,119**	**$ 0.72**
Middle Schools					
Drew Middle School	98,913	5.0	19,783		
Gayle Middle School	146,349	5.0	29,270		
HH Poole Middle School	145,140	5.5	22,329		
RE Thompson Middle School	138,199	5.0	27,640		
Stafford Middle School	129,610	5.0	25,922		
AG Wright Middle School	112,673	5.0	22,535		
Elementary Schools					
Barrett Elementary School	87,800	4.0	21,950		
Brent Elementary School	87,800	4.0	21,950		
Falmouth Elementary School	68,698	3.5	19,628		
Ferry Farm Elementary School	70,550	3.5	23,517		
Garrisonville Elementary School	65,816	4.0	16,454		
Grafton Village Elementary School	75,718	3.5	21,634		
Hampton Oaks Elementary School	80,968	3.5	23,134		
Hartwood Elementary School	61,068	3.0	20,356		
Moncure Elementary School	76,098	3.5	21,742		
Parkridge Elementary School	76,431	3.5	21,837		
Rockhill Elementary School	76,438	3.5	21,839		
Rocky Run Elementary School	87,700	4.0	21,925		
Stafford Elementary School	70,946	3.5	20,270		
Widewater Elementary School	77,108	4.0	22,031		
Winding Creek Elementary School	82,016	4.0	20,504		
Total	**1,916,039**	**85.5**	**22,410**		

Source: SCPSD Operations and Maintenance Department, October 2004.

CUSTODIAL OUTSOURCING

The division has achieved significant savings by outsourcing custodial operations at high schools and division offices. While in-house custodial staff is efficient when compared to national standards, the division has nevertheless achieved even greater cost-efficiency by outsourcing operations at high schools, saving the division approximately $445,000 per year in custodial costs. (See also data and additional analysis in Recommendation 4-2).

ENERGY MANAGEMENT

The division has recognized the need to control energy costs and is in the early stages of review and analysis of potential means of reducing energy expenditures. For further detail, refer to Recommendation 4-3.

E. DETAILED FINDING AND RECOMMENDATION

FACILITIES CONSTRUCTION

Recommendation 4-1: Carefully review cost of construction in public/private design/build proposals compared to traditional design/bid/build proposals (the division has already moved in this direction).

The historical cost of new construction for the division was very efficient (cost per student, square feet per student, cost per square foot), prior to the change to public/private design/build contracting in July 2003. When Kate Waller Barrett Elementary was contracted in 2000-01, its construction cost, using traditional design/bid/build methodology was $10,738 per student, 8.2 percent below the state average of $11,699 per student, and ranked the fourth most cost effective among the eleven schools contracted in the Commonwealth that year.

In July of 2003, the division entered into a comprehensive agreement for a public/private partnership to construct two new elementary schools and a high school. The private partner was a joint venture operator. The elementary schools were known as Elementary School 2004 (later Margaret Brent Elementary) and Elementary School 2005; the high school was known as High School 2005. Margaret Brent Elementary was built under the terms of the comprehensive agreement using a prior prototype. Elementary School 2005 was designed as a new prototype under the agreement, but ultimately was not built by the joint venture under the terms of the agreement.

Summary data for recent projects is shown in **Exhibit 4-9** for comparison (Elementary School 2005 cost data is described later).

Exhibit 4-9
Construction Costs – New Facilities, Statewide Comparison
2000-2004

Parameter	Construction Cost	Construction Cost/Student	SF/ Student[2]	Construction Cost/SF
Benton Gayle MS (Contracted 2000-01)				
Actual	$15,616,500	$14,887	140	$106.41
State Average	N/A	$15,696	141	$111.52
State Rank	N/A	3	3	4
Total Projects	N/A	7	7	7
Kate Waller Barrett ES (Contracted 2000-01)				
Actual	$10,039,700	$10,738	94	$114.48
State Average	N/A	$11,699	108	$110.96
State Rank	N/A	4	2	8
Total Projects	N/A	11	11	11
Margaret Brent ES (Contracted 2002-03)				
Actual[1]	$13,575,654	$14,519	94	$154.80
State Average	N/A	$13,121	112	$116.73
State Rank	N/A	8	1	12
Total Projects	N/A	12	12	12
High School 2005 (Contracted 2003-04)				
Actual	$36,337,800	$18,828	132	$142.83
State Average		$19,872	143	$138.51
State Rank		3	1	3
Total Projects		4	4	4

Source: State Department of Education, Facilities Data
Notes: [1]Actual construction cost shown as reported to state DOE (was later increased to $13,584,000).
[2]Calculated based on state reported capacity, not actual operational capacity.

As seen in **Exhibit 4-9**, under the terms of the comprehensive agreement, the division went from being 8.2 percent below the state average cost per student (Kate Waller Barrett Elementary School) to a cost that was 10.7 percent above the state average (Margaret Brent Elementary School). This represents a 18.9 percentage point swing in relative construction cost, even though the design of the school was the same prototype and Margaret Brent Elementary School was the most efficiently designed school in the state (measured in square feet per student) in 2002-03. Under the comprehensive agreement, the cost of Margaret Brent Elementary was the highest in the state (2002-03 data for 12 projects) in terms of cost per square foot. The presumptive conclusion is that the only difference in relative cost for the two elementary school projects was due to the method of contracting.

High School 2005 was the most efficiently designed school in the state in terms of square feet per student. However, the cost per student and cost per square foot for High School 2005 was

exceeded in the state only by one other high school built by a public/private partnership (Cosby Road High School in Chesterfield County).

Elementary School 2005 was originally included in the comprehensive agreement. A new prototype school was designed under the agreement at a cost of $837,600 and the contract construction cost would have been $14,360,809, for a total design and construction cost of $15,198,409. The division made the decision to use its exit option under the agreement and chose not to build the elementary school as planned. Instead, the division reverted to using its prior existing prototype for a site adaptation design fee of $531,000, reverted to traditional competitive bidding process, and chose to contract the school for $13,262,000. Had the division used this methodology from the beginning, the total design and construction cost would have been $13,793,000 or 9.2 percent less than the cost under the comprehensive agreement. Comparative state data for 2004-05 is not yet available. **(Exhibit 4-10)**

Exhibit 4-10
Savings - Public/Private v. Design/Build
2000-2004

Parameter	Design Cost	Construction Cost	Total Cost	Construction Cost/Student	SF/ Student[2]	Construction Cost/SF
Elementary School 2005 (Contracted 2004-05)						
Actual Cost[1]	$531,000	$13,262,000	$13,793,000	$14,184	94	$151.22
Comprehensive Agreement	$837,600	$14,360,809	$15,198,409	$15,359	94	$163.75
Savings[3]	**$306,600**	**$1,098,809**	**$1,405,409**	**$1,175**	**-**	**$12.53**

Source: Planning and Construction Department Data
Notes: [1]Actual design cost shown does not include abandoned design from Comprehensive Agreement, which was paid for by the division but not used.
[2]Calculated based on state reported capacity, not actual operational capacity.
[3]Represents savings that would have applied if the Comprehensive Agreement had not been partially implemented.

The division considered, but later abandoned, a second comprehensive agreement for the construction of two middle schools, one high school, and one elementary school. This agreement was cancelled by the school board, based on the recommendations of a study committee comprised of county and school board members and selected advisors. While the division has currently made the decision to contract these schools using traditional design/bid/build methodology, the effort to attempt another public/private partnership may have contributed to current delays in delivering these schools.

CUSTODIAL OPERATIONS

Recommendation 4-2: Consider outsourcing custodial operations at middle and elementary schools.

The division has outsourced custodial operations at high schools, saving the division approximately $445,000 per year in custodial costs. This is a model practice and should be commended. The division has considered, but currently rejected, the idea of using the practice in middle schools and elementary schools, citing security concerns. The division may wish to reconsider taking advantage of potential savings at elementary and middle school sites if it can adequately address the security concerns of outsourced staffing with younger children. Additional savings are potentially $786,000 per year, but the risk needs to be carefully considered. **Exhibit 4-11** shows the cost savings custodial operations at high schools and the potential cost savings for middle schools and elementary schools.

Exhibit 4-11
Savings – Custodial Operations
2000-2004

Parameter	Contract Schools	Self Perform Schools
SF Cleaned[1]	**1,084,969**	**1,916,039**
Contract Cost	$ 777,119	
Salaries & Direct Cost		$ 2,030,574
Total Cost	**$777,119**	**$ 2,030,574**
Cost per SF	**$ 0.716**	**$ 1.060**
Cost/SF Contract Subs	$ 0.037	$ -
Cost/SF Paper	$ 0.022	$ 0.022
Cost/SF Other Supplies	$ -	$ 0.103
Total Cost/SF	**$ 0.775**	**$ 1.185**
Savings/SF	$ 0.410	$ 0.410
Contract SF[1]	1,084,969	
Current Savings	**$444,837**	
Self Perform SF		1,916,039
Potential Savings		**$785,576**

Source: Operations and Maintenance Department Spreadsheet and FY 2005 Budget
Note: [1]Excluding Central Office

In considering the option of outsourcing custodial operations, the division may wish to undertake an analysis to determine differences in pay rate and productivity between outsourced operations and in-house staff. It may be possible to achieve savings with division personnel by making appropriate adjustments to achieve outsourced cost efficiency. The division may also wish to consider outsourcing the evening shift and continuing to use in-house personnel for day shifts.

ENERGY MANAGEMENT

Recommendation 4-3: Design and implement a division-wide energy management policy.

Currently, the division does not have a comprehensive energy policy. Energy cost at $1.25 per square foot is high by as much as 30 to 50 percent. Initial calculations indicate possible savings of $800,000 to $1,400,000 per year—a significant portion of which would initially be used for lease or debt service payments associated with related capital expenditures. Current hours of full heating and cooling operation in the division are typically 5 o'clock in the morning to ten o'clock in the evening (17 hours per day). Data was available from the division for 2002-03 showing both cost and energy use (quantity of electricity, oil, and gas consumption); data for 2003-04 was available from the division showing energy costs only. Because the data was more complete for 2002-03, the 2002-03 data was used in the analysis. However, the total cost difference between 2002-03 and 2003-04 is not material (costs differed by 0.13 percent).

Exhibit 4-12 shows energy costs and usage by site for 2002-03.

Exhibit 4-12
Energy Costs and Usage
2002-2003

	$ Cost			Cost/SF		Total Usage		
Location	**Electricity**	**Oil & Gas**	**Total**	**Sq Ft**	**$/Sq Ft**	**kWh**	**Gas Ccf**	**Oil Gal**
High Schools								
Brooke Point	$237,954	$70,307	$308,261	266,656	**$1.16**	4,144,288		61,403
Colonial Forge	$214,568	$114,461	$329,028	244,617	**$1.35**	4,125,000	159,683	
North Stafford	$351,092	$5,244	$356,336	285,860	**$1.25**	6,563,520		4,482
Stafford	$282,394	$79,385	$361,780	287,836	**$1.26**	5,192,640	116,132	
Middle Schools								
Drew	$96,737	$30,412	$127,149	98,913	**$1.29**	1,498,584	40,949	
Gayle	$172,089	$27,856	$199,945	146,349	**$1.37**	2,468,700	35,555	
HH Poole	$123,683	$36,715	$160,398	145,140	**$1.11**	1,904,400	49,883	352
RE Thompson	$161,838	$33,026	$194,864	138,199	**$1.41**	2,693,700	44,736	
Stafford	$75,066	$23,816	$98,882	129,610	**$0.76**	1,169,852		20,782
Wright MS/ Garrisonville ES	$198,624	$399	$199,023	178,489	**$1.12**	3,050,320		
Elementary Schools								
Barrett	$75,913	$57,591	$133,505	87,800	**$1.52**	1,327,200	62,913	2,770
Falmouth	$62,824	$22,750	$85,574	68,698	**$1.25**	1,013,040	28,998	
Ferry Farm	$76,063	$25,311	$101,374	70,550	**$1.44**	1,224,720	33,445	
Grafton Village	$80,708	$17,713	$98,421	75,718	**$1.30**	1,306,080	23,986	
Hampton Oaks	$74,189	$18,323	$92,512	80,968	**$1.14**	1,152,000	25,262	
Hartwood	$99,300	$4,609	$103,910	61,068	**$1.70**	1,630,620	5,744	
Moncure	$74,055	$18,787	$92,842	76,098	**$1.22**	1,187,920	25,014	
Parkridge	$65,997	$25,322	$91,319	76,431	**$1.19**	1,065,600	35,620	
Rockhill	$118,723		$118,723	76,438	**$1.55**	2,010,240		
Rocky Run	$75,501	$33,758	$109,259	87,700	**$1.25**	1,171,800	45,905	
Stafford	$69,081	$14,075	$83,156	70,946	**$1.17**	1,111,104		10,852
Widewater	$116,957	$63	$117,019	77,108	**$1.52**	1,937,520		82
Winding Creek	$81,029	$20,015	$101,044	82,016	**$1.23**	1,213,020	28,127	
Administrative and Alternative Sites								
AY Bandy	$60,808	$10,144	$70,953	74,124	**$0.96**	897,480	11,767	
Alt Ed	$1,364		$1,364	2,400	**$0.57**	90,055		
Head Start	$101,243	$13,484	$114,727	79,887	**$1.44**	2,031,280	17,210	
Maintenance	$25,733	$549	$26,282	25,650	**$1.02**	408,495		469
Central Garage	$13,824	$16,399	$30,223	18,700	**$1.62**	36,380	21,025	
Total	**$3,187,357**	**$720,514**	**$3,907,873**	**3,113,969**	**$1.25**	**53,625,558**	**811,954**	**101,192**

Source: Operations and Maintenance Department Data
Note: Totals exclude energy costs for which square footage of facilities were not available. Total division-wide costs were $3,948,447 as reported by the Operations and Maintenance Department.

As shown above, the SCPSD's energy costs averaged $1.25 per square foot in 2002-03. By comparison, the Roanoke County Public School Division has "one of the finest energy conservation programs in the Commonwealth. Since implementing an energy efficiency and cost avoidance program in 1998, the division has saved over $2.25 million in energy costs over five full school years, for an average annual savings of $451,040" (*School Efficiency Review: Roanoke County School Division*, April 22, 2004). Roanoke County's total utility costs in 2002-2003 were $1,990,930 for 2,464,459 square feet of building area, representing a cost per square foot of $0.81. The National K-12 Schools Technical Analyst for the U.S. Department of Energy's Rebuild America/Energy Smart Schools program believes that Stafford should target energy costs of $0.80 to$0.85 per square foot. He further believes that savings of 10 to15 percent could be achieved by usage behavior changes alone. **Exhibit 4-13** indicates potential savings that could be expected, based on various projected costs per square foot.

Exhibit 4-13
Potential Savings SCPSD – Annual Energy Use

Annual Cost per Square Foot	Area(SF)	Cost	Annual Savings	Savings %
$1.255 per Square Foot[1]	3,113,969	$3,907,873	$0	0%
$1.200 per Square Foot	3,113,969	$3,736,763	$171,109	4%
$1.100 per Square Foot	3,113,969	$3,425,366	$482,506	12%
$1.000 per Square Foot	3,113,969	$3,113,969	$793,903	20%
$0.900 per Square Foot	3,113,969	$2,802,572	$1,105,300	28%
$0.800 per Square Foot	3,113,969	$2,491,175	$1,416,697	36%

Source: Operations and Maintenance Department Data, Roanoke County School Efficiency Review, U.S. Department of Energy Data
Note: [1]Total cost above does not equal calculated value due to rounding (cost per square foot is actually 1.25494923).

In 1994, the United States Department of Energy (U.S. DOE) created a federal program called Rebuild America. This program is a network of hundreds of community-based partnerships across the nation that are dedicated to saving energy, improving energy performance, and enhancing the quality of life through energy efficiency and renewable energy technologies. Most importantly, the program is free to local school divisions—the costs are paid by the federal government. Among other initiatives, SCPSD may wish to become a member of the program in order to take advantage of the following services the program offers:

- Analysis of utility bills and energy consumption.
- Technical Guidance (program staff will visit the schools and suggest changes that can save energy immediately. They also offer the full technical expertise of U.S. DOE facilities such as Oak Ridge National Laboratory or Lawrence Livermore National Laboratory to answer questions on which building or maintenance materials are the most energy efficient for use in the Virginia climate).
- Review of architect or engineering drawings for planned construction to suggest changes that will save on energy costs after construction is complete.
- Meeting with division staff and faculty to discuss how changing habits of energy usage could save the division 10 to15 percent on utility bills.
- Access to projects that worked in other school divisions (project details including exactly how much other divisions saved on energy).

- Student education programs on energy usage and efficiency. A curriculum that complies with and supports the SOLs has already been developed and used in other divisions with positive results.

Prior to the initiation of school efficiency reviews, eight Virginia School Divisions were partners in this program. These divisions are Arlington, Chesapeake, Covington City, Fairfax County, Falls Church, Harrisonburg City, Roanoke County, and Virginia Beach City Schools. As a consequence of the efficiency review process, the New Kent Public School Division has joined the program, and a recommendation has been made that Richmond City Schools join as well.

SCPSD has begun the process of reviewing its energy use. Early in 2004, the division solicited and received preliminary presentations from two energy performance contractors. One contractor projected potential savings of $900,000 to $1,000,000, plus operational savings of $70,000 to $80,000, based on an investment of $7 million to $9 million over 12 years or $11 million to $12 million over 20 years. The other contractor predicted that "considerable energy savings are attainable, which makes Stafford County Public Schools a strong candidate for performance contracting".

Generally, an "Energy Performance Contract" is an agreement for the provision of energy services and equipment, in which a private Energy Service Company (ESCO) agrees to finance, design, construct, install, maintain, operate, and/or manage energy systems or equipment. The role of the ESCO is to improve the energy efficiency of a facility in exchange for a portion of energy cost savings, lease payments, or specified revenues. A "Guaranteed Savings Contract" is a type of performance contract under which the facility owner pays a lump sum price (usually in monthly installments) for the energy-saving improvements and the contractor guarantees that energy cost savings will equal or exceed this payment. The performance contract is structured so that the total payments under the contract are always less than they would have been without the improvements—the energy savings produced by the project must be greater than its amortized cost.

Typically, energy performance contracting is used where the facility owner faces high energy costs (or the need to replace equipment which is at the end of its useful life), but lacks the funds or resources to make building improvements. While energy savings associated with various improvements are generally predictable with reasonable accuracy, a school division may also enter into a performance contract to reduce economic risk associated with energy-savings investment. Depending on circumstances, performance contracting may not be the most cost-effective means of reducing energy costs. When evaluating the potential use of performance contracting, the division should consider, among other issues:

- the cost of financing provided by the ESCO compared to the division's cost of funds;
- the establishment of how savings will be measured, especially when changes are made to baseline operations (such as hours of use or levels of lighting, heating, and cooling);
- standards of service and comfort; and
- the cost of all fees and services provided by the ESCO as compared to the cost of the same services if performed by the division or other outside consultants and contractors.

Currently, educational specifications for SCPSD middle and high schools state:

> "Special consideration is to be given to energy conservation including total life-cycle costs. The current Department of General Service (DGS) requirements shall be applied as design criteria. Life-cycle cost accounting in accordance with DGS criteria is required. A statement on energy conservation must be part of the preliminary plans submission."

The division may wish to consider a more comprehensive specification. For example, from onsite observations, it appears as though the large multi-purpose rooms in the current elementary and middle school prototypes do not have any insulation in the roofing systems. In addition, a recommendation has been made that the HVAC systems at T. Benton Gayle Middle School (opened 2002) and R.E. Thompson Middle School (opened 2000) be reassessed for energy efficiency.

It is recommended that the division design and implement a comprehensive energy policy including but not limited to: joining Rebuild America, staff and student training and education, division-wide usage policy (temperature, hours of operation, etc.), capital improvements programs, energy monitoring, and site rewards and/or acknowledgement. Initially, the division could fully utilize services provided free to the division by Rebuild America. Thereafter, the division may wish to consider the use of energy shared savings or performance contracts, outside consultants, and other state or federal assistance programs.

OTHER FACILITIES RECOMMENDATIONS

Recommendation 4-4: Implement a policy of assessment and accountability for after hours non-school uses.

The Operations and Maintenance Department estimated the cost of utilities alone for Sunday use of facilities. While non-school uses are comprised of many different organizations on different days of the week, for the sake of comparison the calculations were based on Sunday usage alone. The Operations and Maintenance Department estimates that, while overall the total Sunday income received is approximately the same as the cost of utilities, on some campuses costs exceed income. Also, rental fees go to the campus, not to the general funds of the division. Therefore, the division suffers a net loss at the general fund level and there is a lack of equity between schools based on the level of rentals. The division may wish to consider an accountability program for these rental fees and also consider raising fees for non-school uses where appropriate. **Exhibit 4-14** summarizes estimated 2004-05 Sunday rental fees and the estimated cost of utilities associated with these rentals.

Exhibit 4-14
Sunday Usage Costs and Fees

Location	$ Annual Cost	2005 Sunday Rental	Weeks Rented	Pro Rata Cost	$ Net (Cost) Income
High Schools					
Brooke Point High	$ 16,165	$ 5,270	31	$ 9,637	($4,367)
Colonial Forge High	$ 17,254	$ 25,220	52	$ 17,254	$ 7,966
North Stafford High	$ 18,686	$ 6,290	37	$ 13,296	($7,006)
Stafford High	$ 18,972	$ 1,440	8	$ 2,919	($1,479)
Middle Schools					
Drew Middle	$ 6,668	$ 315	3	$ 385	($70)
Gayle Middle	$ 10,485	$ 2,420	11	$ 2,218	$ 202
HH Poole Middle	$ 8,411	$ 5,230	52	$ 8,411	($3,181)
RE Thompson Middle	$ 10,219	$ 2,975	35	$ 6,878	($3,903)
Stafford Middle	$ 5,185	$ 1,060	8	$ 798	$ 262
Elementary Schools					
Barrett Elementary	$ 7,001	$ 6,630	26	$ 3,501	$ 3,129
Falmouth Elementary	$ 4,488	$ 1,050	10	$ 863	$ 187
Hampton Oaks Elementary	$ 4,851	$ 5,115	52	$ 4,851	$ 264
Moncure Elementary	$ 4,869	$ 5,460	52	$ 4,869	$ 591
Park Ridge Elementary	$ 4,789	$ 8,400	32	$ 2,947	$ 5,453
Stafford Elementary	$ 4,361	$ 3,060	17	$ 1,426	$ 1,634
Widewater Elementary	$ 6,137	$ 4,060	29	$ 3,423	$ 637
Winding Creek Elementary	$ 5,299	$ 2,210	26	$ 2,650	($440)
Total	**$ 153,840**	**$ 86,205**		**$ 86,326**	**($121)**

Source: SPSCD Operations and Maintenance Department energy use data, SCPSD community use data.
Note: Annual cost is estimated based on 52 weeks per year of use. The pro rata cost is the estimated cost based on actual usage.

Recommendation 4-5: Update the division's facility assessment and long-range facilities plan.

The division prepares a list of current priority maintenance and capital renewal items on an annual basis. This list is prepared by the Operations and Maintenance Department with extensive input from onsite administrative and maintenance personnel. After the list is prepared, items are prioritized and sorted into maintenance (work-order) or capital plan items. The division also has long-term capital renewal plans for roofing, painting, and carpet replacement. This methodology gives a very good indication of the division's immediate needs, and provides an indication of longer-term needs for the areas specifically mentioned. However, annual budgets should be prepared within the context of a larger picture that identifies all of the division's long-term facilities needs. The division recognizes the need to prepare an updated long-range facilities plan. The division last prepared comprehensive facilities assessment in fiscal year 2000; this assessment was done using division personnel.

A comprehensive assessment would include:

- a listing of all immediate and near-term facility needs (items that are functionally obsolete or probably will be soon);
- an estimate of the remaining life of all building systems (in order to identify items that will become functionally obsolete in the future);
- a listing of school needs to address educational adequacy and functional equity among schools, including core-space overcrowding (things that are missing from the educational environment—requires setting educational facilities standards);
- inclusion of new construction requirements (currently available from the division); and
- prioritization of items and a capital plan so that annual budgetary appropriations from current revenue are of a similar size or in a similar trend and bonded improvements are appropriate for available resources.

While the Capital Improvement Plan addresses longer-term issues and the annual budget itemizes near-term requirements, there are division requirements that do not appear to be addressed in either of these documents. It is possible that they have been considered and deferred, or considered in another context but not officially documented. A comprehensive assessment would include complete documentation of these items. Some example issues observed or reported during limited site visits but not addressed in the annual budget or 2006 Capital Improvements Plan include but are not limited to:

- mitigation of water and sewage problems at Hartwood Elementary School (some of which may be the county's responsibility);
- replacement of the HVAC unit ventilators at Stafford Elementary School and the Gari Melcher Complex;
- potential lighting replacement or upgrades at Garrisonville Elementary School;
- replacement of auxiliary gym flooring at AG Wright Middle School; and
- plans for the replacement of items with predictable obsolescence such as floor tiles, ceiling tiles, wall coverings, playground equipment, moveable partitions, plumbing fixtures and restroom partitions, alarm systems, lab and kitchen equipment, and HVAC equipment (similar to the division's current use of plans for roofing, carpeting, and painting—this can potentially be done with lifecycle analysis).

In addition, the division should consider creating a comprehensive facilities inventory by space type and use and putting all of its facilities onto CAD (Computer-Aided Drafting), at least in line drawing format.

The division could consider performing the analysis internally (which potentially requires hiring a facilities planner), completely outsourcing a comprehensive facilities assessment to a consultant, or hiring consulting services on an as-needed basis as an extension of staff. Given the current level of staffing within the division, it appears as though a comprehensive assessment would be difficult without the addition of outside resources or additional staff.

Recommendation 4-6: Review the division's historical and planned spending on capital renewal items (special projects).

Once the division has completed its long-range comprehensive assessment, the division may wish to review its historical and planned spending on capital renewal and capital improvement items and develop a budget strategy that will provide for high-quality sustainable facilities in the long-term. While there is no indication that this process has not been followed in the past, the division may wish to continue to review its capital budget plan in light of findings from the comprehensive facilities assessment. In preparing annual and long-term budgets it is often important to consider not only the items to be included in the budget, but also to understand what items are being deferred and what items could or should be accelerated. This decision-making process benefits greatly from the consideration of a comprehensive evaluation of facility needs. The division should continue to consider appropriately matching sources and uses of funds so that facilities funding is sustainable without excessive deferment of needs—typical uses and their appropriate sources are shown in **Exhibit 4-15**:

Exhibit 4-15
Typical Sources and Uses of Facilities Funds

Use of Funds	Appropriate Source of Funds	Comments
Building Operations	Current Revenue	Includes such items as custodial costs and supplies, grounds maintenance, preventive maintenance, utilities, and minor replacements such as filters and light bulbs.
General Maintenance - Minor Repairs	Current Revenue	Typical maintenance requests handled by work-orders and small purchase orders.
Minor Capital Renewal Items	Current Revenue	Projects defined by their expected life (e.g. less than 5 years), or by their cost (e.g. less than $25,000). Examples may include minor remodeling, carpet replacement or painting, or replacement of a single item such as a piece of kitchen equipment.
Major Capital Renewal Items	Current Revenue or Bonds[1]	Replacement of a major system or major system component, such as an HVAC system or cooling tower, or the replacement of significant furniture, fixtures or equipment. May include transportation equipment, such as busses.
Major Capital Improvements	Current Revenue or Bonds[1]	Usually a significant improvement to a site, such as the addition of a bus canopy or construction of a playfield.
Major Remodeling	Bonds or Current Revenue[2]	Typically, complete remodeling of a site or major area in a building.
New Construction	Bonds or Current Revenue[2]	Includes the costs of acquiring land and buildings, classroom or other major additions, and new schools and buildings, including design fees and equipment.

Source: Magellan K-12, Inc.
Notes: [1]For major capital renewal items or capital improvements, the bond repayment period should not exceed the useful life of the improvement. For example, buses should not be financed with 20-year bonds.
[2]Typically, the use of current revenue for major remodeling and new construction (sometimes called "pay-as-you-go"), is only applicable in extremely large divisions with continued and predictable population trends and relatively predictable facilities needs.

Recommendation 4-7: Review Operations and Maintenance staffing for possible areas of understaffing.

The division may be understaffed with respect to certain trades or general maintenance staff, based on Operations and Maintenance Department interviews and when compared to national and peer standards. The division currently employs a total of 162 full-time equivalents in all facilities

construction, maintenance, and custodial areas combined. This represents a staff level of 6.6 full-time equivalents (FTE's) per 1,000 students. As shown in **Exhibit 4-4**, SCPSD's peer group employed an average of 12.7 FTE's per 1,000 students in 2001-02 (the most recent data available). Direct comparisons may be somewhat misleading because required facilities staffing should be based on the age and condition of facilities, the level of outsourcing in the division, and by the staff required for the administration of new construction. However, the comparison does indicate that the division may wish to review its staffing levels in the area of facilities.

The division currently has a total of 46 positions in the areas of plant engineers (HVAC and equipment), electricians, carpenters, plumbers, painters, and general maintenance workers. This represents a staffing level for these positions at SCPSD of 1:69,602 square feet. **Exhibit 4-16** presents the number of Operations and Maintenance employees and the staffing levels for these positions. Combining skilled and general maintenance workers provides a benchmark that can be compared to nationally published standards. APPA: The Association of Higher Education Facilities Officers publishes data indicating that these positions combined should average one full-time equivalent per 51,500 square feet (frequently quoted in *Texas School Performance Review* documents). SCPSD's Operations and Maintenance Department analyzed staffing in other Virginia divisions and found that they had staffing levels for similar positions (though using a different methodology) averaging approximately 1:58,000 square feet. Again, these standards are somewhat difficult to compare because they depend on the factors listed above, as well as service level and community standards. Nevertheless, the analyses indicate that a "standard" staff level for these positions could range from 7 to 16 full-time equivalents higher than SCPSD's current maintenance staff.

Exhibit 4-16
SCPSD Skilled Trades and General Maintenance Staffing

Trade	Positions	Average SF Area	Average Acreage
Plant Engineers/HVAC[1]	22.0	145,531	N/A
Electricians	3.0	1,067,224	N/A
Carpenters	2.0	1,600,837	N/A
Plumbers	2.0	1,600,837	N/A
Painters	3.0	1,067,224	327.7
General Maintenance	14.0	228,691	70.2
Total	**46.0**	**69,602**	**N/A**
Parts Clerk	1.0	3,201,673	983.0
Supply Clerk	1.0	3,201,673	983.0
Locksmith	1.0	3,201,673	983.0
Warehouse Assistant	1.0	3,201,673	983.0

Source: Operations and Maintenance Department, 9/29/04
Note: [1]Includes assistants and HVAC general maintenance; staff responsible for HVAC, cafeteria equipment, and additional maintenance.

Recent changes in the division's work-order management system, when fully implemented, should support a full analysis in the area of maintenance staffing (e.g., trends in days outstanding for certain types of work-orders). Therefore, the division may wish to take advantage of this capability to set standards and policies for work-order fulfillment by trade, monitor this data for trends, compare the trends to national and local standards, and add staff as needed.

FINANCIAL MANAGEMENT

Chapter 5

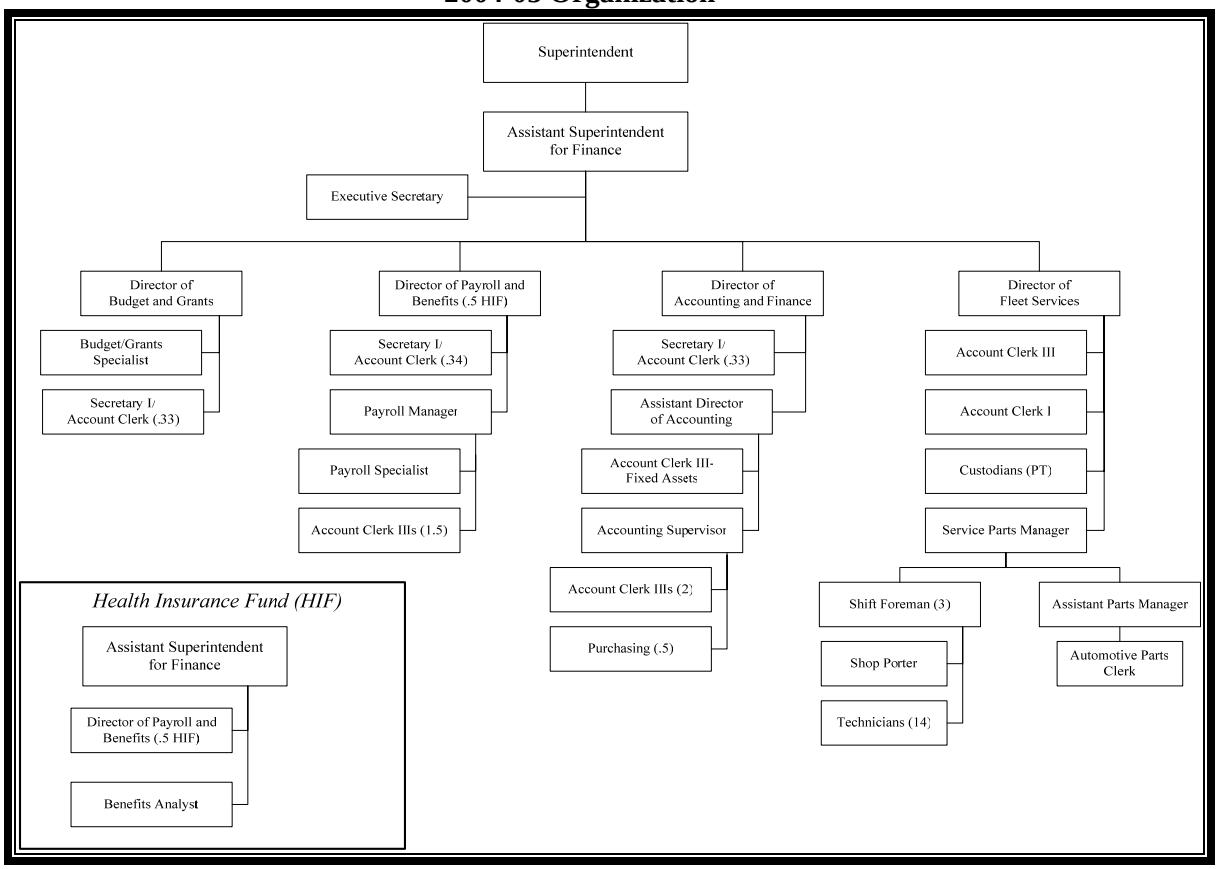
FINANCIAL MANAGEMENT

BACKGROUND

Sound financial management is a critical factor in school operations to ensure that limited resources are expended appropriately for the benefit of all students. Effective financial management includes extensive planning and communication, strong internal controls, appropriate monitoring to ensure that planned results are achieved, and an effective use of technology to improve services and limit costs.

Financial management in Stafford County Public Schools Division (SCPSD) is assigned to the Financial Services Department under the direction of an assistant superintendent who serves as the chief financial officer for the school division. There are four units in the department, including Budgeting and Grants, Payroll and Benefits, Finance and Accounting, and Fleet Services. **Exhibit 5-1** illustrates the department's organization structure at the time this review.

Exhibit 5-1
Department of Financial Services
2004-05 Organization



Source: Assistant Superintendent of Financial Services, October 2004.

Activities and staffing for the department are shown in **Exhibit 5-2**. Purchasing and Fleet Services functions are addressed in other chapters of this report. Over the past year, the department has increased staff to provide a grants function, assistance to three directors, and to address work load increases in the payroll function. Recent staff additions include a budget/grants specialist, a benefit analyst, a secretary I/account clerk, and two payroll specialists that were transferred from Transportation and School Nutrition to centralize the payroll function and improve the process. Positions are paid from the School Operating Fund, with the following exceptions: the benefits analyst and one-half of the director of Payroll and Benefits position are paid out of the Health Insurance Fund and one payroll specialist is paid from the School Nutrition Services Fund.

Exhibit 5-2
SCPSD Department of Financial Services
Unit Activities and Staffing

Unit	Key Activities and Responsibilities
Budget and Grants	• Preparation of annual budget • Financial reporting • Development and maintenance of SCPSD salary schedules • Grants administration
Payroll and Benefits	• Payroll preparation and processing • Employee benefits administration • Workers' compensation administration
Finance and Accounting	• Maintenance of SCPSD general ledger for all funds including construction projects and debt service • Financial reporting • Accounts payable • Purchasing • Fixed assets • Monitoring of school activity funds • System administration of Harwood Technical Enterprises financial system (H.T.E.) • Chart of accounts maintenance for payroll system (H.T.E.)
Fleet Services	• Vehicle maintenance of SCPSD buses and vehicles • Vehicle maintenance of Stafford County vehicles including Sheriff Department and fire and special use vehicles

Source: SCPSD Adopted Budgets Fiscal Year 2005 and interviews.

The 2004-05 adopted budget for the School Operating Fund was $196,075,161 and the Debt Service Fund was $24,533,816. SCPSD has a composite index of 0.3274. **Exhibit 5-3** illustrates the funding sources for the School Fund Operating Budget by type of revenue. Approximately 65 percent of the total increase ($20,765,949) in the 2004-05 budget is due to a projected increase of 14.4 percent in state funding, while other sources slightly decreased. Federal funds increased by about 18 percent, now comprising about 4.2 percent of all school revenues. Local funds increased by $6,274,547, or 8.8 percent, compared to a 15.1 percent increase in local funding realized in the prior year.

Exhibit 5-3
School Fund Operating Budget
Revenue Sources
2002-03 through 2004-05

Funding Source	Actual 2002-03	Adopted 2003-04	Adopted 2004-05	Percent Change Last Year	Percent of 2004-05 Budget
State Funds*	$85,332,586	$92,427,317	$105,746,727	14.4%	53.9%
Federal Funds	7,377,362	6,956,606	8,201,011	17.9%	4.2%
County Funds	62,132,963	71,543,631	77,818,178	8.8%	39.7%
Other Sources	1,509,701	4,381,658	4,309,245	-1.7%	2.2%
Total	**$156,352,612**	**$175,309,212**	**$196,075,161**	**11.9%**	

*Source: SCPSD 2004-05 Adopted Budget. Note: *State funds include sales tax.*

Exhibit 5-4 summarizes the adopted 2004-05 School Fund Operating Fund budget by major function and compares the 2004-05 budget to the 2003-04 adopted budget and the 2002-03 actual expenditures. The increase in Administration, Attendance and Health function can be attributed to the addition of the Department of Planning at a budgeted cost of $.6 million. Other increases are due to salary increases ($6.3 million), benefit increases ($3.9 million), start-up costs for five new schools ($2.7 million), and a technology replacement program ($2.1 million).

Exhibit 5-4
School Fund Operating Fund
Expenditures by Funding Source
2002-03 through 2004-05

Funding Source	Actual 2002-03	Adopted 2003-04	Adopted 2004-05	Percent Change Last Year	Percent of 2004-05 Budget
Instruction	$128,435,311	$138,249,901	$154,454,192	11.7%	78.8%
Administration, Attendance and Health	7,953,582	8,919,612	10,711,271	20.1%	5.5%
Pupil Transportation	8,620,264	8,473,124	9,824,396	15.9%	5.0%
Operation and Maintenance	13,971,692	16,127,488	17,527,593	8.7%	8.9%
School Food Services	165,772	234,606	253,229	7.9%	0.1%
Facilities	36,359	51,000	51,000	0.0%	0.0%
Debt Service	253,162	253,481	253,480	0.0%	0.1%
Contingencies	0	3,000,000	3,000,000	0.0%	1.5%
Total	**$159,436,142**	**$175,309,212**	**$196,075,161**	**11.9%**	**100.0%**

Source: SCPSD 2004-05 Adopted Budget.

Exhibit 5-5 compares SCPSD 2002-03 expenditures per pupil to the other divisions in its cluster. The designation of 1st indicates the division with the lowest expenditure per pupil in that category, whereas the 9th is the division with the highest per pupil expenditures in that category. The data are sorted on a per pupil basis to remove the distinctions between larger and smaller divisions within the cluster.

Exhibit 5-5
Stafford County Public Schools Compared to Peers Within Its Cluster
Expenditures by Function per Pupil
2002-03

Function	Amount Per Pupil	Rank*
Administration	$100.95	1st
Attendance & Health	180.87	9th
Instruction	5,019.35	2nd
Transportation	358.73	3rd
Ops and Maintenance	581.12	1st
Total Operations Regular School Day	**$6,241.02**	**1st**
Food Services	270.81	6th
Summer School	40.51	6th
Adult Education	0.62	1st
Other Educational Services	75.76	6th
Facilities	404.15	2nd
Debt Service and Transfers	840.60	6th
Technology	340.54	5th
Total Disbursements	**$8,214.01**	**3rd**
Local Revenue	$3,051	1st
State Revenue	$3,597	7th
Federal Revenue	$289	1st

Source: Virginia Department of Education 2002-03 Assistant Superintendent Report, Table 13 Disbursements by Division and Table 15 Sources of Financial Support for Expenditures, Total Local Expenditures for Operations.
*Note: * 1st is the lowest in amount per pupil and 9th is the highest.*

Stafford County is the second fastest growing county in Virginia and the 17th fastest growing county in the nation. **Exhibit 5-6** shows the actual and projected growth of the school division from 1982 to 2010. Since 1982, the division has increased enrollment by 162 percent.

Exhibit 5-6
SCPSD Student Growth
Average Daily Membership
1982 through 2010

Year	Average Daily Membership	Percent Change
1982	9,761	NA
1986	10,292	5.4%
1988	11,121	8.1%
1992	12,915	16.1%
1996	16,528	28.0%
2000	19,946	20.7%
2004 September 2004	25,546	28.1%
2008 (projected)	29,427	15.2%
2010 (projected)	31,827	8.2%

Source: 2005 Adopted Budget and average daily membership for September 22, 2004.

A. ACHIEVEMENTS

- SCPSD recently restructured the existing health care plans to pay a portion of costs for family coverage and offer employees health care choices including a new dental plan.
- SCPSD has begun the use of advisory committees to improve communications between the county and division decision makers and to drive internal planning.
- Rigorous reviews of historical revenues and expenditures have resulted in innovative approaches to cost savings or revenue enhancements, including the use of rebates and signing bonuses as well as unbundling textbook freight costs.

B. RECOMMENDATIONS

Recommendation 5-1 (p. 5-8): Restructure the budget process to include broader participation, program evaluation, and multi-year forecasting. The evaluation team recommends that the division consider modifying the current process to provide campus input throughout the budget process and more flexibility in addressing individual campus needs. The evaluation team recommends that SCPSD also consider using the existing H.T.E. budget module to reduce the need for manual coding. This would allocate more resources to planning while reducing the time spent on processing activities.

Recommendation 5-2 (p. 5-9): Allocate applicable direct and indirect expenditures to the Nutrition Services Fund. The evaluation team recommends that the division identify any direct costs and indirect cost related to operating the school cafeterias on each campus that are currently paid out of the School Operating Fund and charge the Nutrition Services Fund for those expenses. This would allow SCPSD to more effectively match expenditures to revenues and reduce activities supported by the School Operating Fund.

Recommendation 5-3 (p. 5-10): Develop a long-term staffing plan for the Financial Services Department based on best practices, needed skills, workloads and prioritized needs. The evaluation team recommends that the division add a degreed accountant to the Financial Services Department and develop a plan to identify future growth needs.

Recommendation 5-4 (p. 5-11): Improve internal control by separating division duties related to adding, changing, and terminating employees. Using the position control module of the H.T.E. system to add and eliminate positions should strengthen internal controls.

Recommendation 5-5 (p. 5-11): Adopt a phased-in, delayed payroll process for all personnel based on actual hours worked and implement a bi-weekly payroll for all employees. The evaluation team recommends that the division consider a phased implementation of bi-weekly payrolls for all employees. Consider implementing the bi-weekly delayed payroll initially for services personnel and then expand it the following year to all employees once initial implementation issues have been researched and resolved.

C. FISCAL IMPACT OF RECOMMENDATIONS

This chapter contains recommendations to improve the efficiency of SCPSD financial management operations. Once fully implemented, these recommendations will result in savings of $503,000 each year by making the School Nutrition program truly self-supporting by allocating direct and indirect costs of the School Nutrition program to the School Nutrition Fund. Over time, lunch prices may have to be adjusted or other actions may need to be taken to maintain self sufficiency. These savings represent 0.26 percent of the division's annual operating budget. The major savings opportunities are presented in **Exhibit 5-7**. Details of how the financial impact was calculated can be found in Appendix C.

Exhibit 5-7
Summary of SCPSD Savings Opportunities

Functional Area	Recommendation	Annual Savings
Financial Management	Allocate allowable direct and indirect expenditures to Nutrition Services Fund	$503,000
Total Annual Savings		$503,000
Percent of annual operating budget		0.26%

Source: Gibson Consulting Group.

The chapter also recommends an investment by SCPSD, to achieve best practices or to generate subsequent savings. The evaluation team recommends that the division upgrade skill requirements for selected financial management staff positions to reflect responsibilities of a 25,000 student school system for an annual investment of $54,366.

If savings cannot support these investments in the short-term, then the division should request additional investment funds from the county, or delay the implementation if the investment does not yield future savings.

If all recommendations discussed in this chapter are implemented, the net annual savings to SCPSD will be $448,634, or 0.23 percent of the division's operating budget.

D. DETAILED ACHIEVEMENTS

RESTRUCTURED HEALTH CARE PLAN

During 2003-04, SCPSD restructured its health care plans for the first time in 30 years to increase the value for all employees within the school division. Under the earlier plan the division had paid all the costs of health care insurance for the employee and none of the cost of family or dependent coverage. Employee plus family coverage cost employees up to $602 per month. Working with an outside consultant, the division developed new plans that offered more choice for employees by expanding from one health care plan to three plans, providing an improved dental plan, and increasing the options in the flexible benefits plan. An employee Health Advisory Committee was formed to participate in the process. Thirty-six presentations were made to teachers and campus staff, retirees, and other staff. Employees were surveyed regarding health care needs and concerns, and the programs were formally bid. The restructured plans were offered without increasing the rate of contribution by the school division.

Under the new system, employees share in the cost of employee coverage up to a maximum of $34 per month for single member coverage and employee plus family coverage range from $170 to $460 per month. The adoption of this new health insurance program, based on defined contributions, provides SCPSD with a useful tool to control future increases in health care costs for the division. The division will be able to continue to offer employees health benefit choices that meet their needs while sharing increases in health care costs with the employees receiving the coverage.

ADVISORY COMMITTEES

SCPSD has implemented a number of advisory committees designed to improve planning and communication. A citizens' Budget Advisory Committee has been established to increase participation in the budget process and improve communications regarding the growth issues facing the community. Through October 2004, this committee has met four times and has begun to review the current budget process, alternative budget formats, and the benefits of forming an education foundation. There are 15 voting members including one representative from each magisterial district (7), three at-large representatives chosen by the superintendent, one representative from the Building Level Administrators Association, two teachers, and one county representative. The Financial Services Department has also begun a series of quarterly meetings with their counterparts in the county government.

COST SAVINGS INITIATIVES

The Financial Services Department has implemented a number of initiatives designed to reduce the cost of current operations. Initiatives with documented savings of $245,100 include negotiation of a fixed price contract for propane gas, reductions in textbook freight management, and the implementation of a rebate program with a credit card vendor. Other promising initiatives initiated during the last two years include:

- Improvements to fleet services operations based on an efficiency and management study;
- Implementation of an Adopt a Classroom program that pairs business sponsors with individual classrooms;
- Development of standardized vending beverage, centralized cell phone and copier contracts;

- Evaluation of supply vendors that resulted in a change of vendors for materials/supplies and a $300,000 (20 percent) annual savings;
- Expansion of Medicaid reimbursement which is expected to generate an additional $100,000 annually; and
- Implementation of foster care tuition charges increasing revenue by $25,000 annually.
- Selection of an energy management firm which is anticipated to help the division save approximately $1 million annually.

E. DETAILED FINDINGS AND RECOMMENDATIONS

BUDGET PROCESS

Recommendation 5-1: Restructure the budget process to include broader participation, program evaluation, and multi-year forecasting.

SCPSD uses a formal calendar that provides multiple opportunities for community and parental input during public meetings and board workshops spaced throughout the budget cycle. Much time and effort is spent to review the budget, including formal presentations to the school board and the county Board of Supervisors. However, there are a number of areas where the process could be improved including boarder participation by schools and central staff in budget development, implementation of program evaluation, and implementation of multi-year forecasting to make timely investments.

The current budget calendar provides for input of needs by campuses at the beginning of the budget process. This process was described by principals as a “wish list” because needs are not justified when submitted and the principals often never hear about their requests after submission. Participation by campus staff and parents is required but the level of participation varies based on the discretion of the principal. Principals indicated in interviews that they felt that the overall budget process was fair. In some years principals have had the opportunity to attend meetings at central administration to justify their requests, but not all principals participate. For the 2006 budget the assistant superintendent for Financial Services is visiting each campus to discuss individual school budget needs. The director of Maintenance has begun similar site visits to evaluate campus needs.

Currently, there are only informal staffing formulas in place based on the student population and diversity and guidelines for each school level and size and type of facility. A committee of administration staff that includes the executive director of Human Resources, an elementary, middle, and high school principal, and the director of budget and grants has completed recommended staffing guidelines for the schools and is in the process of developing guidelines for departmental and central office staffing. The guidelines, upon approval of the superintendent and the school board, are expected to be in place by July 1, 2005.

Most campus funds are allocated based on an informal per student formula. The central office is responsible for budgeting personnel costs, which are budgeted based on history and prevailing practices, using the state’s Standards of Quality as a baseline. Program costs are not budgeted or recorded, nor are they linked to performance measures or used as part of a formal program evaluation linking program costs to program goals. The Budget and Grants unit plans to begin identifying program costs for some grants during fiscal year 2006 and capture all program costs by fiscal year 2008.

The budget is developed annually based on past history and limited projected growth, creating lags in addressing needs, especially for teaching positions. The evaluation team was told that in some cases, teaching positions are added only after the students show up for class even though enrollment projections have been calculated. Program costs are not evaluated as part of the budget process.

The Financial Services Department does not use the H.T.E. reporting feature to facilitate the budgeting and data analysis process. The department should make greater use of the technology provided by the H.T.E. application. Budget and Grants staff is not fully cross-trained in critical budget-related data management and analysis functions. Instead, the department relies on one primary staff member to perform the following:

- developing and maintaining the entire budget on Lotus spreadsheets on a single PC hard drive that is not backed up on other systems;
- manually coding budget information into the finance system, once the budget is adopted;
- filling all data requests for budget, financial, procurement, or salary information and serving as the only Financial Services Department staff member responsible for providing all requests for financial data made by the evaluation team; and
- developing and maintaining division-wide salary schedules.

The division has recognized the importance of cross training and hired a Budget/Grants analyst this year. Since the site visit, the board approved the transfer of the Grants technician position to also assist in the Budget and Grants department. The evaluation team encourages the division continue to cross training departmental staff across functions.

The budget process should be expanded to a multi-year process aligned with the division's long-range plan and with the adoption of the annual budget, a part of the overall activity. This process should be driven by careful program evaluation of proposed and existing instructional programs, and a portion of the staffing allocations should be flexible based on the needs of individual schools and programs. The budget should be linked to objectives in the planning process. The current joint effort between the county and the division to project student growth, revenues, and expenditures for up to 30 years will support this process.

SCPSD should consider restructuring the budget and planning function, developing program evaluation skills, and including multi-year planning in the budget process. Selected Financial Services Department staff should be cross-trained in all budget processes to limit dependence on one key employee. Human Resources should be responsible for tasks such as maintaining salary schedules. The division should also investigate capabilities of the existing H.T.E. financial system in the areas of budgeting and use of salary schedules, and train at least two employees to access and query the data for analysis. On a daily basis, all critical budget data should be backed up with assistance from the Technology Department.

ALLOCATION OF FOOD SERVICE EXPENDITURES

Recommendation 5-2: Allocate applicable direct and indirect expenditures to the Nutrition Services Fund.

SCPSD's School Nutrition Services Department pays for most direct costs out of the Nutrition Services Fund, including direct labor, food and supply costs, as well as most but not all capital outlay. Some equipment replacement costs are funded out of the School Operating Fund as well

as the costs of direct labor for various positions. These direct labor expenditures are budgeted for $253,000 for 2004-05. These direct labor expenditures are budgeted for $253,000 for 2004-05. No indirect costs are allocated to the Nutrition Services Fund. Because indirect costs are not allocated to the Nutrition Services Fund, the division's school nutrition function is not self-supporting.

The majority of School Nutrition revenues are received through the National School Breakfast Program and the National School Lunch Program. These federal funds are restricted to use solely for school food service operations. Under federal guidelines, allowable expenditures include indirect costs associated with operating the program such as utilities including electricity, water, and gas, allocated based on a percent of facility use basis, waste removal, and custodial services. Under federal guidelines these costs could be allocated to the Nutrition Services Fund.

Other school divisions assign indirect costs to food service programs based upon an evaluation that identifies indirect costs such as utilities and maintenance and custodial services that are attributable to food service activities. These costs are typically determined using the square footage and use of the kitchens and eating areas of the cafeterias; actual labor and supply costs of custodial and maintenance services; and a percentage of other shared costs such as waste removal.

At SCPSD, the director of Student Nutrition Services works jointly with financial staff to analyze costs annually and adjust the assignment of direct costs to the Student Nutrition Services Department budget as appropriate. However, the division is not charging all allowable direct or indirect expenditures to the Nutrition Services budget. Direct labor costs, utilities, custodial, and waste removal costs represent the most significant expenditures that could be allocated to the Nutrition Services Fund. These allocations can be absorbed by the Nutrition Services Fund without limiting the ability to be self-sufficient. Over time, adjustments in staffing levels, menu prices, and other variables may be needed to remain financially independent.

DEPARTMENTAL STAFFING PLAN

Recommendation 5-3: Develop a long-term staffing plan for the Financial Services Department based on best practices, needed skills, workloads, and prioritized needs.

The SCPSD Finance Department has not upgraded its positions as it has grown rapidly in recent years. The position descriptions for a division with 25,000 students generally reflect higher qualifications than those found at SCPSD, including more certifications and more experience. This has resulted in lower level staff assuming higher levels of responsibility. So far this approach has not caused unacceptable risks for the division. However, the Finance Department should use any turnover in current positions as an opportunity to upgrade positions, particularly supervisory positions. Articulating these objectives in a long-term staffing plan will help the department define training and education needs for existing staff wishing to advance their careers at SCPSD, as well as establish adequate parameters for new hires.

Development of a long-term staffing plan that addresses the current and anticipated staffing needs of the department will provide an opportunity for the Financial Services Department to gradually acquire the range of skills needed in a large school division while controlling costs. There is an immediate need for an additional degreed accountant to relieve the workload currently carried by the Director of Finance and Accounting. This need has also been identified in a recent study of finance and purchasing staffing by the division's outside auditors.

INTERNAL CONTROLS

Recommendation 5-4: Improve internal control by separating division duties related to adding, changing, and terminating employees.

Staff in the Payroll and Benefits Unit currently performs all system entries related to the adding, pay, and termination of an employee. Personnel Action Forms and related paperwork are completed in Human Resources and the entire package is forwarded to the Payroll and Benefits Unit for input into the H.T.E. system. Payroll processes all changes during the year including changes in pay status, leave taken, and address and benefits changes. The position control module in the H.T.E. system is not used by Human Resources to control the number or type of positions approved in the budget. Instead, three Human Resources employees maintain position controls manually using spreadsheets and ad hoc databases to track individual types of employees. Extensive time is spent by both departments' staff in monitoring the process to ensure that mistakes are not made. The Payroll and Benefits unit develops a report monthly to monitor contract balances, which is reviewed on an exception basis by Human Resources but is not formally reconciled.

The current process allows payroll staff to establish positions on the payroll, determine the amount of pay, pay individuals in those positions, and terminate the positions when the employee leaves or is promoted. The evaluation team did not identify any instances where mistakes had been made, which is a credit to the careful work performed in this unit. However, it creates opportunities where mistakes could be made and not corrected, and allows for the possibility of abuse.

The evaluation team recommends that the Financial Services Department take immediate steps to separate payroll processing from personnel system input activities by assigning separate staff to each function. The practice of one unit staff member handling all pay changes related to Transportation or School Nutrition workers should be discontinued. The position control feature of the H.T.E. system should be assigned to Human Resources to load new positions into the system and terminate employees. The evaluation team evaluated the transfer of personnel system entries to Human Resources to increase separation of duties but found that the limitations of the H.T.E. system eliminated the effectiveness of that typical separation of duties.

By separating duties in the Payroll unit and assigning responsibility for position control in the system to Human Resources, internal controls can be strengthened. When the division begins to develop specifications for a new Human Resources/Payroll system, the internal control capabilities of the selected system should be carefully reviewed.

MODIFIED PAYROLL PROCESS

Recommendation 5-5: Adopt a phased-in, delayed payroll process for all personnel based on actual hours worked and implement a bi-weekly payroll for all employees.

SCPSD runs one monthly payroll for all employees. Permanent employees in SCPSD – including teachers, administrators, clerical staff, maintenance workers, custodians, bus drivers, and School Nutrition workers – are paid on a twelve month basis. Teachers and administrators are paid based on a contract. Other employees are paid based on a letter of agreement. All permanent full-time and part-time employee annual salaries are divided into 12 equal payments and paid on the first day of each month following the month worked.

Leave is advanced to employees on an annual basis. Payrolls are run by the 21st or 22nd of each month prior to month end. Employees' leave is collected on a monthly basis from the 11th of the previous month through the 10th of the current month prior to the payroll run.

This process has created situations where employees use more leave than they have earned and must pay money back to the division. Some terminated employees end up owing back wages due to having used advanced annual leave or not having been docked for unapproved absences. The Benefits and Payroll Unit, in cooperating with department staff, carefully monitors staff, especially new employees and employees who have had attendance problems in the past. This practice requires additional work for Payroll and departmental staff having to monitor leave usage, especially at the beginning of the year. It may also create a hardship for employees who have to refund salary paid in error. The evaluation team did not document cases where employees left owing money to the division. However, the practice of turning in timesheets only for leave used and the informal practices found in the division concerning the documentation of overtime and compensation time create an environment where abuse could occur.

Many large school divisions pay all employees, or at least all service employees, on a delayed basis, usually on a biweekly pay cycle. Employees work for two weeks (Monday – Friday). Time sheets are submitted on the last day of the pay period showing all time worked and all leave taken. The payroll unit processes all time sheets and runs a biweekly payroll based on actual time worked. Employees are paid on the following Friday.

By moving to a delayed biweekly payroll for all employees, SCPSD would reduce the number of adjustments made and decrease the amount of monitoring performed by the Payroll unit and support staff in major departments. As the division grows over time, this change in payroll practices may delay the need for additional staff. It will also reduce the opportunity for underreporting of leave taken and spread out the workload more evenly over the entire month.

Implementation of a biweekly payroll for all employees based on actual hours and actual leave taken is a significant change for the division, and must be carefully planned to prevent hardship for employees who are accustomed to a monthly paycheck. The Financial Services Department should communicate frequently with affected employees so that they fully understand the changes. It is often best to make this change at the beginning of a fiscal year so that the impact of receiving a smaller check on a more frequent basis is somewhat offset by an increase in pay.

TRANSPORTATION

Chapter 6

TRANSPORTATION

BACKGROUND

School divisions in Virginia may, but are not required to, provide transportation for students in the general population between home and school, from school to vocational training and for extracurricular activities. The federal Individuals with Disabilities Education Act (IDEA) requires a school division to provide transportation for students with disabilities if the school division also provides transportation for students in the general population, or if students with disabilities require transportation to receive special education services. The Pupil Transportation Department (Transportation Department) of the Stafford County Public Schools Division (SCPSD) is responsible for the planning and operation of home to school transportation services for regular, special needs, Head Start and preschool programs. In addition, the department provides transportation for career and technical education programs, educational field trips, Commonwealth Governor's School, and extracurricular activity trips for all schools in the division. The mission of the Transportation Department is to provide safe and efficient transportation.

The geographical size of Stafford County is 270 square miles. The Transportation Department operates 171 regular home to school bus routes to 25 schools. School buses and other school division vehicles are maintained at the Stafford County Central Garage, where Stafford County Fleet Services is co-located with the administrative offices for the Transportation Department. Fleet Services is responsible for maintaining and servicing school buses, county vehicles, and the emergency response equipment for volunteer fire departments in Stafford County. Spare buses and a small number of route buses are assigned overnight parking at the central garage compound. Most route buses are parked overnight at various locations throughout the county, including school parking lots and drivers' homes.

The SCPSD Transportation Department has one primary mission: to transport children to and from school safely and as efficiently as possible within available resources. Personnel in the SCPSD Transportation Department do an excellent job of transporting students, despite a shortage of drivers and monitors. Although the Transportation Department is faced with the challenge of rapid development and population growth in Stafford County, SCPSD has a track record of transporting students safely and with limited incidents. Transportation management staff has implemented many recommendations to improve performance and responsiveness in the last two years.

A. ACHIEVEMENTS

- SCPSD invited a review of the Transportation Department by the Virginia Association of School Superintendents (VASS) in January 2003. The department has implemented many of the recommendations in the VASS report dated March 2003.
- The SCPSD administration supports staggered bell schedules to increase the effectiveness of pupil transportation bus routes and schedules.
- The SCPSD cost per mile for regular and for special needs pupil transportation in 2002-03 were lower than peer school divisions in the cluster group.

- Up-to-date geographic information maps are integrated with the automated routing and scheduling system.
- A "Behavior Management Plan" and video cameras are credited with helping bus drivers and school administrators manage student behavior on school buses.
- The SCPSD capital plan includes a formal plan for purchase of new and replacement school buses. The division participates in cooperative purchase agreements with other local and state agencies to capture competitive prices and acquires buses through a lease-purchase agreement.
- The number of buses in the spare bus fleet was reduced in 2003-04 to 24 percent of total route buses.

B. RECOMMENDATIONS

Recommendation 6-1 (p. 6-10): Reorganize the Transportation Department to improve management effectiveness. The formal organizational structure of the Transportation Department includes excessive scope of responsibility assigned to the assistant director, does not logically order similar functions, and the supervisory responsibility for special needs transportation is not clear. A lack of clear lines of supervisory responsibility within the special needs function makes internal communication difficult and results in some discord among staff. The organizational structure of the Transportation Department could be revised to achieve appropriate spans of responsibility while leveling or flattening the structure. The revised structure should improve administrative spans of control while providing sufficient managerial controls to ensure operations are properly carried out. The revised structure will also support more timely and responsive communications with drivers, principals, and parents.

Recommendation 6-2 (p. 6-14): Establish new driver/monitor recruitment initiatives to supplement the current recruitment initiatives. More aggressive recruitment initiatives could help to address the driver/monitor shortage issue. The recommended initiatives include:

- Establish a Transportation Department recruitment team and a more aggressive outreach program for recruitment;
- Reward employees with a "finder's fee" when an employee refers an applicant that is hired for a driver/monitor position; and
- Approve the proposed full-time position reclassification that would offer retirement benefits to more drivers and monitors.

Estimated cost for additional hours over regular route hours for the recruitment team plus the "finder's fee" for the referral bonus total $17,567 per year.

Recommendation 6-3 (p. 6-15): Implement a performance-monitoring program to compare SCPSD against established benchmarks for efficiency and effectiveness. The SCPSD Transportation Department does not have formally adopted performance standards and measures of performance, and the department does not regularly document and report statistics to reflect monitoring of trends in cost-effectiveness. The department can use benchmarks to measure accomplishments or identify areas needing improvement.

Recommendation 6-4 (p. 6-21): Use the automated tools in the routing and scheduling software to improve route effectiveness. The Transportation Department route coordinators are not using the automated optimization function of the routing and scheduling software as a tool to

evaluate different route configurations. Use of this function could achieve routing effectivenss to increase riders per bus that could lower the number of route buses required to provide home to school transportation. Achieving a 10 percent improvement in riders per bus at current ridership levels could achieve estimated cost savings of $320,190 per year through reductions to the number of routes operated.

Recommendation 6-5 (p. 6-22): Adhere to published schedules that define information, activities and deadlines required to finalize routes sufficiently in advance of SCPSD school start date. Adhering to the schedule will enable the Transportation Department to provide information regarding bus stops and routes to the parents and school personnel in a more timely manner.

Recommendation 6-6 (p. 6-23): Use mileage data from the automated routing and scheduling sytem to streamline state transportation reporting to the Virginia Department of Education. Automated procedures for reporting miles operated are more efficient and more accurate than requiring the drivers to manually track the data.

Recommendation 6-7 (p. 6-23): Develop a master plan for transportation facilities to provide central and satellite operations and parking facilities. The Transportation Department does not have a central reporting facility for drivers/monitors or central parking areas for the bus fleet. Buses are parked at drivers' homes, at schools, or at the fleet services facility. The lack of centralized facilities creates the following problems: less than effective communication with drivers, especially special needs drivers; difficulty filling the assignment when a driver calls in; bus routes that operate behind schedule when a driver is late or a substitute has to be sent into service; increase in the number of spare buses required for operation; and may increase deadhead mileage, which increases maintenance and fuel costs..

C. FINANCIAL IMPACT OF RECOMMENDATIONS

This chapter contains recommendations to improve the efficiency of SCPSD transportation operations. Once fully implemented, these recommendations will result in savings of $320,190 each year, representing 0.16 percent of the division's annual operating budget. The major savings opportunities are presented in **Exhibit 6-1**. Details of how the financial impact was calculated can be found in Appendix C.

Exhibit 6-1
Summary of SCPSD Savings Opportunities

Functional Area	Recommendation	Annual Savings
Transportation	Use automated tools to improve bus route efficiency	$320,190
Total Annual Savings		$320,190
Percent of Annual Operating Budget		0.16%

Source: Gibson Consulting Group.

The report also includes a recommended investment by SCPSD, to achieve best practices or to generate subsequent savings. If savings cannot support these investments in the short-term, then the division should request additional investment funds from the county, or delay the implementation if the investment does not yield future savings.

The evaluation team recommends that the division establish new bus driver and bus monitor recruitment initiatives with an annual investment of $17,567.

If all recommendations discussed in this chapter are implemented, the net annual savings to SCPSD is $302,623 or 0.15 percent of the division's operating budget.

D. DETAILED ACHIEVEMENTS

RECOMMENDATIONS IN THE 2003 VASS REPORT IMPLEMENTED

The Transportation Department was identified as an area for improvement by SCPSD in 2002. VASS was invited to SCPSD in January 2003 to conduct a review of the pupil transportation program. A report issued in May 2003 provided commendations and specific recommendations for improvement in the SCPSD pupil transportation program. The purpose of the VASS study was to determine the effectiveness of the transportation program in three key areas: communications, staffing and organization, and efficiency of overall services. The VASS study did not address costs of providing transportation.

The division was commended for recognizing the key areas where transportation effectiveness and efficiency might need to be improved. The VASS team also reported observing positive attitudes among all Transportation staff in spite of the growing pains caused by rapid enrollment increases over the preceding several years. The VASS review team found SCPSD can make improvements in three key areas:

- clarify transportation policies and procedures for all constituents;
- improve overall communication; and
- increase efficiency and effectiveness of transportation operations.

A summary of all the recommendations plus the status of implementation of the recommendations by SCPSD is included in **Exhibit 6-2.**

Exhibit 6-2
Pupil Transportation Study March 2003
Virginia Association of School Superintendents (VASS)
Summary of VASS Recommendations and Status of Implementation by SPCSD

VASS RECOMMENDATION	SCPSD STATUS As of June 15, 2004
Clarify Transportation Policies and Procedures for all Constituents	
• Add a student discipline section to the drivers' handbooks.	• A student behavior management plan developed for bus drivers and school administrators. Presentation provided during in-service training.
• Review policy that requires approval after five days absence. Viewed as grace period.	• Drivers with attendance problems and other performance issues receive mid-year evaluations.
• Publish protocols for assigning drivers to routes, field trips and new equipment.	• A software program is used to select drivers for field trips on a rotating and equitable basis.
• Allow use of regular buses for all athletic trips out of the county.	• Purchased four buses for field trips. To hire four bus drivers dedicated to field trips. As of October 2004, one field trip driver employed.
Improve Overall Communications	
• Answer the telephone from 6 a.m. until 5 p.m. every day. • Send information about late buses and route changes to schools daily. • Attend principal meetings. • Provide public information about problem situations through the media and on the division's website. • Provide email and voice mail. • Conduct customer service training for employees. • Design a communications plan.	• Two receptionists ensure the phones are covered during all operating hours. • Schools advised of changes daily via email; school administrators monitor school bus arrival and departure times. • The director or assistant director attends principal meetings. • Multi-line telephone system installed with capability for callers to retrieve information about late buses. • Customer service training for all staff. • Campaigns to provide where and when bus and route information is available. • Elementary PTO receive presentations.

Exhibit 6-2 (Continued)
Pupil Transportation Study March 2003
Virginia Association of School Superintendents (VASS)
Summary of VASS Recommendations and Status of Implementation by SPCSD

VASS RECOMMENDATION	SCPSD STATUS As of June 15, 2004
Improve Overall Communications (continued)	
• Engage the staff in the Transportation and Special Needs Departments in problem solving sessions during the year.	• New administrative position supervises special education and transportation to improve timely and efficient service. • New procedures for identifying and tracking requests for transportation services for special needs. • Pamphlet about transportation for special needs provided to each parent of a special needs student. • All bus monitors attend a 20-hour training course prior to being hired and must have first aid/CPR certification.
• Clarify duties of receptionists and dispatchers. Review methods to communicate with drivers.	• Lead driver program established. • Monthly newsletter to drivers. • Route changes communicated to parents via letters delivered home by students.
Increase Efficiency and Effectiveness of Transportation	
• Move the payroll and personnel function in the Transportation to Human Resources/ Finance. • Consider splitting the dispatch function into Region I & II and assign one dispatcher to route issues and one to urgent matters. • House employees in one facility. • Assign the transportation computer tech function to the central Computers and Technology Department. • Use current maps of new developments.	• Payroll clerk reassigned to Human Resources. • To refine payroll process, bus drivers and monitors issued a 183-day contract. • Route coordinators assigned to regions. • Transportation offices consolidated. • Decision not to reassign tech. • Up-to-date maps in use. • Job descriptions revised and redefined to identify leadership responsibilities. • Pupil Transportation leadership team established; staff meetings with support personnel weekly. • The transportation director attended a professional training session.

Source Pupil Transportation Study Stafford County Schools, Virginia Association of School Superintendents May 2003 and Stafford County Public Schools Department of Pupil Transportation progress report, June 15, 2004.

STAGGERED BELL SCHEDULES

Staggered bell times allow the Transportation Department to include multiple runs for each bus route, reducing the requirements for school buses and drivers. As a result of staggered bell times, the Transportation Department schedules most regular buses for triple runs: high school, middle school, and elementary school.

TRANSPORTATION COSTS FOR SPECIAL NEEDS RIDERS LOWER THAN PEER DIVISIONS

SCPSD is one of a cluster of school divisions in northeast Virginia. The SCPSD's cost per mile and cost per student rider for regular and special needs pupil transportation in 2002-03 were lower than the average for all peer school divisions in the cluster group. **Exhibit 6-3** compares the annual cost per mile and annual cost per rider of SCPSD with the peer school divisions. Annual cost per mile is determined by dividing total annual operations cost, less capital outlay, by total annual miles as reported by drivers. Annual cost per rider is determined by dividing total annual operations cost less capital outlay by average daily riders. Cost, mileage, and ridership data for regular routes and special needs transportation, as reported on the Virginia Department of Education (DOE) pupil transportation report, are used for these calculations.

Exhibit 6-3
SCPSD and Peer Divisions Cost per Mile and Cost per Rider
2002-03

Division	Annual Cost per Mile		Annual Cost per Rider	
	Regular	Special Needs	Regular	Special Needs
Arlington	$7.85	$7.85	$319	$4,283
Chesapeake City	$2.83	$4.18	$188	$2,951
Chesterfield	$2.45	$2.45	$218	$2,741
Fairfax County	$3.60	$5.21	$265	$4,322
Henrico	$2.12	$2.12	$120	$1,345
Prince William	$2.63	$4.00	$264	$5,054
Spotsylvania	$2.05	$3.10	$133	$4,581
Virginia Beach	$1.95	$2.73	$136	$2,789
Peer Average*	***$3.19***	***$3.96***	***$205***	***$3,508***
Peer Avg* Excluding Arlington/Fairfax Co	***$2.34***	***$3.10***	***$177***	***$3,244***
Stafford County	**$2.03**	**$2.99**	**$185**	**$2,115**
Percent Different from Peer Average	(36%)	(24%)	(10%)	(40%)
Percent Different from Peer Avg Excluding Arlington/Fairfax Co	(13%)	(3%)	5%	(35%)

Source: Virginia Department of Education Pupil Transportation Report, 2002-03.
** Peer average is calculated using actual numbers with infinite decimals.*

Arlington and Fairfax County school divisions are in or very near the Washington, D.C. metropolitan area. The operating environment for these two divisions is more urbanized and the cost of living is higher than the other divisions in the cluster group. When the two school divisions that are within the Washington, D.C. metropolitan area are deleted from the peer cluster group, the SCPSD annual cost per mile and annual cost per rider for special needs transportation are still lower than peer divisions in operating environments similar to Stafford County. The SCPSD regular transportation cost per rider is 5 percent above the average of the peers divisions in similar operating environments, and the cost per mile for regular transportation is 13 percent

lower. The SCPSD cost per mile for regular transportation is lower because the SCPSD number of miles per bus per day is the highest of all peers in the cluster group and 15 percent higher than the peer average of the school divisions in similar operating environments.

SCPSD compares favorably to the peer divisions in the cluster for cost per mile. The average cost per mile for regular transportation in 2002-03 was $3.19 for all peers, $2.34 for peers in similar operating environments, and SCPSD reported costs of $2.03 per mile. The SCPSD cost per mile for regular transportation was the second lowest of all divisions in the cluster. SCPSD also operated special needs transportation for a cost per mile lower than most peer divisions. The peer average cost per mile for special needs transportation in 2002-03 was $3.96 for all peers, $3.10 for peers in similar operating environments, and SCPSD reported a cost of $2.99 per mile. The SCPSD cost per mile for special needs transportation was fourth lowest of the nine divisions in the cluster and 3 percent below the average of peers in similar operating environments.

Annual cost per student rider is a performance indicator to measure cost effectiveness. When compared to peer school divisions in 2002-03, SPCSD's cost per rider for regular transportation was 10 percent lower than the average of all peers and 5 percent above the cost per rider for peers in the same operating environment. The cost per rider for special needs transportation was 40 percent lower than the average of all peers and 35 percent lower than the average of peers in the same operating environment.

The SCPSD cost of operations per mile and per student rider are lower than the peer average for all peer divisions in the cluster group in part because the unit costs for Arlington and Fairfax County skew the peer average higher. The SCPSD cost of operations per mile and per student rider are near or lower than the peer average for those peers in similar operating environments for additional reasons. The percent of all SCPSD drivers who are full-time is 17 percent whereas the percent of full-time drivers for school divisions with higher per regular mile costs are 89 to 100 percent. Also, SCPSD does not pay retirement benefits for part-time drivers, which reduces overall SCPSD payroll costs for 82 percent of drivers. While these factors are an advantage in keeping costs lower, there is a negative effect in that SCPSD is not able to recruit and retain a sufficient number of drivers. This concern is addressed later in the chapter.

SCPSD special needs costs are also lower than peers for some additional reasons. Monitors are required to ride with the bus driver on most special needs routes in all school divisions. The SCPSD monitors are paid a lower rate per hour than peer divisions in similar operating environments. Approximately 63 perent of all monitors are part-time, and part-time employees are not provided retirement benefits.

UPDATED AND INTEGRATED GEOGRAPHICAL INFORMATION MAPS

The Transportation Department uses an automated routing and scheduling system to design routes and schedules. One of the route coordinators has the responsibility to keep an up-to-date geographical information system (GIS) map that is required for the success of automated routing software. The map is regularly updated as new developments occur throughout the county. The student addresses are matched to the map and problem areas where the map is not current are identified and corrected. The SCPSD GIS map is considered the most up-to-date within the county and is used by other Stafford County agencies.

BEHAVIOR MANAGEMENT PLAN AND VIDEO CAMERAS

The Transportation Department developed a student "Behavior Management Plan" in August 2003 to establish guidelines for bus drivers and school administrators when processing a referral for student conduct on a school bus. The plan was presented to bus drivers at an in-service training and sent to each school administrator in August 2003. The documented plan defines and explains discipline responsibility, discipline referral procedure, suspension of riding privileges, responsibilities of the student, responsibilities of the school bus driver, and responsibilities of the school administrator. The plan lists several practical suggestions for good discipline. Each school administrator interviewed by the evaluation team was knowledgeable of the plan and provided positive comments concerning the plan. Discipline incidents were not a major issue voiced by administrators when interviewed by the evaluation team. In a focus group discussion with 10 school principals, the participants credited the Behavior Management Plan with a significant improvement in management of student behavior on the bus and a reduction in the number of incidents.

The Transportation Department also uses video cameras on buses to assist in maintaining the safety of students and school bus drivers. Of the total fleet of 252 buses, 105 have permanently mounted video cameras on the bus. The remaining SCPSD school buses are equipped with a camera box, and palm recorders are transferred from one bus camera box to another as necessary to record student activity on the bus. The director of Transportation said the new bus procurements include installed cameras. The entire fleet is expected to be equipped with cameras within four years. During the focus group discussion with principals, one administrator said the ability to see video of an incident has helped in dealing with student discipline. The director of Transportation said the use of cameras has been effective in identifying and resolving issues about student conduct on school buses.

SCHOOL BUS PURCHASE AND REPLACEMENT PLAN

SCPSD has a fleet of 252 school buses to meet route requirements and provide spares. Historically, the school division has budgeted and purchased school buses annually. By adopting a regular vehicle replacement plan, SCPSD demonstrates the commitment to maintain an up-to-date fleet. The school bus replacement plan ensures a fleet of safe buses and regularly introduces new buses into the fleet. The buses with the highest cost of maintenance can be replaced. The regular purchase of buses prevents the necessity to purchase large numbers of buses in any one year.

Working with the director of Transportation, the director of Fleet Services developed a six-year school bus replacement and additions plan. Replacement buses will allow retirement and sale for surplus of the oldest buses in the fleet.

Since 2001, SCPSD has participated in cooperative purchase agreements with Prince William County and the Commonwealth of Virginia. These cooperative agreements permit SCPSD to capture a competitive price without incurring the cost of independently preparing and administering a procurement. In 2004, SCPSD acquired 19 buses through a lease-purchase agreement through the Commonwealth of Virginia. The vehicles were procured at the lowest unit prices since 1998-99. The lease is for seven years and allows the school division to spread the capital cost of purchase over a longer term.

SPARE BUS RATIO REDUCED

Historically, SCPSD has maintained a large percent of the total active fleet as spare buses. The director of Fleet Services said the division practice is to use a school bus on a route for 12 years and then move the vehicle to the spare fleet for an additional two to three years. As shown in **Exhibit 6-4**, as recently as 2002-03 the spare fleet was 41 percent of the number of buses required for daily routes. In 2003-04 the number of spare buses was reduced from 78 to 48 vehicles, a 39 percent reduction. The spares ratio in 2003-04 was 24 percent, which is closer to the industry standard of 20 percent spares over the number of buses required for routes.

Exhibit 6-4
SCPSD Route Buses and Spares
1999-2000 through 2003-04

Bus Usage	1999-2000	2000-01	2001-02	2002-03	2003-04	Percent Change 1999-2004
Regular Routes	151	144	143	152	171	12%
Special Needs Routes	24	26	32	38	33	27%
Total Route Buses	175	170	175	190	204	14%
Total Active Fleet	225	229	241	268	252	11%
Spares (Active Fleet Less Route Buses)	50	59	66	78	48	(4%)
Spares as Percent of Route Buses	29%	35%	38%	41%	24%	

Source: Virginia Department of Education Pupil Transportation reports, 1999-2000 through 2002-03; Stafford County Public Schools Pupil Transportation Department and Stafford County Fleet Services for 2003-04 data.

E. DETAILED FINDINGS AND RECOMMENDATIONS

ORGANIZATION AND STAFFING

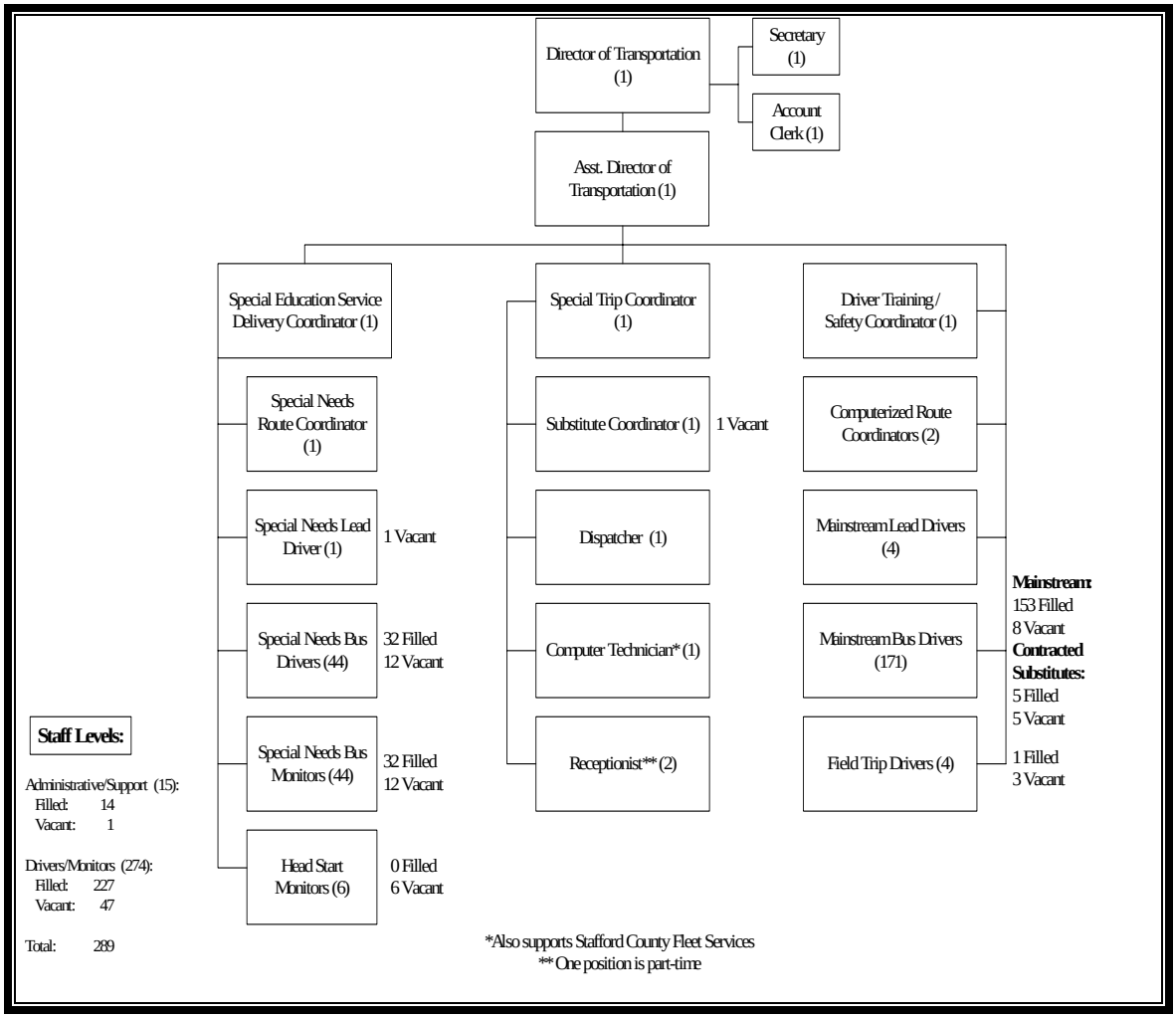
Recommendation 6-1: Reorganize the Transportation Department to improve management effectiveness.

The formal organizational structure of the Transportation Department includes excessive scope of responsibility assigned to the assistant director, does not logically align similar functions, and the supervisory responsibility for special needs transportation is not clear. The lack of clear lines of supervisory responsibility within the special needs function makes internal communication difficult and results in some discord among staff.

The Transportation Department employs 289 staff members. The director of Transportation reports to the assistant superintendent for Support Services. The Transportation Department leadership team includes the director, assistant director, and the special education service delivery coordinator. Other key staff are the coordinator of driver training and safety, two computerized route coordinators, a special needs computerized route coordinator, a special trips coordinator, a substitute driver coordinator, a computer technician/trainer, and a dispatcher. The support staff

positions include a secretary, account clerk, receptionist and part-time receptionist. All staff positions are filled except the substitute driver coordinator. Budgeted driver positions total 224 and include five lead drivers, 161 regular route (mainstream) drivers, 44 special needs drivers, four field trip drivers and 10 contract substitute drivers. Twenty- nine driver positions (13 percent) were vacant at the time of the evaluation team visit. In October 2004, 16 driver candidates were in training. There are also 44 monitor positions budgeted for the special needs routes and six monitor positions for Head Start routes. Eighteen monitor positions (36 percent) were vacant in October 2004. **Exhibit 6-5** illustrates an organizational chart of the SCPSD Transportation Department.

Exhibit 6-5
Stafford County Public Schools
Pupil Transportation Department



Source: SCPSD Transportation Department, October 2004.

The director of Transportation has three direct reports: the assistant director of transportation, the secretary and the account clerk. The director of Transportation also serves as liaison to the director of Fleet Services.

The assistant director of Transportation supervises all operations functions for pupil transportation. The department organization chart shows 11 direct reports plus responsibility for 224 bus drivers and 50 monitors. The operations area includes a wide variety of functions, such as supervision of drivers and monitors, driver training and safety, routing and scheduling regular and special needs transportation, special needs service delivery coordination, field trip scheduling, dispatching and receptionists for the department.

During interviews with key staff and focus group discussions with drivers, the evaluation team learned the supervisory responsibility for special needs transportation services is not clearly understood. The lack of clear lines of authority and reporting responsibilities creates communication difficulties that result in some discord among staff members. The director of Transportation and assistant director are aware of the issues and are working to resolve them.

Several positions in the Transportation Department have some responsibility for communications, either internal or external. The dispatcher is responsible for communicating with drivers by radio; the substitute driver coordinator works with drivers to ensure as many route assignments are covered each day as possible; the special trips coordinator schedules available drivers for field trips and special assignments; the driver training/safety coordinator communicates with drivers regularly to monitor safe operations. Two receptionists (one full-time and one part-time) answer telephones and handle inquiries from principals, other school administrators, parents, and the general public. With the exception of the part-time receptionist, each of these positions reports directly to the assistant director of Transportation. The part-time receptionist reports to the full-time receptionist.

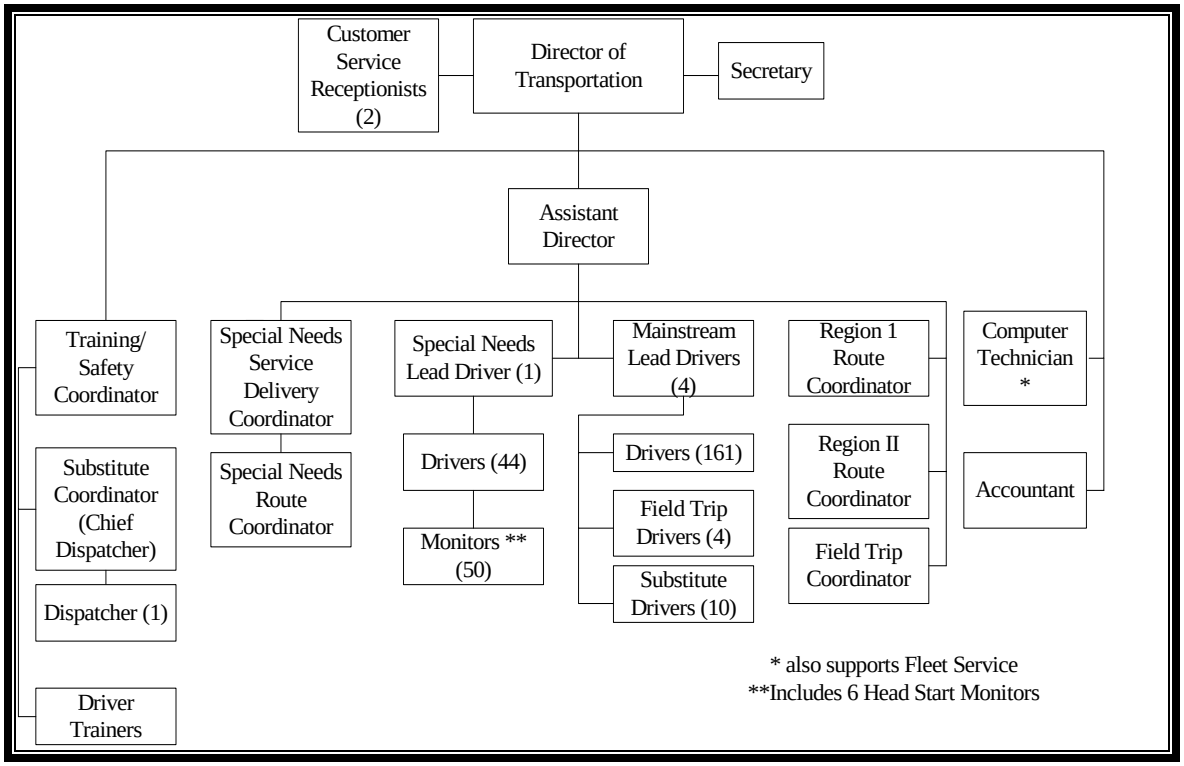
Participants in a driver focus group said there is a lack of direct communication to drivers when route changes occur, especially special needs routes. The procedure is for the route coordinator to attempt to contact the driver at home or leave a message on the home answering machine. Many times the driver does not get the message in time to make the requested adjustment to the route. The problem impacts student riders with special needs negatively.

Concerns were expressed by school principals interviewed by the evaluation team that schools may not receive notification in a timely manner when a routing or scheduling problem occurs. The Transportation Department's standard procedure is to notify schools each afternoon via email of anticipated bus changes. According to some school principals interviewed, schools usually initiate contact with the Transportation Department to obtain information about a bus problem as opposed to Transportation personnel contacting the school. In a focus group with the evaluation team, a group of 10 school principals and assistant principals said that email is not yet an effective way to communicate with all schools because email service is not always reliable and school administrators do not always have time to check emails frequently. The director of Transportation plans to add another dispatcher to improve staffing levels at the busiest times and to make it feasible to communicate more directly with the schools. An additional dispatch position will be included in next year's budget.

Exhibit 6-6 illustrates a recommended organizational structure. The recommended changes are designed to meet the following objectives:

- reduce the span of responsibility for the assistant director;
- balance direct reports between the director and the assistant director;
- define a clear line of authority from special needs route coordinator to special needs service delivery coordinator to the assistant director;
- eliminate conflicts of responsibilities for the special needs route coordinator by establishing the line of supervision for special needs drivers to the assistant director;
- expand the safety/training coordinator's responsibility to include dispatch;
- improve communications with drivers and schools by expanding the resources for dispatch; and
- establish a customer service unit for external communication (receptionist and part time receptionist).

Exhibit 6-6
Stafford County Public Schools
Pupil Transportation Department
Recommended Organization



Source: Gibson Consulting Group, Inc.

A goal of the revised organization is to achieve timely and responsive communications with drivers, principals, and parents and to clarify the lines of authority and responsibility for special needs transportation.

Recommendation 6-2: Establish new driver/monitor recruitment initiatives to supplement the current recruitment initiatives.

Filling bus driver and monitor positions is the major issue facing the Transportation Department. A full complement of bus drivers and monitors is essential for pupil transportation to operate efficiently and effectively each day. The lead drivers, a route coordinator, the safety/training coordinator, and the special trip coordinator are driving buses due to the driver shortage. When supervisory personnel and support staff are driving buses they are not available to manage operations and keep current with the daily activities. Some days, drivers are required to operate more than one route to cover all bus schedules. This causes some trips to operate behind schedule and student riders may arrive at school late.

Examples of initiatives by SCPSD to recruit new bus drivers include:

- positions advertised in school newsletters;
- flyers posted on school bulletin boards;
- positions advertised in the local newspaper;
- business cards distributed;
- banners on school fences and parked buses;
- notice included in "val-paks" mailed to Stafford County residents;
- advertisement included in Fredericksburg parent publication; and
- appearances for interviews on local radio.

These recruiting techniques were recently implemented, and therefore the overall effectiveness is not known. However, 47 (17 percent), of the 274 budgeted driver and monitor positions are vacant. The vacant positions include: one lead driver, eight regular route drivers, 12 special needs drivers, five contract substitute drivers, three field trip drivers, 12 special needs monitors and six Head Start monitors. A training class of 16 prospective drivers was underway in October 2004. The trainees are scheduled to fill vacant driver positions by November.

Establishing a Transportation Department recruiting team is a best practice implemented by other school divisions. The evaluation team suggests a recruitment team be established to assist Transportation Department recruitment.The recruitment team could be staffed by lead drivers and led by the safety/training coordinator. The team can visit Virginia Employment Commission job fairs and other locations to recruit new drivers. At the job fair, job candidates can learn about the job directly from a school bus driver, and the safety/training coordinator can immediately conduct an interview. The Human Resources Department should provide professional assistance in recruitment and work closely with the Transportation Department recruitment team to expedite the steps to test and hire new driver candidates. The recruitment team should be paid their regular rate for the time spent on recruitment activities.

Monetary incentives are effective recruitment techniques employed by school divisions and many other industries. Providing a referral bonus or "finder's fee" when an employee refers an applicant hired for a bus driver or monitor position is one example. At least one school division in Northern Virginia uses a referral bonus as an incentive to recruit drivers. Their program offers a $1,000 incentive to a bus driver recruiter. The bus driver recuiter receives $200 after the individual who was referred completes driver training. The remaining $800 is paid to the bus driver recruiter after the new driver completes 90 days of employment. The new driver also receives $500 after passing training and driving for 90 days. The evaluation team recommends SCPSD consider implementing a referral bonus incentive to encourage employees to recruit new drivers.

The significant difference in benefits for full-time and part-time drivers and monitors is a 12.75 percent contribution to retirement by SCPSD. Seventeen percent of all SCPSD drivers are full-time, while 87 percent to 100 percent of drivers in five other school divisions in the SCPSD cluster group are full-time. SCPSD is considering redefining the criterion for minimum hours worked to qualify for full-time status so that more driver and monitor positions will be eligible for retirements benefits. The assistant superintendent of Support Services estimates the preliminary cost to implement this change is approximately $270,000 annually. Approval of SCPSD's proposal to increase eligibility for retirement benefits is expected to help the division recruit and retain more drivers and monitors.

MANAGEMENT POLICIES AND PROCEDURES

Recommendation 6-3: Implement a performance-monitoring program to compare SCPSD against established benchmarks for efficiency and effectiveness.

The SCPSD Transportation Department does not have formal management reports that provide efficiency and effectiveness measures to school administrators or the public. The Transportation Department includes a summary page in the annual budget that contains data related to the following workload/performance indicators for regular and special needs routes:

- average ridership;
- buses operated daily;
- miles traveled; and
- special trip assignments.

However, the department does not compare SCPSD's performance against estabished benchmarks or peer divisions. The Transportation Department does not define benchmarks to gauge performance and identify areas of improvement related to cost-efficiency, routing and scheduling effectiveness, staffing levels, on-time performance, and safety. Many public transit agencies and private fleet managers use performance measures to identify improvement opportunities for employee and customer satisfaction and to reduce cost.

The evaluation team conducted its own analysis of expenditures and statistical trends for the Transportation Department to show how additional analysis can provide important insight about performance for management. For example, **Exhibit 6-7** illustrates a trend of increased costs for salaries in the Transportation Department. The data, as reported by the SCPSD Transportation Department in annual reports to DOE, documents the increase in total Transportation salaries from $2,912,248 in 1999-2000 to $4,580,505 in 2003-04, more than 57 percent over five years. Salaries represent almost 60 percent of the total operating expenditures for student transportation.

Exhibit 6-7
SCPS Transportation Operations Cost by Type of Expenditure
1999-2000 through 2003-04

Expenditure Type	1999-2000	2000-01	2001-02	2002-03	2003-04	Percent Change
Salaries	$2,912,248	$3,461,623	$3,940,117	$4,192,257	$4,580,505	*57%*
Benefits	$603,778	$643,033	$742,981	$819,546	$863,999	*43%*
Purchased Services	$49,528	$51,650	$48,884	$93,620	$82,882	*67%*
Materials/Supplies	$415,775	$481,197	$352,878	$480,674	$521,136	*25%*
Fleet Services Vehicle Maintenance	$896,983	$1,164,849	$1,150,434	$1,231,705	$1,452,152	*62%*
Other Charges	$136,253	$179,046	$211,350	$225,332	$252,393	*85%*
Total Operating Expense	$5,014,565	$5,981,398	$6,446,644	$7,043,134	$7,753,067	*55%*
Percent change		*19%*	*8%*	*9%*	*10%*	

Source: Virginia Department of Education Pupil Transportation reports, 1999-2000 through 2002-03; Stafford County Pupil Schools Pupil Transportation Department and Stafford County Fleet Services for 2003-04 data.

The increase in expenditures for salaries was in part due to annual wage rate adjustments to maintain a competitive salary structure. Annual adjustments were 6.5 percent from 1999-2000 to 2000-01, 6.7 percent for 2001-02, 6.4 percent for 2002-03, and 5.4 percent for 2003-04, for a total compounded increase of 27.4 percent from 1999-2000 to 2003-04.

SCPSD told the evaluation team the remaining 30 percent of the 57 percent increase in salaries was due to new positions added for growth. However, the evaluation team analyzed the trend data and found an increase in positions was not driven by a corresponding increase in student riders. As shown in **Exhibit 6-8**, over a five-year period from 1999-2000 to 2003-04, the trend in number of annual student riders (daily riders times 180 days) for home to school transportation and miles with riders on board did increase for regular and special needs transportation. In total, the number annual student riders increased 9 percent, and the miles with riders on board increased 8 percent. However, the annual student riders for regular home to school transportation decreased from 2002-03 to 2003-04, and the annual student riders with special needs decreased from 2001-02 to 2002-03 and again from 2002-03 to 2003-04. Analysis of daily student riders further demonstrates the reduction in demand in recent years. The number of daily regular student riders decreased from 15,947 in 2002-03 to 15,419 in 2003-04 and 15,340 in 2004-05. The number of regular student riders in 2004-05 is the lowest since 2000-01. Special needs student riders decreased from 615 in 2002-03 to 598 in 2003-04 and 484 in 2004-05. The number of special needs riders in 2004-05 is the lowest since 1999-2000. These statistics are not consistent with the increase in expense for salaries to add new positions for growth.

Exhibit 6-8
SCPSD Annual Riders and Miles with Riders on Board
1999-2000 through 2003-04

	1999-2000	2000-01	2001-02	2002-03	2003-04	Percent Change 1999-2004
Regular Home to School						
Annual Riders	2,555,640	2,655,360	2,857,860	2,870,460	2,775,420	9%
Miles Riders on Board	1,528,764	1,557,882	1,513,293	1,451,965	1,574,528	3%
Exclusive (Special Needs) Home to School						
Annual Riders	87,480	96,840	118,800	110,700	107,640	23%
Miles Riders on Board	400,183	453,270	504,726	435,160	517,668	29%
Total Regular and Exclusive (Special Needs) Home to School						
Annual Riders	2,643,120	2,752,200	2,976,660	2,981,160	2,883,060	9%
Miles Riders on Board	1,928,947	2,011,152	2,018,019	1,887,125	2,092,196	8%

Source: Virginia Department of Education Pupil Transportation reports, 1999-2000 through 2002-03; Stafford County Public Schools Pupil Transportation Department for 2003-04 data.

Another significant increase in Transportation costs is for vehicle maintenance. As shown in **Exhibit 6-7**, the expenses for Fleet Services increased 62 percent from $896,983 in 1999-2000 to $1,452,152 in 2003-04, when vehicle maintenance was 19 percent of total operating expenditures for student transportation.Vehicle maintenance for school buses is provided by Stafford County Fleet Services, a joint venture between Stafford County and SCPSD. Fleet Services provides vehicle maintenance for SCPSD (school buses and general service vehicles) and Stafford County (county vehicles, sherriff's office vehicles and emergency equipment for volunteer fire departments). The director of Fleet Services reports to the SCPSD assistant superintendent for

Financial Services, and all personnel in the department are SPCSD employees. The department is an internal service fund, expected to recover all expenses from user departments. The school division budgets for all vehicle maintenance expenses, and then charges are billed back to the user agencies and departments. Although there have been some financial shortfalls in previous years, Fleet Services reported a $25,000 positive budget balance at the end of 2003-04 school year.

The Fleet Services labor rates and markup for 2004-05 are $54 per hour for light duty and $60 per hour for heavy duty vehicles. Parts are billed at cost plus 25 percent, supplies are charged as 1 percent of labor, and sublet labor is billed with a 10 percent markup (maximum $100). The department creates work-orders and tallies labor, parts, and outsourced expenses to bill the user agencies and departments. The Fleet Services budget for 2004-05 is $1,542,281 for SCPSD and $952,821 for the county, for a total $2,495,102. Of the total to the school division, $1,480,590 is for Transportation and the remaining $61,691 is for maintenance of vehicles used for school operation and maintenance.

The costs to Transportation for vehicle maintenance are increasing at a rate several times higher than the increase in route buses, buses in the active fleet, and miles of service per active bus. **Exhibit 6-9** provides a comparison of the rates of increases in each of these categories for 1999-2000 through 2003-04. The reason for the increase in costs for vehicle maintenance is because the labor rate charged by Fleet Services for school bus maintenance (heavy duty) increased from $32 per hour in 2000-01 to $60 per hour in 2004-05. The labor rates were adjusted to be comparable with similar fleet maintenance services in the area and to recover actual costs as required for the internal service fund.

Exhibit 6-9
SCPSD Fleet Services Vehicle Maintenance Cost
1999-2000 through 2003-04

	1999-2000	2000-01	2001-02	2002-03	2003-04	Percent Change 1999-2004
Total Route Buses	175	170	175	190	204	17%
Total Active Fleet	225	229	241	268	252	12%
Annual Miles Operated	2,994,775	3,161,010	2,812,350	3,211,752	2,885,599	(4%)
Miles per Active Bus	13,310	13,804	11,670	11,984	11,451	(14%)
Fleet Services Cost to SCPSD	$896,983	$1,164,849	$1,150,434	$1,231,705	$1,452,152	62%
Fleet Services Cost/ Active Bus	$ 3,987	$ 5,087	$ 4,774	$ 4,596	$ 5,763	45%
Fleet Services Cost/ Mile	$0.30	$0.37	$0.41	$0.38	$0.50	67%

Source: Virginia Department of Education Pupil Transportation reports, 1999-2000 through 2003-04; Stafford County Fleet Services, September 2004.

Although vehicle maintenance costs are increasing, the number of miles operated are not. **Exhibit 6-10** documents the trend in miles operated for each category of service and for total annual miles. The total miles operated has actually decreased 4 percent from 1999-2000 to 2003-04.

Exhibit 6-10
Historical Data
SCPSD Miles of Bus Service Operated by Category 1999-2000 through 2003-04

	1999-2000	2000-01	2001-02	2002-03	2003-04	Percent Change 1999-2004
Regular Miles Riders on Board	1,528,764	1,557,882	1,513,293	1,451,965	1,574,528	3%
Exclusive (Special Needs) Miles Riders on Board	400,183	453,270	504,726	435,160	517,668	29%
Special Trip Miles	11,083	10,498	16,510	26,814	19,061	72%
Transportation Between Schools Miles	118,163	108,645	101,869	99,168	94,885	(20%)
Summer School Miles	177,333	178,523	31,660	42,168	80,660	(55%)
Deadhead Miles	759,249	852,192	644,293	883,291	598,797	(21%)
Total Annual Miles	**2,994,775**	**3,161,010**	**2,812,351**	**2,938,566**	**2,885,599**	**(4%)**
Percent Change		*6%*	*(11%)*	*4%*	*(2%)*	

Source: Virginia Department of Education Pupil Transportation reports, 1999-2000 through 2002-03; Stafford County Public Schools Pupil Transportation Department for 2003-04 data.

The SCPSD Transportation staff are not monitoring these increases in costs. The reasons why expenses for Transportation are increasing more rapidly than the number of student riders, route buses, buses in the active fleet, or miles of service operated could not be explained by the leadership team in the Transportation Department. The evaluation team recommends implementing a performance monitoring program to compare SCPSD costs against established benchmarks for efficiency and effectiveness.

Key elements of a performance measurement system include measurable goals and objectives, performance indicators, or measures used to gauge performance and benchmarks or standards against which performance will be assessed. Performance measures include both short-term internal measures to evaluate and improve day-to-day transportation operations, such as driver absentee rates and long-term measures for major aspects of the Transportation Department, such as the operating cost per mile, student riders per route bus, and on-time performance of buses.

Exhibit 6-11 shows some standard transportation performance indicators and the SCPSD performance statistic for each performance indicator (if available from SCPSD). The cost data were calculated by the evaluation team from data reported by SCPSD to the DOE for 2002-03. The evaluation team has also proposed targets for each performance indicator; however, the Transportation Department is encouraged to review these recommendations and then adopt targets that are deemed appropriate for the division. In some cases unit costs go up even though total costs may go down. This can occur when the units of measure (riders, miles, buses) are decreasing at a rate greater than the decrease in costs.

Exhibit 6-11
Transportation Performance Indicators and
SCPSD Performance Statistics and Proposed Targets

Performance Indicator	SCPSD 2003-04 2002-03 Costs	Target	Reporting Frequency
Personnel Management			
Number of route driver positions vacant	29*	0	Weekly as long as > goal
Number of monitor positions vacant	18*	0	Weekly as long as > goal
Absentee rate for drivers and monitors	Not available**	10%	Monthly trend analysis
Number of available substitute drivers	5*	15	Weekly as long as > goal
Percent time over contract hours	Not available**	6%	Monthly trend analysis
Percent overtime	Not available**	≤5%	Monthly trend analysis
Annual turnover rate	Not available**	<10%	Annual/Monitor monthly
Cost-Efficiency (Annual Costs)			
Operations cost per mile – Regular	$2.03	$2.24	Annual with trend analysis
Operations cost per mile – Special	$2.99	$3.10	
Cost-Effectiveness (Annual Costs)			
Operations cost per rider – Regular	$185	$215	
Operations cost per rider – Special	$2,115	$3,110	Annual with trend analysis
Operations cost per bus – Regular	$19,391	$21,395	
Operations cost per bus – Special	$34,223	$48,563	
Service Effectiveness			
Route riders per mile – Regular	1.76	≥1.95	Annual as part of route design
Route riders per mile – Special	0.21	≥0.21	and reported with cost-efficiency
Route riders per bus – Regular	90	100	and cost-effectivenss reports
Route riders per bus – Special	16	16	
Service Quality			
On-time performance	Not available	90%	
Complaints per 100,000 miles	Not available	20	
Routes with trips longer than 1 hour			Monthly
– Regular	Not available	10%	
– Special	Not available	5%	
Maintenance Performance			
Miles between breakdowns in service	Not available	10,500	
Percent PMs completed on-time	Not available	≥95%	Monthly
Turnover time per bus repair	Not available	1 work day	
Spares ratio as percent of route buses	24%*	20%	
Safety			
Accidents or incidents per 100,000 miles	Not available	0.21	
Student discipline referrals per 1,000 students bused	Not available	1	Monthly

Source: SCPSD Transportation Department; Targets proposed by Gibson Consulting Group, Inc.
** Actuals as of October 2004*
***SCPSD monitors these performance indicators but comparative data are not available.*

ROUTING AND SCHEDULING

Recommendation 6-4: Use the automated tools in the routing and scheduling software to improve route effectiveness.

Riders per mile and riders per bus measure the service effectiveness for each school division. Riders per mile is determined by multiplying average daily riders (regular or special needs) by 180 school days divided by the total route miles (regular or special needs). Riders per bus is determined by dividing the average daily riders (regular or special needs) by the number of route buses (regular or special needs). **Exhibit 6-12** compares the 2002-03 measures of service effectiveness for SPCSD with the peer school divisions in the cluster group.

Exhibit 6-12
SCPSD and Peer Divisions Service Effectiveness Measures
2002-03

Division	Regular Routes		Special Needs Routes	
	Riders/ Mile	Riders/ Bus	Riders/ Mile	Riders/ Bus
Arlington	4.43	135	0.33	15
Chesapeake City	2.70	96	0.25	14
Chesterfield	2.02	103	0.16	13
Fairfax County	2.45	132	0.22	12
Henrico	3.19	122	0.28	19
Prince William	1.79	107	0.14	11
Spotsylvania	2.77	91	0.12	9
Virginia Beach	2.58	154	0.18	18
Peer Average*	***2.74***	***118***	***0.21***	***14***
Peer Avg* Excluding Arlington/Fairfax Co	***2.51***	***112***	***0.19***	***14***
Stafford County	**1.98**	**105**	**0.25**	**16**
Percent Different from Peer Average	(28%)	(11%)	19%	14%
Percent Different from Peer Avg Excluding Arlington/Fairfax Co	(21%)	(6%)	32%	14%

Source: Virginia Department of Education Pupil Transportation Report, 2002-03
** Peer average is calculated using real numbers as infinite decimals*

For regular transportation in 2002-03, SCPSD riders per mile was 1.98, 28 percent lower than the peer average of 2.74. Riders per bus was also below the peer average. SCPSD reported 105 riders per bus for regular transportation, 11 percent below the peer average of 118 riders per bus. The SCPSD performance measure for service effectiveness for regular transportation is trending down. As shown in **Exhibit 6-13**, the number of student riders per route bus for regular transportation was 90 in 2003-04, the lowest since prior to 1999-2000.

Exhibit 6-13
SCPSD Regular and Special Needs Transportation
Riders per Route Bus
1999-2000 through 2003-04

	1999-2000	2000-01	2001-02	2002-03	2003-04
Regular Home to School					
Daily Riders	14,198	14,752	15,877	15,947	15,419
Route Buses	151	144	143	152	171
Riders/ Bus	**94**	**102**	**111**	**105**	**90**
Special Needs Home to School					
Daily Riders	486	538	660	615	598
Route Buses	24	26	32	38	33
Riders/Bus	**20**	**21**	**21**	**16**	**18**

Sources: Virginia Department of Education Pupil Transportation Reports, 1999-2000 through 2002-03; Stafford County Pupil Transportation Department, 2003-04.

The Transportation Department uses an automated routing and scheduling system with the capacity to optimize routes to maximize service effectiveness. The regular transportation route coordinators told the evaluation team that routes are created each year by starting with the previous year routes and comparing them to student residential locations for the new school year. The route coordinators are not using the automated optimization function of the routing and scheduling software as a tool to evaluate different route configurations and design more effective routes. The evaluation team suggests the use of the optimization function as one tool to evalute routing effectiveness. The goal is to increase riders per bus in order to lower the number of route buses required to provide home to school transportation.

Recommendation 6-5: Adhere to published schedules that define information, activities, and deadlines required to finalize routes sufficiently in advance of SCPSD school start date.

The Transportation Department developed a timeline specifying tasks and dates required to finalize the bus routes and schedules. In the spring of 2004, Transportation Department staff met with designees at each school to review the timeline and to communicate the deadlines. However, deadlines were missed resulting in delays to finalize the routes at the beginning of the 2004-05 school year. The late date of route publication led to complaints from parents and school

personnel. The evaluation team recommends that school administrators help ensure the deadlines and tasks are completed as defined by the Transportation Department. Adhering to the schedule will enable the Transportation Department to adjust routes as needed and to provide information regarding bus stops and routes to the drivers, parents, and school personnel in a timely manner. This process should result in fewer complaints and more satisfied customers.

Drivers, school personnel, and parents should be informed of bus stops and bus routes by a date that provides them sufficient time before school starts to ask questions about routes and for the Transportation Department to make adjustments to the routes, if needed. Comments received in focus group interviews suggest that the website is not often used to view routes. Communication with school personnel and parents will help to make them aware of this resource.

STATE REPORTING

Recommendation 6-6: Use mileage data from the automated routing and scheduling system to streamline state transportation reporting to the Virginia Department of Education.

Milege and ridership numbers required for the DOE pupil transportation report are tracked manually. Drivers record the number of riders and mileage traveled onto a daily tracking sheet. Rider numbers must be tracked manually since there are many students classified as riders in the student information database that choose not to ride the bus. However, the automated routing and scheduling system can calculate mileage information by various categories. The evaluation team recommends using the mileage data from the automated routing and scheduling system rather than manually tabulating the mileage from tracking sheets. Using the computer to track mileage minimizes errors inherent in manually tracking, streamlines the process by eliminating the need to tabulate the tracking sheets, and facilitates tracking statistics periodically. The DOE is implementing a new process this year to submit pupil transportation data. The Transportation Department may wish to develop a procedure to use data from the automated routing and scheduling system to complement DOE's new process.

The driver tracking procedure can continue periodically as a quality control mechanism, to confirm the automated routing and scheduling data. The rider count data can be collected on the same days as miles for reporting purposes. School divisions in other states are required to collect and report rider data only periodically. Although specific counts may be required to evaluate rider loads on some routes, collecting and reporting rider counts is sufficient if collected once each month.

CAPITAL FACILITIES

Recommendation 6-7: Develop a master plan for transportation facilities to provide central and satellite operations and parking facilities.

The Transportation Department does not have a central reporting facility for drivers/monitors or a central parking area for the entire bus fleet. Buses are parked at drivers' homes, at schools, or at the fleet services facility. The lack of a limited number of strategically located facilities for centralized reporting creates a number of problems. In the following discussion, centralized reporting refers to a centrally located facility and strategically located satellite facilities where a number of buses and drivers are assigned for the purpose of improving operations and supervision of transportation for students.

- Direct communication with drivers, especially special needs drivers, is difficult because drivers do not report to a specific worksite each day. There is no point of guaranteed communication with drivers. Participants in a SCSPD driver focus group said there is a lack of direct communication to drivers when route changes occur. The current procedure is to attempt to contact the driver at home or leave a message on the home answering machine. Many times the driver does not get the message in time to make the requested adjustment to the route. If the majority of drivers reported each day to a strategically located facility at the beginning and ending of each shift, then messages and instructions could be delivered in a timely manner and in person.
- Lead drivers and supervisory personnel are not in contact with drivers each day, creating difficulty in control. Lead drivers and supervisors may have to drive to a school or other location to meet a driver to discuss a particular problem or concern. Drivers are essentially independent agents, without any obligation or responsibility to report to a supervisor each day. Supervision can be enhanced when the drivers report daily to a centralized location. The supervisor has the opportunity to talk with a driver each day and can, if necessary, address service problems or performance issues promptly and more effectively.
- Filling an assignment when a driver who parks the bus at home calls in for any reason can create difficulties. When a driver does not show and does not call in, there is no way to know the school bus is not in service until a parent or school administrator calls and reports a "no-show." By that time, the SCPSD Transportation Department has lost the ability to dispatch a substitute driver to meet the schedule. Additional costs are incurred when a substitute driver has to be shuttled to a remote parking location to fill in for an absent driver. Centralized reporting and bus parking would make it possible to have substitute drivers available at the report location to immediately take the assigned route bus out.
- The remote parking locations and lack of a central place for drivers to report each day also creates other problems. Bus routes operate behind schedule when a driver is late or a substitute has to be sent into service at a remote location. The ability to respond is delayed by distance and the relay of information. With a cadre of substitute drivers scheduled at each centralized facility it becomes possible to respond immediately and ensure bus routes are operated on schedule.
- The lack of a central parking area increases the number of spare buses required for maintenance and operation. The director of Fleet Services told the evalution team that he manages a good preventive maintenance program by having a larger spare bus fleet. In school divisions in other states, the recommended spares ratio is 15 to 20 percent of route requirements. After reducing the number of spare buses significantly last year, the SCPSD spares ratio is 24 percent of the buses required for routes.
- Remote parking may increase deadhead mileage, which increases maintenance and fuel costs. Based on experience working with school divisions and public transportation agencies in Virginia and several other states, the evaluation team expects the percent deadhead mileage for an operation similar to SCPSD but with centralized bus parking should be about 14 percent of total miles. In the peer cluster group for SCPSD, the one school division with 90 percent of all drivers reporting to one of the central or satellite facilities reported 13 percent deadhead mileage in 2002-03 as compared to SCPSD's 30 percent the same year (SCPSD's percent deadhead mileage dropped to 21 percent in 2003-04).
- The location and security of parking is not under the control of the school division when drivers are permitted to park buses at home or nearby locations. The ability to

ensure secure parking and to protect the school bus asset is improved greatly with central and statellite parking facilities.

The SCSPD Capital Improvement Program (CIP) includes a cost estimate for developing a maintenance facility in Northern Stafford County during the budget year 2007-08 school year. The cost estimate totals $1,238,000. The CIP also includes a cost estimate for upgrading the existing transportation administration building in budget year 2006-07. The cost estimate is $960,000.
The evaluation team recommends further investigation of the opportunity to develop a long-term master plan for additional SCPSD centralized parking and operating facilities in order to take advantage of the benefits that can be realized. Centralized reporting refers to one or more centrally located facilities and strategically located satellite facilities where a number of buses and drivers are assigned for the purpose of improving operations and supervision of transportation for students. For example, Prince William County has four transportation centers with 125 school buses each and nine additional satellite parking areas with parking for 20 school buses each. Ninety percent of all Prince William school bus drivers (about 600 drivers) report to one of the 13 transportation centers or satellite parking areas each day.

The transition to a different way of doing business may be difficult for those who are most comfortable with the current practices. The strategy for the master plan should be to enhance communications and to improve performance with better management practices as well as new or expanded facilities. A change in the approach to more centralized management can be accomplished by SCPSD over time. There are many interim steps to assist in transition. A few examples are provided below and include management practices as well as facility planning.

Management Practices

- Use the available bus radios for more effective driver communication; activate additional bus radio channels for dispatchers to deliver and confirm operating instructions with drivers.
- Emphasize the positive aspects of regular contact with central operations – current and accurate information, available staff to ask questions or seek help, ability to follow-up and the opportunity to make suggestions.
- Establish procedures for drivers with records of frequent tardiness or absence to report by radio at a pre-determined time each day, allowing sufficient time to activate a substitute when required.
- Develop and then expand a practice of having stand-by drivers and buses ready for service in strategic locations to take a route if another driver calls out or to assist in the case of bus trips running behind schedule.
- Develop guidelines for drivers who are permitted to take school buses home. The guidelines should include considerations for safe and secure parking and appropriate restructions on deadhead mileage.
- Record deadhead mileage to establish a baseline, set goals to reduce, and then monitor.
- Announce long-term plans and discuss with drivers. No surprises. Grandfather the existing practices to current drivers but implement the changes for new hires as facilities become available.

Facility Planning

- Expand available school bus parking area on the unused property at the existing Central Garage.
- Plan for a satellite school bus parking site at the new high school.
- Identify additional satellite parking area(s) for school buses on existing school division property or as part of plans for new school campuses.
- Include an operations center in the planned Northern Stafford County satellite maintenance facility.

SCPSD can benefit from developing a master plan to provide central and satellite operations and parking facilities. The strategy is not only to plan capital facilities but also to provide a focal point for managing change to improve communication, supervision, and performance for student transportation.

COMPUTERS
&
TECHNOLOGY

Chapter 7

COMPUTERS & TECHNOLOGY

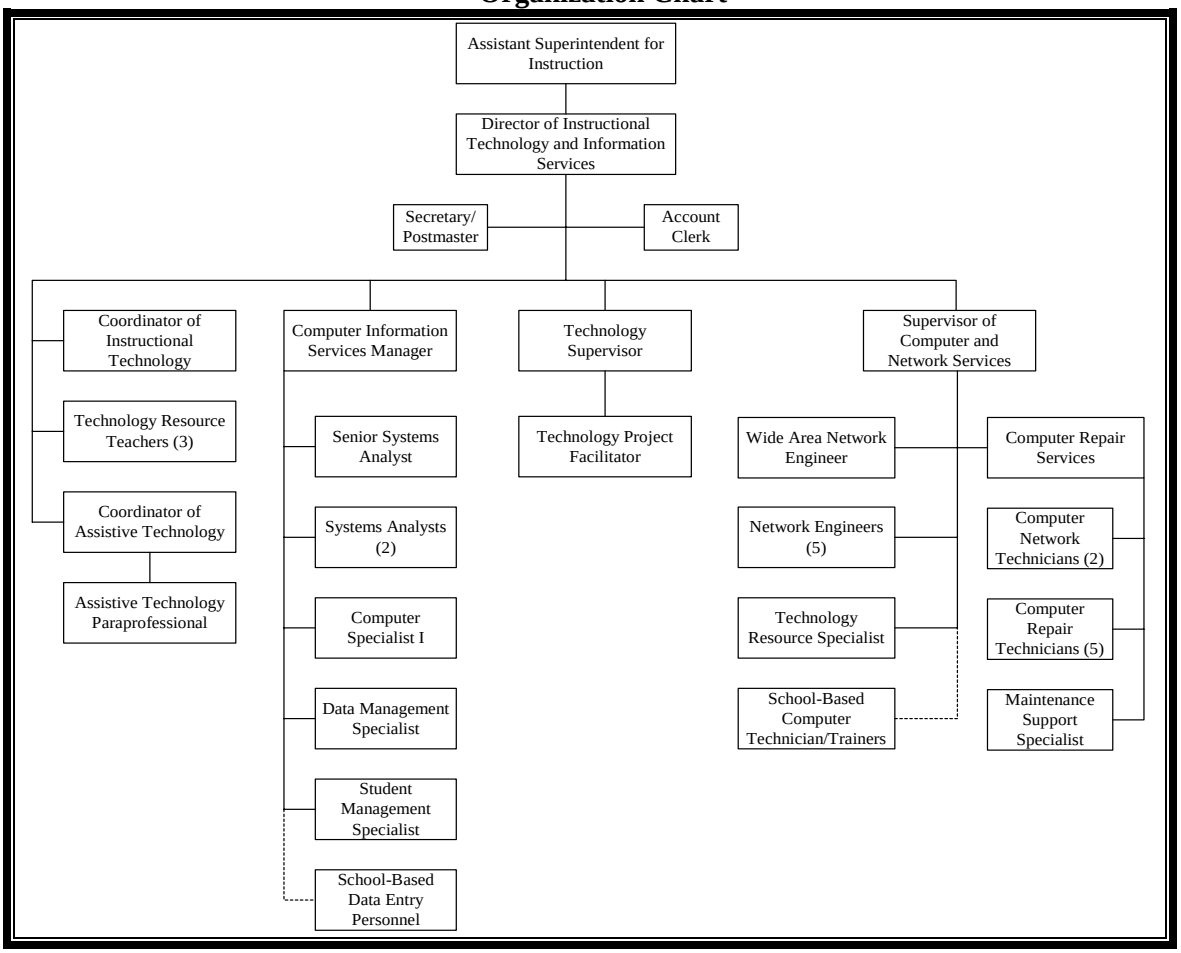
BACKGROUND

Some divisions divide technology responsibilities between administrative and instructional departments, while other divisions manage the technology functions with one organizational structure. Regardless of their size and organizational structure, most divisions include the following technology functions: management and oversight of the entire division's instructional and administrative applications; hardware and software maintenance of these applications; planning, implementation and oversight of local area networks and a wide area network and training and technical support for computer applications and networks.

The development of an effective, integrated network of software, hardware, and telecommunications is a major and technically complex endeavor. A successful information technology network requires visionary leadership, clear organizational goals, effective assignment of responsibilities and the commitment of sufficient resources, both financial and personnel. If any one of these key ingredients is missing, substantial resources can be expended without achieving the desired improvement in student skills and knowledge, staff skills, or administrative efficiency.

The Instructional Technology and Information Services (IT/IS) Department at Stafford County Public Schools Division (SCPSD) supports instruction by providing a wide variety of technology services needed by its schools and departments. The IT/IS Department develops and maintains computer-based information systems, and coordinates instructional and assistive technology programs for the division. The department responsibilities are grouped into four main categories: network services and computer repair, instructional technology, technology projects, and planning and data services. **Exhibit 7-1** depicts the organization of the IT/IS Department.

Exhibit 7-1
Instructional Technology and Information Services
Organization Chart



Source: SCPSD, IT/IS Department, October 2004.

In 2002-2003, SCPSD's per pupil technology spending was lower than both its peer group and the state averages. As shown in **Exhibit 7-2,** the division ranked fifth among its peers in technology spending per pupil. With limited financial resources directed toward technology, the division fell behind, especially in the areas of infrastructure and hardware.

Exhibit 7-2
Stafford County Public Schools Compared to Its Clusters
Technology Spending
2002-03

Peer School Division	Technology Spending/Pupil	Rank by Spending per pupil	Technology Spending	Technology Spending as a Percent of Total Disbursements
Arlington	$573.34	8	$10,456,571	3.3%
Chesapeake	$248.59	2	$9,721,893	3.1%
Chesterfield	$294.44	4	$15,767,052	3.4%
Fairfax	$650.86	9	$102,951,036	5.8%
Henrico	$413.18	7	$17,861,821	4.9%
Prince William	$291.33	3	$17,180,809	3.0%
Spotsylvania	$198.68	1	$4,215,276	2.1%
Stafford	**$340.54**	**5**	**$8,055,419**	**4.1%**
Virginia Beach	$386.70	6	$29,064,880	4.9%
Peer Average	**$382.00**	n/a	**$25,902,417**	**3.8%**
State	**$360.81**	**n/a**	**$415,617,642**	**3.8%**

Source: Virginia Department of Education Annual Superintendent's Report, 2002-03, Table 13 Disbursements by Division.

- *Fairfax includes Fairfax County and Fairfax City Public Schools.*

Note: 1 represents the lowest per pupil expenditure, while 9 is the highest.

In its 2004-2010 Technology plan the division identified its technology needs and has been progressing toward achieving them. Since 2003-2004, the technology budget has steadily increased 11.9 percent**. Exhibit 7-3** lists the approved budget for the IT/IS Department for the two-year period from 2003-04 through 2004-05.

Exhibit 7-3
SCPSD Instructional Technology and Information Services Budget
2003-04 through 2004-05

Budget Category	2003-04	2004-05	% Increase/ Decrease
Personal Services			
Professional Salaries	$163,242	$203,544	24.7%
Other Professionals' Salaries	$532,295	$587,557	10.4%
Office Assistant	$24,910	$26,042	4.5%
Clerical Salaries	$55,405	$25,488	(54.0%)
Part-time Assistance	$33,024	$18,100	(45.2%)
Employee Benefits			
FICA (Social Security)	$61,884	$65,851	6.4%
VRS (Retirement)	$68,052	$97,582	43.4%
Retirees Health Insurance	$6,212	$6,746	8.6%
Trigon Health Insurance	$74,708	$91,155	22.2%
GLI (Group Life Insurance)	$0	$0	0.0%
Leave Pay Out	$0	$0	0.0%
Purchased Services			
Technical Support	$15,960	$20,860	30.7%
Technical Training and Assistance	$0	$0	(0.0%)
Repairs of Equipment	$120,678	$100,552	(16.7%)
Other Charges			
Travel	$19,000	$25,000	31.6%
Conferences	$31,500	$50,000	58.7%
Dues and Subscriptions	$5,670	$5,845	3.1%
Materials/Supplies			
Office Supplies	$17,998	$13,309	(26.1%)
Computer Supplies	$26,550	$27,350	3.0%
Computer Software	$17,955	$58,585	226.3%
Comp, Parts & Accessories <$1,000	$7,890	$5,500	(30.3%)
Furniture and Equipment <$1,000	$1,850	$0	(100.0%)
Capital Outlay			
Replacement – Comp Related Eq	$0	$0	0.0%
Additions – Comp Related Eq	$0	$8,000	100.0%
Total	**$1,284,783**	**$1,437,066**	11.9%

Source: SCPSD Annual Budget for the Instructional Technology and Information Services Department, 2004-05.

As outlined in the 2004-2010 technology plan, the division's critical needs are as follows:

(i). a fast network infrastructure;
(ii). updated computers and equipment throughout the division;
(iii). a comprehensive email system; and
(iv). technology integration into curriculum.

The division has made significant progress toward addressing these needs. For example, with respect to the first issue, a fast network infrastructure, the division has replaced its AS/400 mainframe with IBM i-series Model 810, replaced network servers and switches at most school locations, and established a secure and reliable wireless WAN structure to provide at least T1 speed connectivity to most of the schools.

In terms of updating computers and equipment, the division has developed a replacement program for all SCPSD hardware and peripherals. As part of this program, instructional computers were replaced at Drew Middle School, H.H. Poole Middle School, Stafford Middle School, and Wright Middle School; administrative computers were replaced at Rodney Thompson Middle School, at all high schools, and most elementary schools; and wireless networked mobile computer labs were purchased for all elementary and middle schools.

To address its need for a comprehensive email system, the division has purchased and installed a new server to provide email accounts to all faculty and instructional staff. The superintendent has directed all staff that email is to be a major communication mechanism used throughout the division.

Finally, in the area of integrating technology into curriculum, the division successfully piloted a program called Technology Resources Teachers (TRT). This program should assist the division in developing a comprehensive professional development program that promotes effective technology integration into teaching, learning, and teacher instructional leadership.

In addition to these critical needs, the technology plan identified deploying and maintaining an integrated, user-friendly data management and analysis system as another main goal. Currently, the division's student and administrative systems lack processing capabilities resulting in the need for staff to rely on several manual processes to complete job tasks. Another area of concern for the division's technology management is the fact that the administrative systems are not integrated between functions, such as Finance and Human Resources, sometimes requiring duplicative effort and leaving the division vulnerable to data integrity issues. This lack of integration also exists between the division's administrative and student systems. Although the division has prioritized it technology needs appropriately, some action is needed to address systems and data related issues. Recommendations have been presented in the *Division Leadership, Organization, and Management* (Chapter One), *Educational Delivery Systems* (Chapter Two), and *Human Resources Management* (Chapter Three) chapters for the division to consider that could assist in addressing these areas. The division is encouraged to assess programming and data processing needs following a process engineering study suggested in recommendation 1-2 in *Division Leadership, Organization, and Management*. Should the process engineering study support additional staff for programming and data processing at the division level, these positions should be budgeted.

A. ACHIEVEMENT

SCPSD has solicited and received broad stakeholder input in developing an integrated and comprehensive technology plan. The plan includes measurable goals, objectives, and strategies that have assigned timelines and responsible parties, and are supported by the budget.

B. RECOMMENDATIONS

After conducting a thorough analysis of the IT/IS Department at SCPSD, the evaluation team has developed the following recommendations:

Recommendation 7-1 (p. 7-9): Develop a disaster recovery plan. The evaluation team recommends that the IT/IS Department develop a disaster recovery plan and periodically test its effectiveness. A disaster recovery plan will allow the department to deal with disasters in a thorough, organized, and timely manner.

Recommendation 7-2 (p. 7-11): Establish division-wide policies and procedures that require all technology purchases to have the written approval of the IT/IS Department before orders are placed. The division needs a written policy or procedure to ensure all technology-related purchases are reviewed and approved by the IT/IS Department. The evaluation team recommends that the director of IT/IS or an appropriate designee approve all technology-related purchases in order to ensure that the division's technology standards are met.

Recommendation 7-3 (p. 7-11): Enhance the role of the campus-based technology support staff to include the communication of technology information and initiatives. Each school has a Computer Technician/Trainer (CT/T) position that performs technical support and provides general computer training to campus staff. The evaluation team recommends that the division leverage the CT/Ts and the relationship they have with their campuses as a means to communicate information and technology initiatives to the staff at their respective campuses.

Recommendation 7-4 (p. 7-12): Leverage the full capabilities of the division's work-order system to improve the technical support function. The division is not utilizing the work-order system (HEAT) to its full capacity. In order to accomplish this, the evaluation team has provided recommendations that will result in the overall improvement of the technical support function.

C. FISCAL IMPACT OF RECOMMENDATIONS

Although the recommendations presented in this chapter will improve efficiencies in the IS/IT Department, no fiscal savings or investments have been identified. However, investments may be necessary as an outcome of the process engineering study suggested in Recommendation 1-2.

D. DETAILED ACHIEVEMENTS

TECHNOLOGY PLAN

The SCPSD Technology Advisory Committee has created a comprehensive technology plan that provides clear direction for the division's use of administrative and instructional technology. The plan outlines five goals for technology:

- develop and maintain a division-wide human technology infrastructure;
- develop and maintain a modern, reliable physical technology infrastructure that is highly available, scalable, and upgradeable;
- deploy and maintain an integrated, user-friendly data management and analysis system;
- provide seamless access to local, division-wide, and world-wide network resources; and
- enhance communication throughout the school division and the greater community.

Each goal has a Strategic Action Plan (SAP) that describes how the division plans to reach that goal. Every SAP consists of a timeline, budgetary estimate, responsible person(s), and a benchmark or evaluation mechanism. The plan is set to be reviewed semiannually by the Technology Advisory Committee, with the results of their review reported to the superintendent and to the school board.

To ensure that all critical needs are identified, the planning process provides for broad stakeholder input. The division created an advisory committee to ensure this input. The committee has a diverse composition with representatives from various functional areas within SCPSD, parents, and the community.

Exhibit 7-4 provides the composition of the committee.

Exhibit 7-4
Stafford County Technology Advisory Committee

Representation
Chairman, SCPSD Substitute Teacher, Businessman
Vice Chairman, Businessman, Parent
SCPSD Coordinator, Career and Technical Education
SCPSD Supervisor, Network Services, Parent
SCPSD Middle School Technology Teacher, Parent
SCPSD Secondary School Principal
SCPSD Elementary School Teacher, Parent
Project Director – Together We Can: The Virginia Deaf-Blind Project
SCPSD Student
Government Support Contractor, Parent
SCPSD Elementary School Principal, Parent
SCPSD School-Based Computer Technician/Trainer (2)
SCPSD Central Office Secretary, Parent
SCPSD Director, Pupil Transportation
Parent
SCPSD Elementary School Administrator, Central Office Assistive Technology Coordinator
SCPSD Central Office Science Instructional Coordinator, Parent
SCPSD Director, Instructional Technology and Information Services, Facilitator, Parent (non-voting)
SCPSD Middle School Teacher, Parent
SCPSD Middle School Administrator, Parent
SCPSD Instructional Technology Coordinator, Special Education Student's Parent
SCPSD Manager, Data/Applications Center

Source: SCPSD Integrated Technology Plan, 2004-2010.

E. DETAILED FINDINGS AND RECOMMENDATIONS

DISASTER RECOVERY PLAN

Recommendation 7-1: Develop a disaster recovery plan.

The IT/IS Department should have a disaster recovery plan as opposed to reacting to impending threats as they occur. When Hurricane Isabel threatened Stafford County in the fall of 2003, the department prepared for the storm by placing equipment in an electrically safe condition after preserving the data. After the hurricane threat had passed and power was restored, the department made a controlled restoration of service once it was determined safe to do so.

The problems with such a reactive approach are:

- The IT/IS Department will have to refine protocols and procedures every time a similar disaster occurs;
- Preparation time may be insufficient to ensure the development of a cohesive and comprehensive strategy in anticipation of a crisis;
- The potential of overlooking important tasks increases when staff operates on short notice during a stressful situation;
- Responsibility is not clearly defined and there is no opportunity to conduct a “trial run” in advance of the disaster to ensure smooth execution of critical tasks; and
- Priorities are not defined in advance to enable a smooth and well-organized recovery process.

A wide variety of vital systems including personnel, payroll, and financial systems, as well as student records, telephones, heating, and air-conditioning systems may be subject to failure during a disaster. The implications of such widespread failure calls for extensive coordination and planning to identify systems, develop contingency plans, and identify backup machinery and equipment so that the division can continue to perform its most vital tasks.

Exhibit 7-5 presents the key elements of a disaster recovery plan.

Exhibit 7-5
Key Elements of a Disaster Recovery Plan

Step	Details
Build a disaster recovery team.	▪ Identify a disaster recovery team that includes key policy makers, building management, end-users, key outside contractors, and technical staff.
Obtain and/or approximate key information.	▪ Develop a comprehensive list of critical activities performed within the division. ▪ Develop an estimate of the minimum space and equipment necessary for restoring essential operations. ▪ Develop a timeframe for starting initial operations after a security incident. ▪ Develop a list of key personnel and their responsibilities.
Perform and/or delegate key duties.	▪ Develop an inventory of all technology assets, including data, software, hardware, documentation, and supplies. ▪ Set-up a reciprocal agreement with comparable organizations to share each other's equipment or lease backup equipment to allow the division to operate critical functions in the event of a disaster. ▪ Make plans to procure hardware, software, and other equipment as necessary to ensure that critical operations are resumed as soon as possible. ▪ Establish procedures for obtaining off-site backup records. ▪ Locate support resources that might be needed, such as repair equipment, trucking, and cleaning companies. ▪ Arrange with vendors to provide priority delivery for emergency orders. ▪ Identify data recovery specialists and establish emergency agreements.
Specify details within the plan.	▪ Identify roles and responsibilities by name and job title so that everyone knows what needs to be done. ▪ Define actions to be taken in advance such as developing procedures, determining offsite locations for the plan, and testing the plan. ▪ Define actions to be taken at the onset of an undesirable event to limit damage, loss, and compromised data. ▪ Identify actions to be taken to restore critical functions. ▪ Define actions to be taken to re-establish normal operations.
Test the plan.	▪ Test the plan frequently and completely. ▪ Analyze the results to improve the plan and identify further needs.
Deal with damage appropriately.	▪ If a disaster occurs, document all costs and videotape the damage. ▪ Be prepared to overcome downtime on your own; insurance settlements can take time to resolve.
Give consideration to other significant issues.	▪ Don't make a plan unnecessarily complicated. ▪ Make one individual responsible for maintaining the plan, but have it structured so that others are authorized and prepared to implement it if needed. ▪ Update the plan regularly and whenever changes are made to your system.

Source: National Center for Education Statistics, "Safeguarding Your Technology."

The evaluation team recommends that SCPSD incorporate these key elements when creating its disaster recovery plan. The director of Instructional Technology and Information Services should place a high priority on completing the plan, and should also ensure the plan is tested periodically.

POLICIES AND PROCEDURES FOR TECHNOLOGY PURCHASES

Recommendation 7-2: Establish division-wide policies and procedures that require all technology purchases to have the written approval of the IT/IS Department before orders are placed.

The division needs a written policy or procedure requiring all technology-related purchases be reviewed and approved by the IT/IS Department. Although the director indicated that most schools and departments verbally consult with his department prior to acquiring technology products, there are cases where technologies have been acquired without the department's knowledge.

For example, recently some schools purchased personal digital assistant (PDA) devices, without the knowledge of the IT/IS Department. The division's technology support staff learned about these devices when the users reported having problems with synchronizing their devices with the division's email system. The department could not provide assistance as support staff was not trained or familiar with this particular technology. If the department had been involved in the purchase, the PDA device selected would either have been of a type technology support staff was familiar with, or the purchase could have been delayed until the technology support staff received adequate training to support the new technology.

Since the IT/IS Department supports all hardware and software in the division, best practices dictate that the director of IT/IS or an appropriate designee approve all technology-related purchases in order to ensure that the technology meets several determining factors. These factors include, but are not limited to:

- The technology under consideration should be compatible with the division's existing hardware and software infrastructure;
- The technology should be supportable by the division's technical support team; and
- The technology should not be a duplication of any of the division's existing software or hardware that serves the same purpose, or is intended to serve the same purpose if fully utilized ("redundant technology").

CAMPUS-BASED SUPPORT STAFF

Recommendation 7-3: Enhance the role of the campus-based technology support staff to include the communication of technology information and initiatives.

Each school has a Computer Technician/Trainer (CT/T) position that performs technical support and provides general computer training to campus staff. The CT/Ts have developed strong relationships with their campuses that could be leveraged by the division as a means to communicate information and technology initiatives to campus staff.

One divisional goal is to enhance communication throughout the school division and the greater community. The objective related to this goal in the Integrated Technology Plan for 2004-2010

states that the IT/IS Department will provide a web-based, online presence for the division, schools, and individual educational staff members. While this action will improve information dissemination from the central office to the schools, it may not be sufficient. Unless an employee has access to the Web and/or email, they would be excluded from this chain of communication.

In addition to being the recipient of information from their campus, the CT/T should also be the vehicle for communicating information from the central office to their campus. The CT/Ts should meet with the IT/IS Department on a regular basis to learn about initiatives that are being pursued, any scheduled maintenance that may affect the end users, changes to existing technology, implementation of new technology, etc. The CT/Ts should ensure this information reaches the principals, teachers, and other campus-based personnel through meetings, postings, newsletters, mass distribution emails, or any other means of communication that will transmit the information in a quick and cost-efficient manner.

TECHNICAL SUPPORT

Recommendation 7-4: Leverage the full capabilities of the division's work-order system to improve the technical support function.

One of the goals included in the 2004-2010 technology plan is to "develop and maintain a division-wide human technology infrastructure." The fourth objective under this goal is to ensure that SCPSD's technology support staffing levels, both from the IT/IS Department and other sources, fully support the division's instructional, administrative, and support needs. To accomplish this objective several strategies are outlined, two of which involve the use of HEAT. The first strategy is to upgrade HEAT in order to institutionalize the use of the system for data collection and analysis purposes. This strategy was given a due date of September 1, 2004 but as of October 2004 it had not yet been accomplished. The second strategy is to use HEAT data to analyze workloads for key technical support positions including Network Engineers, Repair Technicians, and CT/Ts. This strategy calls for SCPSD to include new technology support models enabled by long-term support contracts for key equipments and components.

During the site visit, the evaluation team identified the following issues with the IT/IS Department's work-order tracking system (HEAT):

- The reporting capabilities of the work-order system are not being maximized to allow for better analysis and management of the technical support function;
- The module of the work-order system that allows greater access to individual users has not been implemented; and
- Although the department has five priority levels in its work-order system, there is no expected time frame associated with each priority level.

In response to these issues, the evaluation team recommends the following:

- Create management reports that will allow the department to better manage their technical support function. The reports should include, at a minimum, the number of open work-orders by technician and by priority type; the average work-order closing time by technician and by priority level; and the number of work-orders by technical category, location, user, and asset.
- Implement the work-order module, giving access to all users and allowing them to enter and monitor their work-order status. While SCPSD uses HEAT to track work-

orders and issue reporting, the work-order system is not being used as effectively as it could. Access to this system should be granted to as many employees as possible. This would allow the division to use the automatic issue routing functionality and decrease the phone intensive process currently in use.

- Establish expected response times for each of the priority levels in the work-order system. For example, the average response time for a priority I issue is 1 hour. Developing written explanations and expected response times for technical support priorities and communicating them to the users will improve the accountability of the IT/IS Department. In addition, the leadership of the IT/IS Department can use the established response times to better assess and manage their support personnel's performance.

PROGRAMMING AND DATA PROCESSING

The division should assess its programming and data processing needs as part of the process re-engineering study outlined in Recommendation 1-2. In order to fully implement any process efficiencies, additional programming and data analysis staff may be required to program and maintain applications on the division iSeries computer.

PURCHASING
&
WAREHOUSING

Chapter 8

PURCHASING AND WAREHOUSING

BACKGROUND

The mission of Stafford County Public School Division's (SCPSD) purchasing function is to coordinate all procurement and contractual transactions for the school division to ensure that supplies, equipment, and services needed to support the division's mission are purchased from the right source, in the right quantity, and at the lowest price without sacrificing quality. The warehouse function ensures that purchased goods are properly stored, and are delivered on-time to the appropriate location. The textbook management function ensures that the division acquires the appropriate textbooks, has sufficient textbooks for all students and safeguards them throughout their use.

In acquiring goods and services, SCPSD must comply with the Virginia Public Procurement Act (VPPA). The VPPA identifies the procedures and processes to be followed when procuring goods or services. It also allows any public body empowered by law to implement ordinances, resolutions, or regulations consistent with the VPPA. Stafford County has developed by ordinance, the *Procurement Code of Stafford County, Virginia*, which outlines the policies and procedures that all divisions, including SCPSD, must follow. **Exhibit 8-1** identifies the processes and requirements for SCPSD procurements.

Exhibit 8-1
Stafford County Public Schools Division
Purchasing Requirements

Description	Thresholds	Process/Procedure
Small Purchases (supplies and non-professional services)	Less than $2,500	Competition not required
	$2,500 to $5,000	Solicit 3 sources (verbal quotes)
	$5,000 to $25,000	Solicit 3 sources (written quotes)
Competitive Procurements (all supplies and services)	Greater than $25,000	Competitive sealed bids (Invitation For Bid (IFB)) Competitive proposals (Request For Proposal (RFP))
Exemptions/Emergency Purchases/Sole Source	No specific limits	No competition, written justification

Source: Procurement Code of Stafford County, Virginia.

The purchasing function at SCPSD is highly decentralized. User departments process their own requisitions into purchase orders for items less than $2,500, and are responsible for obtaining quotes for items between $2,500 and $25,000. A single, part-time purchasing clerk in the Financial Services Department coordinates and processes requisitions into purchase orders for purchases that are greater than $2,500. The assistant director of Accounting coordinates with county purchasing staff and user departments to process competitively solicited bids and

proposals for goods and services that are greater than $25,000. SCPSD uses the purchasing module of the Harwood Technical Enterprises (H.T.E.) financial system to process requisitions.

The division uses a combination of approaches to effectively purchase goods and services. These approaches include local bids and catalog purchases, state contracts, cooperative contracts such as the Metropolitan Washington Council of Governments and U.S. Communities, and contracts from other counties such as Fairfax County, Virginia, and Montgomery County, Maryland. Local catalog items include art and instructional supplies and science materials. Items purchased from state contracts range from paper and technology purchases to calculators. Examples of items purchased from local and national cooperatives include: office supplies, carpet replacement services, moving services, and musical instruments.

SCPSD has a centralized warehouse where items such as rock salt, custodial supplies, spare textbooks, spare computer parts, food service paper goods, light bulbs, and minor repair parts (electrical and plumbing) are stored. The warehouse primarily supports the Operations and Maintenance Department. A large portion of the warehouse is a staging area for the receipt of large items, such as replacement furniture, that are then transferred to individual schools and departments. The warehouse is staffed by two positions: a purchase and supply clerk and a warehouse assistant.

Textbooks are managed centrally by the supervisor of Elective Programs. Textbook coordinators, designated at each school, assist the supervisor and are responsible for managing the inventory at their respective schools. Textbooks are individually bar coded and inventoried annually.

A. ACHIEVEMENTS

- SCPSD uses the eSurplus internet auction program to dispose of surplus property reduces auction costs, eliminates staff time in handling surplus property, frees up storage space at schools and departments, and generates additional revenue.

- SCPSD uses an automated textbook management system integrated with its student information management system to efficiently manage and control its textbook inventory in real-time.

B. RECOMMENDATIONS

Recommendation 8-1 (p. 8-6): Upgrade the purchasing clerk position in the Financial Services Department and fill it with experienced purchasing professional to enhance compliance, contract monitoring, and research efforts. The evaluation team recommends that the purchasing clerk position be upgraded and job duties expanded to include responsibility for supervising and administering the division's purchasing program and be given the authority to approve purchase requisitions. Additionally, critical functions should be included in the job description for the upgraded position such as, analyzing market trends and purchasing alternatives to develop the approach that provides SCPSD with the best pricing and value; actively working with user departments to negotiate procurements to ensure SCPSD receives the best possible prices; monitoring user departments' purchases and spot auditing files to ensure compliance with state law and board policy; and consulting with division staff on vendor performance problems and developing corrective actions. The position should be filled with a degreed individual who has a minimum of three years' public purchasing experience.

Recommendation 8-2 (p. 8-7): Activate existing features in the purchasing system to improve compliance, internal control, and requisition processing. Since the H.T.E. financial system is a "single entity" system used by both the county and SCPSD, activation of any features will require discussion, agreement, and close coordination between the county and SCPSD. The evaluation team recommends that the existing joint finance committee, composed of both county and SCPSD staff, be used to evaluate and implement these features.

Recommendation 8-3 (p. 8-10): Expand direct vendor or just–in–time delivery of goods and reduce warehouse support staff. With direct vendor delivery, SCPSD may incur higher freight costs for items directly shipped from vendors to campuses and departments; however, these costs should be offset by reductions in personnel and transportation costs associated with maintaining the warehouse.

Recommendation 8-4 (p. 8-13): Implement direct faxing of purchase orders and eliminate paper forms. The H.T.E. system is to be upgraded with the capability to fax purchase orders directly to vendors from the computer. This will eliminate the need for multi-carbon forms. It will also streamline the process by eliminating the printing, sorting, and distribution of purchase orders to individual campuses and departments. Since the H.T.E. financial system is a "single entity" system used by both the county and SCPSD, implementation of direct faxing will require discussion, agreement, and close coordination between the county and SCPSD. The evaluation team recommends that the existing joint finance directors' committee address direct faxing implementation issues.

Recommendation 8-5 (p. 8-13): Evaluate comparability and use state contracts to achieve more competitive prices for custodial supplies. The division currently bids custodial supplies locally. The evaluation team recommends that the division compare prices for its locally bid custodial supplies with those available from the Department of General Service's (DGS) Virginia Distribution Center (VDC). The comparison should consider comparability in quality for the supplies.

C. FISCAL IMPACT OF RECOMMENDATIONS

This chapter contains recommendations to improve the efficiency of SCPSD purchasing and warehousing operations. Once fully implemented, these recommendations will result in a small savings of $43,145 each year, representing 0.02 percent of the division's annual operating budget. Details of how the financial impact was calculated can be found in Appendix C.

The major savings opportunities are presented in **Exhibit 8-2**.

Exhibit 8-2
Summary of SCPSD Savings Opportunities

Functional Area	Recommendation	Annual Savings
Purchasing and Warehousing	Increase use of Just-in-Time delivery	$28,352
	Implement online "faxing" of purchase orders	$5,507
	Use state contracts for selected custodial supplies	$9,286
Total Annual Savings		$43,145
Percent of annual operating budget		0.02%

Source: Gibson Consulting Group.

This chapter also includes a recommended investment by SCPSD, to achieve best practices or to generate subsequent savings. If savings cannot support these investments in the short-term, then the division should request additional investment funds from the county, or delay the implementation if the investment does not yield future savings.

The recommended investments are listed below:

1. Conduct a staffing study for the Purchasing Department. One-time investment: $4,000.

2. Upgrade the skill requirements of the purchasing specialist position to reflect responsibilities of a 25,000 student school system. Annual investment: $31,867.

3. Implement online "faxing" of purchase orders. One-time investment for the purchase of the VMS software: $2,750.

If all recommendations are implemented, the lowest net annual savings to SCPSD will be $11,278, or 0.01 percent of the division's operating budget. The net annual savings does not include the one-time investments of $6,750.

D. DETAILED ACHIEVEMENTS

INTERNET AUCTION PROGRAM FOR SURPLUS PROPERTY

SCPSD has implemented an internet-based auction program to efficiently dispose of its surplus property and provide additional revenue for schools. In January 2004, SCPSD staff implemented a pilot program using eSurplus Auctions, an internet-based auction system for governments to dispose of surplus vehicles. SCPSD expanded the program in March 2004 to include all surplus property valued at less than $5,000. While many governments use internet auctions, SCPSD' program is unique. It provides principals with an incentive to participate as auction proceeds from each participating school's surplus items are returned to the respective school as an increased site allocation.

To use the internet auction system, schools with surplus property complete a computerized *Surplus Property Notification Form* and take a digital picture of each item to be auctioned. The form and pictures are emailed to the central office. Central office staff posts the surplus items to the auction website, where they remain for a two-week period. When the auction closes, the

auction service notifies SCPSD by email of the amount due. The successful bidder has five days to contact the appropriate school to arrange pick-up and payment. Payment is by cashier's check or money order. The bookkeeper issues a receipt and forwards payment to the central office, who then credits each school's site allocation with the proceeds less an 8 percent auction service commission.

Before using the internet auction, SCPSD held biennial public auctions to dispose of its surplus property. It hired an auctioneer, whose commission was 10 percent of the auction proceeds. Surplus property was stored in building closets and storage rooms until it could be transported by maintenance staff to the warehouse. The items were stored in the warehouse in preparation for the auction. Some property was held up to two years, taking up valuable storage space while suffering deterioration and consequently, a reduction in disposal value.

With the online auction program, the division can dispose of surplus property within 30 days of posting on the auction site, reducing storage time and potential deterioration of the item. Maintenance Department staff time to transport items is reduced because the item remains at the site it was used until picked up by the buyer. SCPSD receives more revenue because the online auction fee is eight percent, compared to the auctioneer's fee of 10 percent. In addition, the online auction service provides a permanent detailed record of each item sold, which assists in maintaining accurate inventory records for reporting.

In its initial pilot auction of 10 school buses, the SCPSD Financial Services Department estimated that the division realized a benefit of $879 using the internet auction compared to projected results with a public auction. SCPSD received $3,585 from the buyer net of the 8-percent commission due to eSurplus Auction. Financial Services Department staff estimated that if the buses had been sold at public auction, the net proceeds would have been about $2,706, deducting a 10 percent auctioneer's fee and an additional $52 per bus for garage technician time required to prepare the vehicles for auction.

In its *Fiscal Year 2004 Second Financial Review,* the Financial Services Department reported a projected revenue increase of $11,194 directly attributable to eSurplus.

AUTOMATED TEXTBOOK MANAGEMENT SYSTEM

SCPSD efficiently allocates and controls its textbook inventory in real-time using the Gateway Textbook Management System (TMS). SCPSD piloted the TMS in July 2000 and fully implemented it division-wide in July 2002 at a cost of $114,540 for software and 115 scanners. The annual support cost is $6,950. New textbooks are bar coded when they are delivered to the site and that information is entered into the TMS. This allows the division to quickly complete annual textbook inventories by scanning the bar codes. The TMS is linked with the division's student information management system, so that enrollment numbers and student information for each school can be updated daily.

Integrating the TMS with the student information management system allows the division to monitor and reallocate inventory on a real-time basis. As soon as a campus identifies a shortage, a campus textbook coordinator can submit an online requisition to the supervisor of Elective Programs who coordinates textbooks division-wide. The supervisor of Elective Programs can immediately review all campus locations and determine if a surplus exists. Depending on the numbers of books requested, the supervisor either requisitions textbooks from another campus or from a small surplus inventory maintained at the warehouse, and books are delivered within a

day. Schools can also individually allocate textbooks by a student's assigned identification number, similar to a library check-out system. This increases student accountability for lost and damaged textbooks. SCPSD schools collected $14,712 for lost and damaged textbooks in 2004.

The supervisor of Elective Programs noted that the TMS allows the division to manage its textbooks efficiently. SCPSD has added 10 schools in the last 15 years, but has not added any additional textbook staff to handle the increase.

E. DETAILED FINDING AND RECOMMENDATION

PURCHASING STAFFING LEVELS

Recommendation 8-1: Upgrade the purchasing clerk position in the Financial Services Department and fill it with an experienced purchasing professional to enhance compliance, contract monitoring, and research efforts.

SCPSD's current staffing arrangement does not provide a full-time focused resource with the necessary purchasing skills and experience to monitor purchasing activities to ensure compliance, or to research purchasing alternatives to assist SCPSD in obtaining the best pricing. SCPSD Financial Services Department is staffing the purchasing function with a part-time clerical person with ad hoc support from the assistant director of Accounting.

Purchasing is highly decentralized at SCPSD and relies on user department staff to follow established procedures. For example, campus and department users requisition, approve and generate purchase orders for less than $2,500. They also do their own quotes for open market purchases of items between $2,500 and $25,000 and are responsible for keeping appropriate documentation supporting the quotes at the campus or department.

The purchasing clerk checks open market requisitions between $2,500 and $25,000 to identify that funds are available, that comments contain the quote information and that the requested funds are appropriate. She does not spot check or periodically audit user departments to independently verify that quotes were obtained appropriately or that documentation exists to support the quote, which increases the risk of non-compliance with state law and board policy. The evaluation team conducted a spot audit of one department's documentation for purchases requiring written quotes. In a review of 27 files, seven files contained vendor responses, but did not contain any documentation for the evaluation team to be able to verify that the division was consistent in how it solicited the written quotations. In addition, one file showed that the department did not issue quotes for new responses, but used responses from a previous quote to issue additional work.

Campus and department users are also responsible for developing the specifications for competitively purchased items, evaluating the vendor responses, and negotiating pricing. Users forward the specifications to the assistant director of Accounting for review who performs a cursory review of the specification and forwards it to county staff to issue the solicitation. When responses are received, the county sends them to the originating department for evaluation. The originating department evaluates and provides its recommendation to the board on which vendor should be awarded the work. Purchasing staff does not provide independent oversight of the evaluation process to ensure that it is conducted consistently and objectively, nor do they participate in negotiations to ensure that SCPSD receives the best pricing.

Similarly, contract monitoring is decentralized and performed by the user department. The Financial Services Department does not maintain a centralized list of all contracts nor actively monitor contract expirations and renewals. The purchasing clerk performs low level vendor problem resolution, primarily related to payment issues. There is no centralized purchasing support provided to user departments in developing contract performance measures for accountability, documenting performance issues, and developing corrective actions.

Although the purchasing clerk has recently begun to perform "market basket" comparisons for office supply purchases, there is little formal, ongoing market research to analyze purchasing alternatives to determine if SCPSD is receiving the best value from issuing its own bids versus using other contracts such as the state of Virginia or cooperatives such as U.S. Communities. Analytic support is not available to user departments in negotiating or developing favorable contract terms and conditions. For example, many contracts contain renewals that allow vendors to negotiate increased pricing up to five percent over previous year pricing. In some cases, these increases are not required to be tied to market factors.

SCPSD's ability to monitor contracts to ensure compliance or provide research to support purchasing decisions is limited. Purchasing duties are split between a part-time clerical position and the assistant director of Accounting, both of whom have limited purchasing knowledge and experience. A dedicated full-time purchasing position, staffed by an experienced and knowledgeable purchasing professional can provide the division with the following support:

- adequate contract oversight and monitoring to ensure compliance; and
- research and analytical support in market analysis, negotiation, and contract monitoring.

By upgrading the existing purchasing clerk position to a full-time purchasing coordinator, responsible for supervising and monitoring the division's purchasing function, the division can ensure that critical purchasing duties are consistent and compliant with state law and division policy. Duties should be expanded to include analysis, negotiation, and compliance monitoring, and will require experience and knowledge of purchasing. This position's duties and responsibilities should be evaluated after a year to determine if there is a need for additional support staff.

SCPSD should consider conducting a study similar to the one performed for fleet services to help define the roles and duties of a centralized purchasing function. The study should develop monitoring and compliance systems and implementation strategies. The study team should be similar in composition to the fleet services study, which included three team members – two from public sector and one from the private sector.

USE OF EXISTING TECHNOLOGY FOR EFFICIENCY

Recommendation 8-2: Activate existing features in the purchasing system to improve compliance, internal control, and requisition processing.

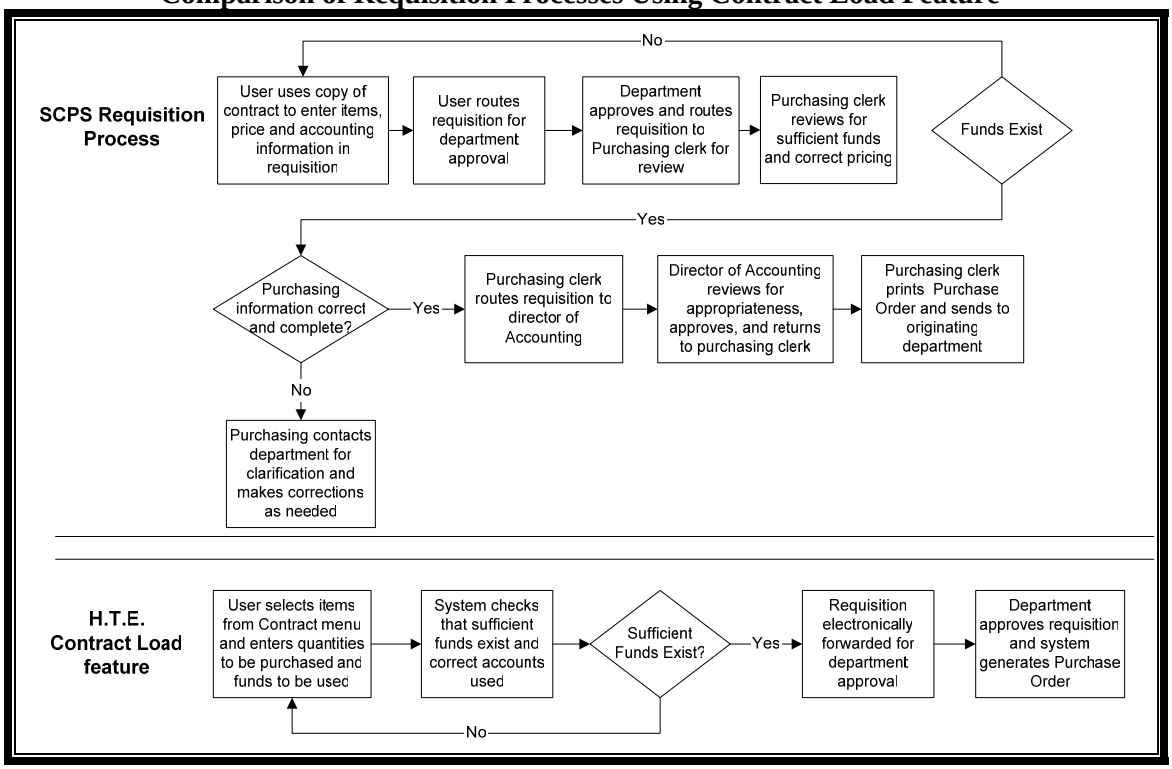
SCPSD shares an automated purchasing system (H.T.E.) with the county. The H.T.E. purchasing module has several features such as appropriation control, contract requisition, and use of commodity codes that if activated by the county and SCPSD, would enhance compliance and streamline processing. Without use of these features, a significant amount of SCPSD staff time is spent on manual entry, review, and audit of requisitions. Management information needed to

profile purchases by contract, vendor, and type is not captured and cannot be easily extracted from the system.

For example, the appropriation control feature designed to automatically reject a requisition if there are insufficient funds, has not been activated. In SCPSD, this allows users to forward a requisition with insufficient funds to the purchasing clerk. The purchasing clerk reviews the requisition and either holds it or rejects it and contacts the user to process a budget transfer before the requisition can be approved and processed. With the appropriation control feature fully activated, the requisition would only be routed electronically to the purchasing clerk if sufficient funds were available.

The contract requisition type feature, which would streamline requisition processing as shown in **Exhibit 8-3,** has also not been activated. To process requisitions for contract items, SCPSD users currently review a paper copy of the contract and enter contract item description and pricing information along with funding information for each item ordered. The requisition is forwarded to the purchasing clerk who reviews it to confirm funding and pricing. The purchasing clerk forwards the requisition to the accounting supervisor to review and confirm that appropriate accounting codes are used. Once approved the requisition is returned to the purchasing clerk, who generates a purchase order. If there are errors in pricing or the item description, the purchasing clerk must contact the user and make corrections before a purchase order is issued.

Exhibit 8-3
Stafford County Public Schools
Comparison of Requisition Processes Using Contract Load Feature



Source: SCPSD Purchasing Clerk, October 2004.

As shown in **Exhibit 8-3**, if the contract requisition feature were activated users could:

- enter a requisition with minimal typing (users select from a menu of contract items that have been pre-loaded into the system with descriptive vendor, accounting, commodity code, and pricing information);
- approve the requisition online with the computer system ensuring that there are sufficient funds and the correct account codes are used; and
- generate a purchase order if sufficient funding is available.

Using this feature, the system performs all of the review based on pre-loaded contract terms and descriptions and staff time for these tasks is eliminated. It also eliminates the chance for error in entering descriptive, commodity, or pricing information.

In addition to simplified requisition processing, the use of contract requisitions would also allow SCPSD to monitor its use of local as well as state and cooperative purchases to compare pricing. The division could also track contract expiration dates to ensure that re-bidding occurs to minimize gaps in service. By separating contract purchases from open market purchases, SCPSD could more easily monitor aggregate open market purchases by commodity to ensure compliance with purchasing laws.

Linking commodity codes to accounting line items in the requisition system will enhance internal controls by preventing users from purchasing items with inappropriate funds. For example, the commodity code for textbooks would be linked in the purchasing system to the accounting line item for textbooks. In processing a requisition, a user that selected the textbook commodity code could not use an office supplies line item to purchase the textbook.

The county and SCPSD have an existing joint working committee of finance staff in place. This committee could be assigned to evaluate unused features that could be activated in order to increase efficiency and compliance, including appropriation control and commodity codes linked to accounting codes and contract requisitions. Before implementing various features, the committee should evaluate existing policies and processes and recommend necessary changes.

For example, in implementing the contract requisition feature, the working committee needs to consider how to best identify and link certain information to facilitate tracking and analysis. Information and conventions that may be considered include:

- contract numbering convention that quickly identifies the type of contract as a local, state, or cooperative purchase (e.g. SC = Stafford County, VA = State contract, CP = use of cooperative such as U.S. Communities);
- linking commodity codes to accounting line items; and
- item description convention for catalogue purchases where loading a large number of individual items is prohibitive (e.g. art supplies catalog purchase at 8% discount)

The committee may also consider revising the electronic approval process to allow contract requisitions with sufficient funding to automatically generate a purchase order without requiring a separate, online approval.

WAREHOUSE SHIPPING

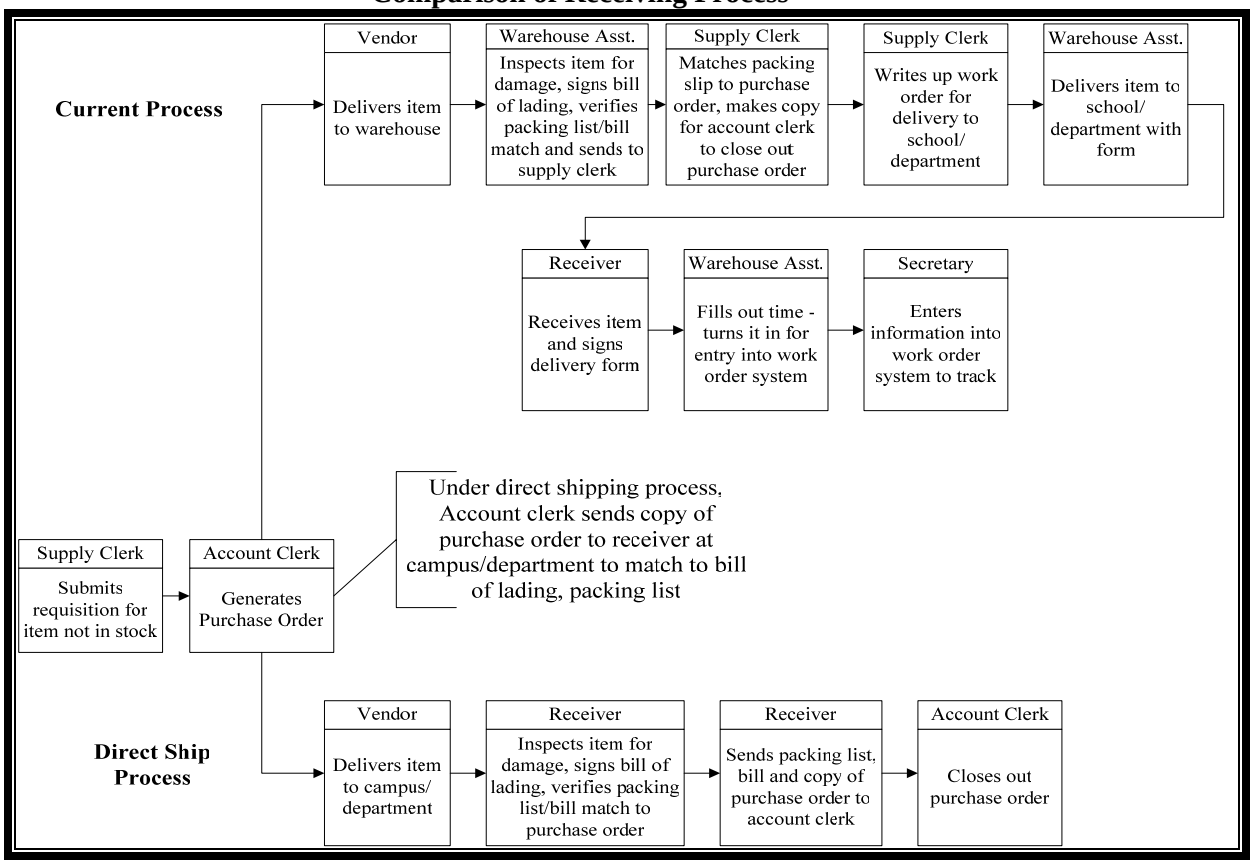
Recommendation 8-3: Expand direct vendor or just–in–time delivery of goods and reduce warehouse support staff.

SCPSD does not directly ship items to users to minimize costs. While items such as computers and large deliveries of furniture are generally shipped directly to a campus or department, smaller orders of replacement furniture, repair parts and consumable items such as paper for the central offices are not.

SCPSD uses its warehouse as a staging area for deliveries of items that primarily support the Operations and Maintenance Department such as light bulbs, electrical and plumbing maintenance and repair parts, and equipment maintenance parts. It also receives deliveries of replacement furniture. The warehouse is staffed by a supply clerk, who is responsible for buying and ordering the building and general maintenance supplies and the warehouse assistant, who receives shipments and delivers them to the appropriate location. A general maintenance supply clerk delivers custodial shipments daily to campuses and departments.

With direct shipping, SCPSD could streamline its ordering and receiving operations. **Exhibit 8-4** compares the current receiving process with a process using direct shipping.

Exhibit 8-4
Stafford County Public Schools
Comparison of Receiving Process



Source: SCPSD Supply Clerk, October 2004 and SDSM, Inc.

In a direct ship, just-in-time delivery system, SCPSD would order supplies that would be directly delivered to the user from the vendor instead of from the warehouse. For example, SCPSD currently orders paper in large quantities and stores it in the warehouse for the central office. Central office staff periodically requests replenishment of its paper from the warehouse. Under

direct shipping, SCPSD could generate an annual purchase order for the paper it needed and then request shipments in manageable quantities on a periodic basis (e.g. monthly) from the vendor. The vendor would be required to deliver the paper directly to the central office and would be responsible for the item until SCPSD receives it.

The direct ship method eliminates the delivery and work order paperwork associated with the division's current receiving process. With direct shipping, SCPSD can reduce personnel and transportation costs associated with delivery. It will also expedite repairs since repair parts that have been shipped overnight will be delivered directly to the site, rather than received at the warehouse, and then delivered to the site.

If implemented, direct ship, just-in-time delivery will require additional coordination between the Operations and Maintenance Department and staff in schools and other departments.

Exhibit 8-5 outlines several potential implementation issues for SCPSD to consider and address to ensure a smooth transition.

Exhibit 8-5
Direct Delivery Implementation Issues

Potential Issue	Possible Actions to Consider to Address Issue
Not all schools and facilities have a staging area, dock, or staff to receive deliveries.	▪ Assess each facility's shortcomings. ▪ Coordinate with each principal or department head in determining best delivery method/time. ▪ Specify delivery requirements (including special equipment needed such as a pallet jack) in contracts and/or purchase orders based on each facility's needs.
Departments or schools may run short if supplies are not maintained at the warehouse.	▪ Coordinate with each principal or department head to assess usage of replenished items and develop a delivery schedule to be communicated with the vendor. ▪ Identify critical items (e.g. minimal levels of spare parts) that are maintained in the warehouse. ▪ Develop procedures and train department and school staff in ordering and communicating shipping requirements. ▪ Include direct shipping requirements in all new contracts and contract renewals.
Staff at decentralized locations (schools and departments) are not familiar with how to inspect and receive an item. Paperwork to close out a purchase order and pay invoices could be delayed with decentralized receiving.	▪ Coordinate with each principal or department head to identify points of contact for receiving and inspection and communicate expectations. ▪ Develop procedures that outline proper receiving, inspection, and paperwork processing (including required timetables for prompt payment). ▪ Conduct training with designated points of contact and provide copies of the procedures to be followed. ▪ Conduct follow-up to ensure procedures are understood.
Individual deliveries to decentralized locations require additional coordination for scheduling repairs.	▪ Coordinate with each principal or department head to identify points of contact responsible for repairs at their location and communicate expectations. ▪ Develop notification procedures and provide training to designated staff. ▪ Conduct follow-up to ensure procedures are understood.
Added staff may be needed on an ad hoc basis for larger furniture deliveries.	▪ Consider hiring students as temporary workers as feasible and follow applicable labor laws. ▪ Schedule timing of shipments to coincide with off-peak work times.

Source: Gibson Consulting Group, Inc., November 2004.

Many organizations reduce their warehouse costs through direct vendor or just–in–time delivery of supplies and materials. Items are ordered when the need arises and are delivered directly to the originator of the request. These organizations also reduce or eliminate the need and associated costs of storing supplies and materials in a central warehouse facility.

DIRECT FAXING OF PURCHASE ORDERS

Recommendation 8-4: Implement direct faxing of purchase orders and eliminate paper forms.

SCPSD has an opportunity to increase efficiency and reduce costs by implementing the direct faxing capability in the H.T.E. system. SCPSD currently uses multi-carbon, paper purchase orders that cost approximately $6,000 a year. The originating department or purchasing clerk generates the purchase order. The purchasing clerk prints the order and distributes it to the originating department. The originating department in turn mails or faxes the purchase order to the vendor. The copies are retained by the originating department to assist with invoice processing.

The H.T.E. system is a shared system maintained by the county and the hardware and software needed for direct faxing will need to be updated on the county's system. According to the director of Accounting and Finance, SCPSD has tried several times since 1999 to coordinate with the county to implement direct faxing, but implementation has been unsuccessful because of technical difficulties.

Although it has been unsuccessful in the past, SCPSD should reconsider proposing implementation of direct faxing to the county. The H.T.E. system software will be upgraded in June 2005 and will have the capability to fax purchase orders directly to vendors from the computer. The new software version should resolve previous technical issues, provide this capability at no-cost, and eliminate the need for SCPSD to use multi-carbon forms to notify vendors. It will also streamline the process and save staff time by eliminating the printing, sorting, and distribution of purchase orders to individual campuses and departments. Instead, the purchasing clerk can directly fax the purchase order to the vendor.

To implement this recommendation, SCPSD may wish to assign an action item to the existing joint county/SCPSD finance directors' committee. The evaluation team recommends that division staff assigned to the committee develop a proposal for implementing direct faxing and work with appropriate county and technology staff to identify and resolve any technical implementation issues.

USE OF STATE CONTRACTS FOR MORE COMPETITIVE PRICING

Recommendation 8-5: Evaluate comparability and use state contracts to achieve more competitive prices for custodial supplies.

SCPSD has an opportunity to reduce costs by using state contracts through the Virginia Distribution Center (VDC) to obtain some of its custodial supplies. The VDC is Virginia's distribution center, located in central Virginia that consolidates purchases of large consumable items such as custodial supplies into single purchases to obtain better pricing.

SCPSD currently purchases custodial supplies from local bid, rather than state bid for most items. According to the division, custodial products are bid for several reasons. The division has standardized paper and soap dispensers and bids the products to fit existing dispensers. Stripper, neutral cleaner, and floor finish are bid to be compatible, which ensure the best results for floors. Samples are required and new bid products are tested and compared for quality and satisfaction

by the custodial staff. The division does not purchase the lowest cost item, but considers a combination of quality and cost in determining which custodial supplies to purchase.

The evaluation team forwarded a list containing the custodial supplies bid specification to the Department of General Services (DGS) for a comparison of 29 items listed in the bid. The specification included the selected manufacturer and unit of measure to find the most comparable products possible. Of the 29 items, the state identified 15 items, for which there was no comparable state product. These items included toilet paper and paper towels, assorted paper product dispensers and several types of cleaning products. A sixteenth item (cleaning rags) was not included in the comparison because a comparable unit of measure could not be identified.

Of the remaining 13 comparable items, nine were available from the VDC for prices less than those currently being paid by SCPSD. A tenth item, floor stripper, was included in the calculation of savings even though the division already pays less than the VDC price. The division purchases its stripper, cleaner, and finish together for compatibility. Assuming comparable quality, if the school division purchased these 10 items from the VDC, the total annual savings based on current pricing would be approximately $9,286 (**Exhibit 8-6**). The largest savings is in floor finish, where the school division could save approximately $4,600.

Exhibit 8-6
Custodial Items Purchased More Cheaply by the Commonwealth of Virginia (COVA)

Item Description	Quantity	SCPSD Unit Price	SCPSD Extended Price	COVA Unit Price	COVA Extended Price	Potential Savings
Floor Finish (5-gallon container)	400	$53.20	$21,280.00	$41.71	$16,684.00	$4,596.00
Neutral Cleaner (1-gallon container)	1,000	$6.25	$6,250.00	$4.41	$4,410.00	$1,840.00
Stripping Pads-19" (case)	25	$37.30	$932.50	$10.53	$263.25	$669.25
Stripping Pads-17" (case)	12	$31.42	$377.04	$9.41	$112.92	$264.12
Trash Cans/Dolly	50	$42.24	$2,112.00	$33.40	$1,670.00	$442.00
Trash Can Liners (Case)	1,200	$11.56	$13,872.00	$10.63	$12,756.00	$1,116.00
Hand Soap (Derma Pro)	100	$23.76	$2,376.00	$22.97	$2,297.00	$79.00
Extractor Shampoo	150	$10.56	$1,584.00	$5.61	$841.50	$742.50
Auto Scrub pads (19 inch)	50	$10.29	$514.50	$9.83	$491.50	$23.00
Stripper (5-gallon container)	200	$36.05	$7,210.00	$38.48	$7,696.00	($486.00)
Totals			$56,508.04		$47,222.17	$9,285.87

Source: Virginia DGS and SCPSD, November 2004.

The remaining three comparable items were purchased by SCPSD at prices at or below those available through the state contracts. SCPSD should be commended for its cost effective acquisition of these supplies. SCPSD purchased toilet tissue, hand soap, and bathroom cleaner for $4,188 less than the VDC could have purchased the same items.

In implementing this recommendation, SCPSD should evaluate the suggested state products for quality and comparability. The evaluation team recommends that division staff assigned to

evaluate the products consider not only unit cost, but focus on the quality and cost effectiveness of products in its evaluation. The division should also consider all costs in using the VDC when ordering. Free shipping is available for orders totaling $3,000 or more. For orders less than $3,000, there is an $80 shipping charge.

APPENDIX
A

Appendix A: Cluster Data

List of Rankings in Comparison to its Cluster (total of 10 divisions)

These rankings are based on per-pupil expenditures and revenue. The data is taken from Tables 13 and 15 of the 2002-03 Annual Superintendent report from the DOE.

Stafford County Public Schools Compared to Peers within Its Cluster
Expenditures by Function per Pupil (2002-03)

Function	Amount Per Pupil	Rank*
Administration	$100.95	1st
Attendance & Health	180.87	9th
Instruction	5,019.35	2nd
Transportation	358.73	3rd
Ops and Maintenance	581.12	1st
Total Operations Regular School Day	**$6,241.02**	**1st**
Food Services	270.81	6th
Summer School	40.51	6th
Adult Education	0.62	1st
Other Educational Services	75.76	6th
Facilities	404.15	2nd
Debt Service and Transfers	840.60	6th
Technology	340.54	5th
Total Disbursements	**$8,214.01**	**3rd**
Local Revenue	$3,051	1st
State Revenue	$3,597	7th
Federal Revenue	$289	1st

Source: Virginia Department of Education 2002-03 Annual Superintendent Report, Table 13 Disbursements by Division and Table 15 Sources of Financial Support for Expenditures, Total Local Expenditures for Operations.
**Note: 1st is the lowest in amount per pupil and 10t is the highest.*

The following pages present a list of expenditures or revenue sorted by school division, peer average and the Commonwealth. The data is sorted by expenditures (or revenue) per pupil. The table also includes total expenditures (or revenue) and expenditures as a percentage of the total budget.

Note that these data are self-reported and unverified, and are known to contain variations in expenditure classification.

Administration Expenditures: Total Expenditures, Per-Pupil, and as a Percentage of the Total Budget

Administration represents expenditures for activities related to establishing and administering policy for division operations including, Board Services, Executive Administration, Information Services, Personnel, Planning Services, Fiscal Services, Purchasing, and Reprographics.

Division	Cluster	Administration	Administration/ Pupil	Administration %
Arlington	3	$10,032,366.89	$550.08	3.2%
Chesapeake	3	$5,380,860.50	$137.59	1.7%
Chesterfield	3	$7,723,938.34	$144.24	1.7%
Fairfax*	3	$30,337,461.24	$188.52	1.7%
Henrico	3	$7,063,221.00	$163.39	1.9%
Prince William	3	$10,614,590.77	$179.99	1.8%
Spotsylvania	3	$2,399,779.19	$113.11	1.2%
Stafford	3	**$2,388,089.38**	**$100.95**	**1.2%**
Virginia Beach	3	$10,321,105.78	$137.32	1.7%
Peer Average	3	**$10,484,165.46**	**$201.78**	**1.9%**
State		**$226,932,438.54**	**$197.01**	**2.1%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

Attendance and Health Expenditures: Total Expenditures, Per-Pupil, and as a Percentage of the Total Budget

Attendance & Health expenditures are for activities that promote and improve attendance at school and those activities relating to health services for public school students and employees. Medical, dental, psychological, psychiatric, and nursing services are included in this category.

Division	Cluster	Attendance and Health	Attendance and Health / Pupil	Attendance and Health %
Arlington	3	$2,302,245.03	$126.23	0.7%
Chesapeake	3	$4,072,570.57	$104.14	1.3%
Chesterfield	3	$4,285,523.56	$80.03	0.9%
Fairfax*	3	$26,934,989.15	$167.37	1.5%
Henrico	3	$3,787,299.00	$87.61	1.0%
Prince William	3	$6,795,030.38	$115.22	1.2%
Spotsylvania	3	$2,540,010.90	$119.72	1.3%
Stafford	**3**	**$4,278,379.04**	**$180.87**	**2.2%**
Virginia Beach	3	$7,599,385.36	$101.11	1.3%
Peer Average	**3**	**$7,289,631.74**	**$112.68**	**1.2%**
State		**$157,494,344.41**	**$136.73**	**1.4%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

Instruction Expenditures: Total Expenditures, Per-Pupil, and as a Percentage of the Total Budget

Instruction represents expenditures for classroom instruction, guidance services, social work services, homebound instruction, improvement of instruction, media services, and office of the principal. This column does not include expenditures for technology instruction, summer school, and adult education, which are reported under separate columns within this table.

Division	Cluster	Instruction	Instruction / Pupil	Instruction %
Arlington	3	$190,864,018.41	$10,465.18	61.1%
Chesapeake	3	$216,670,100.27	$5,540.30	69.8%
Chesterfield	3	$263,177,629.81	$4,914.61	56.7%
Fairfax*	3	$1,124,362,960.70	$6,986.79	62.3%
Henrico	3	$220,469,526.00	$5,099.92	60.5%
Prince William	3	$334,392,911.94	$5,670.27	58.0%
Spotsylvania	3	$111,788,276.08	$5,269.06	55.3%
Stafford	**3**	**$118,732,652.46**	**$5,019.35**	**61.1%**
Virginia Beach	3	$403,028,239.54	$5,362.20	67.6%
Peer Average	**3**	**$358,094,207.84**	**$6,163.54**	**61.4%**
State		**$6,855,472,905.28**	**$5,951.48**	**62.3%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

Transportation Expenditures: Total Expenditures, Per-Pupil, and as a Percentage of the Total Budget

Transportation expenditures are related to transporting students between home and school, and to and from school activities, as provided by state and federal law. Costs related to vehicle maintenance and the management and monitoring of the transportation process are included in this category.

Division	Cluster	Transportation	Transportation / Pupil	Transportation %
Arlington	3	$7,606,440.67	$417.07	2.4%
Chesapeake	3	$15,066,381.82	$385.25	4.9%
Chesterfield	3	$18,187,577.83	$339.64	3.9%
Fairfax*	3	$75,281,838.46	$467.80	4.2%
Henrico	3	$16,540,153.00	$382.61	4.5%
Prince William	3	$32,168,390.75	$545.48	5.6%
Spotsylvania	3	$9,656,946.07	$455.17	4.8%
Stafford	**3**	**$8,485,706.03**	**$358.73**	**4.4%**
Virginia Beach	3	$22,017,639.85	$292.94	3.7%
Peer Average	**3**	**$24,565,671.06**	**$410.74**	**4.3%**
State		**$490,567,171.73**	**$425.88**	**4.5%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

Operations and Maintenance Total Expenditures, Per-Pupil, and as a Percentage of the Total Budget

Operations and Maintenance represents expenditures incurred to keep grounds, buildings, and equipment safe for use and in effective working condition. Costs related to operations management are included in this category.

Division	Cluster	Ops and Maintenance	Ops and Maintenance / Pupil	Ops and Maintenance %
Arlington	3	$22,353,114.51	$1,225.63	7.2%
Chesapeake	3	$30,291,260.45	$774.55	9.8%
Chesterfield	3	$42,698,121.29	$797.35	9.2%
Fairfax*	3	$135,403,202.64	$841.40	7.5%
Henrico	3	$30,322,152.00	$701.41	8.3%
Prince William	3	$47,848,691.70	$811.37	8.3%
Spotsylvania	3	$13,091,088.38	$617.04	6.5%
Stafford	**3**	**$13,746,389.77**	**$581.12**	**7.1%**
Virginia Beach	3	$61,306,062.94	$815.66	10.3%
Peer Average	**3**	**$47,914,211.74**	**$823.05**	**8.4%**
State		**$910,247,078.23**	**$790.22**	**8.3%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

Food Services Expenditures: Total Expenditures, Per-Pupil, and as a Percentage of the Total Budget

Food Services represent expenditures for providing food to students and staff, including preparing and serving meals for school-related activities.

Division	Cluster	Food Services / Pupil	Food Services	Food Services %
Arlington	3	$5,741,839.53	$314.83	1.8%
Chesapeake	3	$8,789,257.65	$224.74	2.8%
Chesterfield	3	$13,163,879.12	$245.82	2.8%
Fairfax*	3	$48,696,478.68	$302.60	7.5%
Henrico	3	$11,516,764.00	$266.41	3.2%
Prince William	3	$18,425,436.15	$312.44	3.2%
Spotsylvania	3	$5,416,978.57	$255.33	2.7%
Stafford	**3**	**$6,405,956.02**	**$270.81**	**3.3%**
Virginia Beach	3	$19,800,020.59	$263.43	3.3%
Peer Average	**3**	**$16,443,831.79**	**$273.20**	**3.4%**
State		**$346,148,307.36**	**$300.50**	**3.1%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

Summer School Expenditures: Total Expenditures, Per-Pupil, and as a Percentage of the Total Budget

Summer School represents expenditures incurred for the delivery and improvement of summer school programs.

Division	Cluster	Summer School	Summer School / Pupil	Summer School %
Arlington	3	$2,302,245.03	$126.23	0.7%
Chesapeake	3	$2,238,486.61	$57.24	0.7%
Chesterfield	3	$1,712,623.87	$31.98	0.4%
Fairfax*	3	$12,331,597.75	$76.63	7.5%
Henrico	3	$1,116,754.00	$25.83	0.3%
Prince William	3	$2,139,599.61	$36.28	0.4%
Spotsylvania	3	$315,568.04	$14.87	0.2%
Stafford	**3**	**$958,212.96**	**$40.51**	**0.5%**
Virginia Beach	3	$2,952,936.86	$39.29	0.5%
Peer Average	**3**	**$3,138,726.47**	**$51.04**	**1.3%**
State		**$50,942,979.44**	**$44.23**	**0.5%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

Adult Education School Expenditures: Total Expenditures, Per-Pupil, and as a Percentage of the Total Budget

Adult Education represents expenditures incurred for the delivery and improvement of adult education programs.

Division	Cluster	Adult Education	Adult Education / Pupil	Adult Education %
Arlington	3	$6,881,267.70	$377.30	2.2%
Chesapeake	3	$521,996.27	$13.35	0.2%
Chesterfield	3	$520,121.73	$9.71	0.1%
Fairfax *	3	$14,525,392.36	$90.26	0.8%
Henrico	3	$1,647,345.00	$38.11	0.5%
Prince William	3	$789,466.51	$13.39	0.1%
Spotsylvania	3	$776,340.64	$36.59	0.4%
Stafford	**3**	**$14,577.56**	**$0.62**	**0.0%**
Virginia Beach	3	$1,649,483.97	$21.95	0.3%
Peer Average	**3**	**$3,413,926.77**	**$75.08**	**1.4%**
State		**$50,693,078.85**	**$44.01**	**0.5%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

Other Educational Services Expenditures: Total Expenditures, Per-Pupil, and as a Percentage of the Total Budget

Other Educational Services represents expenditures for activities sponsored by the school division that do not involve the delivery of instruction or other ancillary activities for K-12 students (such as Head Start and other preschool programs). These activities also include enterprise operations, community service programs, and other non-LEA programs.

Division	Cluster	Other Educational Services	Other Educational Services / Pupil	Other Educational Services %
Arlington	3	$11,957,620.01	$655.64	3.8%
Chesapeake	3	$3,514,955.64	$89.88	1.1%
Chesterfield	3	$3,979,917.57	$74.32	0.9%
Fairfax*	3	$32,768,499.09	$203.62	1.8%
Henrico	3	$1,816,751.00	$42.03	0.5%
Prince William	3	$2,603,748.32	$44.15	0.5%
Spotsylvania	3	$519,047.12	$24.46	0.3%
Stafford	**3**	**$1,792,211.17**	**$75.76**	**0.9%**
Virginia Beach	3	$3,801,600.00	$50.58	0.6%
Peer Average	**3**	**$7,620,267.34**	**$148.09**	**1.9%**
State		**$154,711,542.60**	**$134.31**	**1.4%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

Facilities Expenditures: Total Expenditures, Per-Pupil, and as a Percentage of the Total Budget

Facilities represents facilities-related expenditures including acquiring land and buildings, remodeling and constructing buildings, initially installing or extending service systems and other built-in equipment, and improving sites.

Division	Cluster	Facilities	Facilities / Pupil	Facilities %
Arlington	3	$22,583,946.57	$1,238.29	7.2%
Chesapeake	3	$13,595,827.98	$347.65	4.4%
Chesterfield	3	$30,283,680.05	$565.52	6.5%
Fairfax *	3	$157,327,825.59	$977.63	8.7%
Henrico	3	$30,944,013.00	$715.80	8.5%
Prince William	3	$70,016,074.86	$1,187.26	12.1%
Spotsylvania	3	$30,507,050.62	$1,437.93	15.1%
Stafford	**3**	**$9,560,184.54**	**$404.15**	**4.9%**
Virginia Beach	3	$34,938,498.20	$464.85	5.9%
Peer Average	**3**	**$48,774,614.61**	**$866.87**	**8.6%**
State		**$826,002,645.31**	**$717.08**	**7.5%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

Debt Service and Transfers Expenditures: Total Expenditures, Per-Pupil, and as a Percentage of the Total Budget

Debt Service and Transfers represents expenditures related to paying the school division's debt, including payments of both principal and interest. This column includes transactions that account for transfers between funds or local government entities.

Division	Cluster	Debt Service and Transfers	Debt Service and Transfers / Pupil	Debt Service and Transfers %
Arlington	3	$18,213,389.93	$998.65	5.8%
Chesapeake **	3	$531,890.69	$13.60	0.2%
Chesterfield	3	$62,652,417.01	$1,169.98	13.5%
Fairfax*	3	$42,933,368.43	$266.79	2.4%
Henrico	3	$21,296,365.00	$492.63	5.8%
Prince William	3	$33,930,247.45	$575.35	5.9%
Spotsylvania	3	$20,789,621.49	$979.90	10.3%
Stafford	**3**	**$19,884,486.75**	**$840.60**	**10.2%**
Virginia Beach **	3	$0.00	$0.00	0.0%
Peer Average	**3**	**$25,043,412.50**	**$562.11**	**6.3%**
State		**$524,480,815.60**	**$455.32**	**4.8%**

**Fairfax includes Fairfax County and Fairfax City Public Schools.*
***The City pays the debt service.*

Technology Expenditures: Total Expenditures, Per-Pupil, and as a Percentage of the Total Budget

Technology represents expenditures incurred for all technology-related activities, including instruction, administration, and technical development and support, as well as software, hardware, and infrastructure purchases.

Division	Cluster	Technology	Technology / Pupil	Technology %
Arlington	3	$10,456,571.12	$573.34	3.3%
Chesapeake	3	$9,721,892.55	$248.59	3.1%
Chesterfield	3	$15,767,051.79	$294.44	3.4%
Fairfax*	3	$102,951,035.86	$639.74	5.7%
Henrico	3	$17,861,821.00	$413.18	4.9%
Prince William	3	$17,180,808.55	$291.33	3.0%
Spotsylvania	3	$4,215,275.60	$198.68	2.1%
Stafford	**3**	**$8,055,419.29**	**$340.54**	**4.1%**
Virginia Beach	3	$29,064,879.67	$386.70	4.9%
Peer Average	**3**	**$25,902,417.02**	**$380.75**	**3.8%**
State		**$415,617,642.32**	**$360.81**	**3.8%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

Local Revenue: Per-Pupil and Total Amount

Local Revenue represents revenues produced within the boundaries of a school division primarily derived from property taxes and is available to such division for such school division's use.

Division	Cluster	Local Revenue Per Pupil	Local % of Total
Arlington	3	$12,198	82.9%
Chesapeake	3	$3,200	42.6%
Chesterfield	3	$3,328	47.6%
Fairfax*	3	$7,860	77.4%
Henrico	3	$3,970	56.0%
Prince William	3	$3,927	50.0%
Spotsylvania	3	$3,237	45.9%
Stafford	**3**	**$3,051**	**44.0%**
Virginia Beach	3	$3,192	43.1%
Peer Average	**3**	**$5,114**	**55.7%**
State		**$4,232**	**51.7%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

State Revenue: Per-Pupil and Total Amount

State Revenue represents the amount of funding that divisions receive based on Standards of Quality formulas approved by the Commonwealth of Virginia General Assembly.

Division	Cluster	State Revenue Per Pupil	State % of Total
Arlington	3	$1,866	12.7%
Chesapeake	3	$3,832	51.0%
Chesterfield	3	$3,352	48.0%
Fairfax*	3	$1,885	18.6%
Henrico	3	$2,808	39.6%
Prince William	3	$3,631	46.2%
Spotsylvania	3	$3,508	49.7%
Stafford	**3**	**$3,597**	**51.8%**
Virginia Beach	3	$3,502	47.2%
Peer Average	**3**	**$3,048**	**39.1%**
State		**$3,391**	**41.4%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

Federal Revenue: Per-Pupil and Total Amount

Federal Revenue represents the amount of funding received from the federal government for educational programs such as Title I, Title II, and National School Lunch and Breakfast Programs.

Division	Cluster	Federal Revenue Per Pupil	Federal % of Total
Arlington	3	$653	4.4%
Chesapeake	3	$478	6.4%
Chesterfield	3	$310	4.4%
Fairfax*	3	$408	4.0%
Henrico	3	$306	4.3%
Prince William	3	$304	3.9%
Spotsylvania	3	$311	4.4%
Stafford	**3**	**$289**	**4.2%**
Virginia Beach	3	$720	9.7%
Peer Average	**3**	**$436**	**5.2%**
State		**$564**	**6.9%**

** Fairfax includes Fairfax County and Fairfax City Public Schools*

APPENDIX B

Appendix B: Staff Development

The NCLB Act of 2001 places major emphasis upon teacher quality as a factor in improving student achievement. Title II of the reauthorized Elementary and Secondary Education Act (ESEA) focuses on preparing, training and recruiting high-quality teachers and principals. “Highly qualified” applies to all teachers working in core academic subjects by the end of the 2005-2006 school year. The legislation defines the following areas as core academic subjects: English, reading or language arts, mathematics, science, foreign language, civics and government, economics, arts, history, and geography.

The Virginia Department of Education requires teachers to complete 180 professional development points within a five-year validity period based on an individualized professional development plan. Professional development points can be accrued by the completion of activities through one or more of the following ten options: college credit, professional conference, peer observation, educational travel, curriculum development, publication of article, publication of book, mentorship/ supervision, educational project, and professional development activity.

A minimum of 90 points (three semester hours in a content area) in the license holder's endorsement area or areas is required of license holders without a master's degree and may be satisfied at the undergraduate (including community college course work) or graduate level. Special education course work designed to assist classroom teachers and other school personnel in working with students with disabilities, a course in gifted education, a course in educational technology, or a course in English as a second language may be completed to satisfy the content course requirement for one cycle of the renewal process.

In addition to the NCLB emphasis on professional development, the state requires continuing education for license renewal, and has added licensing requirements in the area of technology, child abuse, reading assessments, and Praxis tests. SCPSD also requires teachers to have professional development for continuing employment.

SCPSD provides extensive staff development opportunities for teachers, both prescriptive and self selected. Tuition assistance and conference reimbursement are available for teachers. Paraprofessionals may also participate in many school division-sponsored staff development activities and are eligible for reimbursement for college classes pertinent to their instructional roles in the schools or leading to a teaching license. The SCPSD also offers contract classes with several colleges and universities, and has contractual agreements with others for reduced tuition in some programs.

Special Programs: English as a Second Language

As required by the Equal Educational Opportunity Act of 1974 (EEOA) and the Standards and Regulations for Public Schools in Virginia, SCPSD provides a program of English language instruction for students of Limited English proficiency (LEP). While some LEP students are immigrants, many are U.S. citizens who have grown up in a home where a language other than English is spoken by one or both parents. SCPSD supports multicultural education and believes that schools should reflect the diversity both in the school and the community. Teachers are encouraged to value a child's first language and culture, and to use this as a source of enrichment for all students.

The program model that SCPSD provides is English as a Second Language (ESL). Students are screened and those identified as needing specialized instruction in English, in order to be successful in an academic environment, are provided services in their home school. In this model, English is the language of instruction. Depending on need, LEP students in elementary and middle schools receive ESL instruction between two to ten hours per week, while high school students are enrolled in an ESL course that meets one, two or three periods daily. More advanced LEP students are placed on monitor status and receive classroom teacher collaborative services throughout the year to make sure they are progressing in all content areas. At all times, the ESL teacher and the classroom teacher collaborate to optimize learning.

The division's LEP students communicate in thirty different languages. A little over half of LEP students have Spanish as their first language. Other languages represented are Russian, Farsi, Korean, Arabic, German, and Chinese.

The population of LEP students enrolled at Stafford has grown steadily in recent years. The enrollment in 1997 was 120 students compared to 420 in October 2004. The population grew by 33 percent during the past year, from 316 in September 2003 to 420 in September 2004.

ESL Enrollment
1997-98 to 2004-05

Year	LEP Enrollment
1997-98	120
1998-99	155
1999-00	182
2000-01	203
2001-02	227
2002-03	269
2003-04	316
2004-05	420

Source: SCPSD, Office of Instructional Services, October 2004.

As of October 2004, the division's LEP population numbered 420. There are 77 students in high school, 87 students in middle school, and 256 students in elementary.

The number of LEP students by school is presented below.

LEP Enrollment by School
October 2004

Level	Enrollment
Elementary School	
Barrett	31
Brent	17
Falmouth	16
Ferry Farm	5
Garrisonville	11
Grafton Village	17
Hampton Oaks	18
Hartwood	5
Moncure	23
Park Ridge	10
Rockhill	19
Rocky Run	24
Stafford	30
Widewater	22
Winding Creek	8
Total Elementary	**256**
Middle School	
Drew	11
Gayle	22
H.H. Poole	11
Stafford	14
Thompson	18
A.G. Wright	11
Total Middle School	**87**
High School	
Brooke Point	30
Colonial Forge	17
North Stafford	20
Stafford	10
Total High School	**77**
Total LEP Enrollment	**420**

Source: SCPSD, Office of Instructional Services, October 2004.

After careful assessment to determine a student's level of English proficiency at the beginning of each year or upon arrival in the school system, students are assigned periods of English language instruction according to their assessed levels of proficiency.

The levels of proficiency are illustrated below.

Explanation of LEP Proficiency Codes

Proficiency Code	Explanation of Code
11	Non English, Emergent English Learner
12	Basic English Learner
13	Intermediate English Learner
14	Advanced English Learner
2	First Year Monitor Status
3	Second Year Monitor Status
4	Identified As LEP But Not Receiving Services

Source: SCPSD, Office of Instructional Services, October 2004.

SCPSD has LEP students at all ESL proficiency levels as shown below. In 2004, 324 students participated in the SELP test. Of these, 84 percent met proficiency levels prescribed by the state.

Student Count by ESL Proficiency Codes
2004

School/Proficiency	LE11	LE12	LE13	LE14	LE2	LE3	Total
Barrett	15	10	3	0	3	1	32
Brent	7	0	1	3	2	3	16
Falmouth	2	3	1	2	6	1	15
Ferry Farm	3	1	0	0	1	0	5
Garrisonville	4	5	0	1	1	0	11
Grafton Village	6	1	1	0	7	0	15
Hampton Oakes	8	3	2	1	3	0	17
Hartwood	1	1	1	0	2	0	5
Moncure	8	5	3	1	9	0	26
Park Ridge	5	2	0	0	3	1	11
Rock Hill	2	0	7	5	4	3	21
Rocky Run	7	9	3	0	4	0	23
Stafford Elementary	9	12	1	0	9	0	31
Widewater	2	1	2	0	10	5	20
Winding Creek	2	2	1	0	3	0	8
Elementary Total	**81**	**55**	**26**	**13**	**67**	**14**	**256**
AG Wright	1	4	0	0	3	2	9
Drew	2	3	0	0	4	3	12
Gayle	5	0	3	0	14	0	22
HH Pool	4	4	2	0	2	0	12
Stafford Middle	3	2	0	0	9	0	14
Thompson Middle	4	4	1	0	3	6	18
Middle School Total	**19**	**17**	**6**	**0**	**35**	**11**	**87**
Brooke HS	9	8	7	1	4	1	30
Colonial Forge HS	3	7	2	1	4	2	19
North Stafford HS	2	4	5	1	4	4	20
Stafford High	4	3	0	0	7	1	15
High School Total	**18**	**22**	**14**	**3**	**19**	**8**	**84**

Source: SCPSD, Office of Instructional Services, October 2004.

The staffing for ESL includes 10 teachers and one Paraprofessional, all of whom are itinerant. The budget for ESL for 2004-05 is $649,931. The source of funding is shown below.

ESL Funding Source and Amount
2004-2005

Source	Amount
Federal Title III Funds	$34,484
State Funds	$197,447
Local Funds	$418,000
Total Funds	$649,931

Source: SCPSD, Office of Instructional Services, October 2004.

APPENDIX C

Appendix C: Fiscal Impacts

Chapter 1: Division Leadership, Organization, and Management

FISCAL SUMMARY

	RECOMMENDATION	2004-05	2005-06	2006-07	2007-08	2008-09	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE TIME (COSTS) OR SAVINGS
1-1	Reorganize division central administration.	($91,012)	($546,074)	($546,074)	($546,074)	($546,074)	($2,275,308)	$0
1-2	Conduct a process re-engineering study.	$0	$0	$0	$0	$0	$0	($450,000)
1-6	Subscribe to online policies service	$0	($2,480)	($2,480)	($2,480)	($2,480)	($9,920)	$0
1-7	Conduct a formal strategic planning process.	$0	$0	$0	$0	$0	$0	($75,000)
Total		($91,012)	($548,554)	($548,554)	($548,554)	($548,554)	($2,285,228)	($525,000)

Recommendation 1-1 (p. 1-7): Reorganize division administration to reduce the number of personnel reporting directly to the superintendent and ensure that the current levels of efficiency are maintained.

The costs associated with the proposed reorganization of the Administration division include:

- Create clerical position that will report to the Public Information Officer and assist the superintendent
  Based on Step 0 Executive Secretary position ($25,488 salary x 29% benefit rate) = $32,880 per year.

- Upgrade coordinator of Public Information to Information Officer
  The current salary and benefits for this position is $66,130 ($52,071 salary x 27% benefit rate). Upgrade this position to the midpoint of a Specialist position ($62,513 salary x 27% benefit rate) = $79,392. The incremental increase would be $13,262 ($79,392 - $66,130) per year.

- Create two assistant superintendents
  This will require the division to create another level on the salary scale between the associate superintendent and the high school principals. For the purposes of this review, the evaluation team took the midpoint between the two positions and selected a Level 6 for these new positions.
  Based on Level 6 Assistant Superintendent Position ($98,067 salary x 27% benefit rate x 2 positions) = $249,090

- Create executive director for Accountability and Evaluation

Based on Level 0 Executive Director Position ($78,532 salary x 27% benefit rate) = $99,736.

- Create executive director for Special Programs
  Based on Level 0 Executive Director Position ($78,532 salary x 27% benefit rate) = $99,736.

- Create two secretary positions to report to the newly created associate superintendents
  Based on a Secretary I, Step 0 (19,911 salary x 29 percent benefit rate x 2 positions) = $51,370.

The total cost of implementing this recommendation is $546,074 ($32,880 + $13,262 + 249,090 + $99,736 + $99,736 + $51,370) per year. In the first year, the cost would be $91,012, assuming the restructuring does not occur until May 2005.

The five-year cost of implementing this recommendation is $2,275,308**.**

Recommendation 1-2 (p. 1-12): Conduct a process re-engineering study related to school staffing and establish school staffing formulas based on revised processes.

In order to fully recognize these savings the division will have to conduct a process reengineering study to identify areas where manual clerical processes that are currently in place can be automated and streamline. The cost to conduct this study is estimated to be $450,000 based on similar process engineering studies for the same size school system, with a comparable number of schools and students. The evaluation team anticipates that the study will be commissioned in early spring 2005 and completed by June 2006.

Recommendation 1-6 (p. 1-18): Subscribe to the VSBA policy maintenance service and post and maintain current online policies.

The annual subscription fee for the VSBA service is $2,480. Assuming the division's subscription begins in the next school year and that the division enters into a new agreement at the beginning of the next fiscal year, the five-year cost of implementing this recommendation is $2,480.

Recommendation 1-7 (p. 1-20): Conduct a formal strategic planning process that includes representation from all areas of the division.

The cost associated with implementing this recommendation is a one-time cost of $75,000 to hire a strategic planning consultant to facilitate the division's strategic planning process.

Chapter 2: Educational Service Delivery

FISCAL SUMMARY

	RECOMMENDATION	2004-05	2005-06	2006-07	2007-08	2008-09	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE TIME (COSTS) OR SAVINGS
2-4	Reorganize the reporting lines in Instruction and Technology.	($69,302)	($415,813)	($415,813)	($415,813)	($415,813)	($1,732,554)	$0
2-10	Add a supervisor of compliance and mandated services in Special Education.	$0	($84,412)	($84,412)	($84,412)	($84,412)	($337,648)	$0
2-11	Increase Medicaid reimbursements.	$45,113	$143,729	$152,640	$162,104	$172,154	$675,740	$0
2-12	Provide special education supervisors with two-way radios.	($540)	($2,160)	($2,160)	($2,160)	($2,160)	($9,180)	($320)
2-18	Expand responsibilities of high school FOCUS teachers.	$0	$141,515	$141,515	$141,515	$141,515	$566,060	$0
Total		**($24,729)**	**($217,141)**	**($208,230)**	**($198,766)**	**($188,716)**	**($837,582)**	**($320)**

Estimated costs and savings shown in the above chart use the following assumptions:

Recommendation 2-4 (p. 2-15): Reorganize the reporting lines in the division of Instruction and Technology Department based on a more functional alignment of responsibilities.

The fiscal impact is based on hiring 4 professional positions and 2 clerical positions. The professional salaries are based on an instructional supervisor at level 0 and totals $337,647 per year ($66,466 salary x 27 percent benefit rate x 4 positions). The clerical salaries are based on a Secretary I, Range 14 and total $78,166 per year ($30,297 salary x 29 percent benefit rate x 2 positions). The annual fiscal impact of implementing this recommendation is $415,813 ($337,647 + 78,166). In the first year, the cost of implementing this recommendation will be $69,302 (May 2005 start-up).

Recommendation 2-10 (p. 2-25): Employ a supervisor for compliance and mandated services in the office of Special Education

The fiscal impact is based on hiring one professional position beginning 2005-06 based on a supervisor salary scale at level 0 plus 27 percent in fringe benefits ($66,466 salary + 27 percent benefit rate ($17,946) = $84,412).

Recommendation 2-11 (p. 2-26): Request that parents sign a form during IEP meetings that allows the division permission to file for Medicaid based on student eligibility.

The fiscal impact is based on dividing the total amount of Medicaid for 2003–04 by the number of eligible students who have permission forms completed to obtain an average per student amount ($100,238 / 25 = $4,010). The per-student amount was multiplied by the number of students for whom the division did not obtain parent permission to obtain the savings for 2004-05 ($4,010 x 135 = $541,350). The division only gets one-fourth of this amount, so the yearly amount was divided by 4 ($541,350 / 4 = $135,338). The savings in 2004-05 are one-quarter of the yearly cost (March start-up). Each year was adjusted by 6.2%, which is the average growth of the special education program across a five-year trend analysis.

Recommendation 2-12 (p. 2-27): Provide special education supervisors with cell phones with two-way radio capabilities

The fiscal impact is based on the one time cost of purchase for the cell phones ($80) and the monthly cost of service ($45). The one time cost was found by multiplying the number of Supervisors of special education times the cost of one cell phone (4 x $80 = $320). The yearly cost was found by multiplying the cost per month by 12 months by 4 supervisors ($45 x 12 x 4 = $2,160). The cost for 2004-05 is $540, one-quarter of the yearly cost (March start-up).

Recommendation 2-18 (p. 2-34): Expand the job responsibilities of the high school FOCUS teachers to include the teaching of advanced academic courses and co-teaching with general education teachers in addition to their FOCUS program responsibilities.

The fiscal impact was calculated by multiplying the salary for one teacher by 2.5. Currently there are 5 high school FOCUS teachers. Three positions would be eliminated, although the division would have to replace the .5 elementary FOCUS position that is now a temporary assignment for one high school FOCUS teacher. The fiscal impact is based on entry level positions and 27% in fringe benefits ($44,572 x 1.27 x 2.5 = $141,516).

Chapter 3: Human Resources

FISCAL SUMMARY

The following chart shows potential savings (costs) from implementing the human resources management recommendations.

	RECOMMENDATION	2004-05	2005-06	2006-07	2007-08	2008-09	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE TIME (COSTS) OR SAVINGS
3-2	Adopt classification and compensation strategies that retain quality staff while minimizing payroll costs.	$0	$0	$174,138	$348,276	$522,414	$1,044,828	($30,000)
Total		**$0**	**$0**	**$174,138**	**$348,276**	**$522,414**	**$1,044,828**	**($30,000)**

**Note: no cost is shown for the implementation of a paperless application system, since it is already budgeted in the SCPSD 2005 adopted budget.*

Recommendation 3-2 (p. 3-6): Adopt classification and compensation strategies that retain quality staff while minimizing payroll costs. The one time cost of $30,000 is the estimated cost for an outside study similar in nature to the one currently being conducted for clerical positions.

The estimated savings are based on the savings ($289,265 annually) based upon 2.5 percent of salaries for all employees who are at or past the top step of their respective schedule in 2004-05. These employees would no longer receive cost of living adjustments (COLA), thereby capping their salaries at the top step in the schedule. Total salary cost at or above step 30 in 2004 is $11,570,607. The average COLA step increase last year was 2.5 percent. The salary savings to be realized from this recommendation would be $289,265 ($11,570,607 x 2.5%). In addition, there is a retirement cost (20.4 percent) that would be saved by the district. The total potential savings from this recommendation would be $348,275 ($289,265 + 20.4% benefit rate). The evaluation team estimates that 50 percent of these savings would be invested in salary increases at lower steps in the schedule to address external market inequities. The savings would increase by a similar amount each year as retirements are offset by additional employees reaching the cap ($174,138 or $348,275 x .50). The savings would increase each year based upon the number of years that employees' salaries are capped.

This recommendation would not be implemented until 2006-07 to allow time for SCPSD to conduct the classification and compensation study and to communicate effectively with employees.

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Chapter 4: Facilities Use and Management

FISCAL SUMMARY

Potential facilities savings (costs) are shown in the following chart:

Facilities Use and Management Recommendations Fiscal Summary

Recommendation		2004-05	2005-06	2006-07	2007-08	2008-09	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
4.2	Outsource middle and elementary custodial operations.	$0	$393,000	$786,000	$786,000	$786,000	$2,751,000	$0
4.3a	Energy Management Behavior Changes.	$100,000	$400,000	$400,000	$400,000	$400,000	$1,700,000	$0
4.3b	Energy Management Performance Contracting.	$0	$4,000	$22,000	$40,000	$59,000	$125,000	$0
4.4	Policy for after hours non-school usage.	$21,750	$87,000	$87,000	$87,000	$87,000	$369,750	$0
4.5	Update facility assessment and long-range plan.	$0	$0	$0	$0	$0	$0	($250,000)
4.7	Review maintenance and operations staffing.	$0	($207,000)	($207,000)	($207,000)	($207,000)	($828,000)	$0
	Totals-Chapter 4	$121,750	$677,000	$1,088,000	$1,106,000	$1,125,000	$4,117,750	($250,000)

Estimated costs and savings shown in the above chart use the following assumptions:

Recommendation 4-1 (p. 4-15): Carefully review cost of construction in public/private design/build proposals compared to traditional design/bid/build (the division has already moved in this direction). No additional savings are anticipated; in its most recent projects, the division has returned to traditional design/bid/build contracting.

Recommendation 4-2 (p. 4-18): Consider outsourcing custodial operations at middle and elementary schools. Potential savings are based on data and calculations shown in **Exhibit 4-10** included in Recommendation 4-2. The above analysis is based on the assumption that 50 percent of potential savings could be achieved in 2005-06, and 100 percent thereafter.

Recommendation 4-3a (p. 4-19): Design and implement a division-wide energy management policy (Energy Management Behavioral Changes). Potential savings are based on a telephone interview with a Rebuild America representative who believed that 10 to 15 percent savings were possible from behavioral changes alone (10 percent of $4.0 million = $400,000). The above analysis is based on the assumption that 25 percent of savings could be achieved in 2004-05 and 100 percent thereafter.

Recommendation 4-3b (p. 4-19): Design and implement a division-wide energy management policy (Performance Contracting). Potential savings are based on data provided in a Noresco Feasibility Study dated March 12, 2004, assuming a project capital investment of $8,500,000 with a lease rate of 4.0 percent. The total savings shown is the anticipated minimum guaranteed savings after lease payments and program expenses.

Recommendation 4-4 (p. 4-24): Implement a policy of assessment and accountability for after hours non-school uses. Cash flow assumptions are based on total income currently budgeted at $87,000, phased in FY 2004-05 (25 percent in 2004-05, 100 percent thereafter). This does not represent a total net savings to the division but assumes that income would be used to offset facility costs rather than be spent at the school sites. The data and calculation is shown in **Exhibit 4-14** in Recommendation 4-4.

Recommendation 4-5 (p. 4-25): Update the division's facility assessment and long-range facilities plan. The potential expenditure is based on a rough estimate of one-time cost. Actual cost will depend on the amount of work outsourced rather than performed with existing staff. SCPSD has 1.4 million square feet of facilities that were built before 1990—analysis for facilities built after 1990 could probably be handled on a very limited basis. Facilities assessments typically range from $0.12 to $0.20 per square foot or more, depending on how much work is done by the division, plus fixed costs such as software and the establishment of education standards. The result is a range of $168,000 to $280,000. Add $40,000 in fixed cost and the range is $208,000 to $320,000. Because SCPSD could handle a portion of the analysis internally, the estimate of the cost is $250,000.

Recommendation 4-6 (p. 4-27): Review the division's historical and planned spending on capital renewal items (special projects). Once the division has completed its long-range comprehensive assessment, the division may wish to review its historical and planned spending on capital renewal and capital improvement items and develop a budget strategy that will provide for high-quality sustainable facilities in the long-term. There is no projected savings or additional expense at this time.

Recommendation 4-7 (p. 4-27): Review Operations and Maintenance staffing for possible areas of understaffing. Actual costs will depend on need and the type of maintenance personnel added, if any. The cost shown in the analysis is based on the average fully loaded cost of skilled maintenance workers in the division and assumes the addition of 5.0 full-time equivalents (FTEs). This amount is in addition to normal growth that would occur with increases in the number and size of facilities maintained. The addition of 5.0 full-time equivalents will cost the division $207,000 per year ($32,149 average salary x 1.29 benefit rate, rounded to the nearest $1,000).

Chapter 5: Financial Management

FISCAL SUMMARY

RECOMMENDATION		2004-05	2005-06	2006-07	2007-08	2008-09	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE TIME (COSTS) OR SAVINGS
5-2	Allocate applicable direct and indirect expenditures to the Nutrition Services Fund.	$83,833	$503,000	$503,000	$503,000	$503,000	$2,095,833	$0
5-3	Develop a long-term staffing plan for the Financial Services Department.	($27,183)	($54,366)	($54,366)	($54,366)	($54,366)	($244,646)	
Total		$56,650	$448,634	$448,634	$448,634	$448,634	$1,851,187	$0

Estimated costs and savings shown in the above chart use the following assumptions:

Recommendation 5-2 (p. 5-9): Allocate applicable direct and indirect expenditures to the Nutrition Services Fund.

By allocating all direct and indirect costs to the Nutrition Services Fund, costs in the School Operating Fund would be reduced by approximately $503,000 annually. This estimate is based on the allocation of direct labor costs ($253,000) to the Student Nutrition Services Fund. The remaining savings ($250,000) are based on the actual cost allocation of a similar sized school system of approximately 20,000 students that allocates indirect costs to it food service program using a percentage of utility costs based upon the square footage of the kitchens and cafeterias and actual services provided for other costs.

Recommendation 5-3 (p. 5-10) Develop a long-term staffing plan for the Financial Services Department based on best practices, needed skills, workloads, and prioritized needs.

The cost of implementing this recommendation is based on the addition of a degreed accountant at a grade 27 position (range 05) for a total of $54,366 annual salary ($42,808 salary x 27% benefit rate = $54,366.)

Chapter 6: Transportation

FISCAL SUMMARY

	RECOMMENDATION	2004-05	2005-06	2006-07	2007-08	2008-09	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE TIME (COSTS) OR SAVINGS
6-2	Establish new driver/monitor recruitment initiatives.	($8,000)	($17,567)	($17,567)	($17,567)	($17,567)	($78,268)	$0
6-4	Use the automated tools in the routing and scheduling software to improve effectiveness.	$0	$320,190	$320,190	$320,190	$320,190	$1,280,760	
Total		($8,000)	$302,623	$302,623	$302,623	$302,623	$1,202,492	$0

Recommendation 6-2 (p. 6-14) : Establish new driver/monitor recruitment initiatives to supplement the current recruitment initiatives.

The proposed recruitment team will increase hours over the normal route hours. The fiscal impact assumes four drivers spending an additional 336 hours on recruitment efforts. The additional hours were estimated assuming different levels of recruitment efforts during the year. During July and August, an intensive effort should be made toward recruitment for the new school year. The estimated hours assume during a six-week period starting in July and continuing in August six additional hours per week or 36 hours are spent for each team member on recruitment efforts (6 hours x 6 weeks = 36 hours). The total additional hours during this time is 144 (36 hours per week x 4 team members = 144 hours). The recruitment team should continue recruiting efforts beginning in September to February. The estimated additional hours for this period assumes eight hours per month for each team member toward recruitment efforts. The total additional hours for the six month period equals 192 (6 months x 8 hours per month x 4 team members = 192 hours). The total additional recruitment hours equal 336 hours (144 + 192 = 336).

SCPSD's average hourly driver wage is $15.15. The total wages per year for the additional hours are $6,567 [336 hours x $15.15 per hour X 1.29 (benefits factor) = $6,567]. The recruitment team efforts are assumed to begin at the beginning of the next school year.

The estimated cost to implement the referral bonus is $11,000 per year. The referral bonus is based on a "finder's fee" of $1,000 paid after the new driver completes training and drives for 90 days. SCPSD will need to replace an average of 22 driver positions per year due to turnover. This estimate is based on the SCPSD's peer divisons' average turnover rate of 9.83 percent (219 budgeted driver positions x .0983 = 21.5). Assuming 50 percent of the 22 vacancies are filled as a result of the referral program the cost equals $11,000 per year (11 positions x $1,000 finder's fee = $11,000).

The estimated fiscal impact for year one is $8,000. The vacant driver positions are 24 with 16 prospective drivers in training. If the remaining eight vacancies are filled as a result of employee referrals the cost is $8,000 (8 vacancies X $1,000 finder's fee). The total fiscal impact in year equals a cost of $17,567 ($6,567 + $11,000 = $17,567)

Recommendation 6-4 (p. 6-21): Use the automated tools in the routing and scheduling software to improve route effectiveness.

The number of student riders per route bus for regular transportation equalled 90 in 2003-04. If SCPSD could improve the riders per regular route bus by 10%, or to 99 riders per regular route bus the bus fleet could be reduced by 15. Average daily regular riders in 2003-04 equal 15,419. If regular route efficiency was improved to 99 riders per regular route bus, 156 buses are required (15,491 ÷ 99 = 156). In 2003-04 SCPSD had 171 regular route buses, therefore an opportunity exist to reduce the bus fleet by 15 (171 – 156 = 15). Transportation cost by program is not yet available for 2003-04 to calculate the cost per regular route bus. The DOE pupil transportation report is the data source for this information. The DOE pupil transportation report for 2003-04 is not yet available. The cost per regular route bus in 2002-03 equalled $19,391 [$2,947,489 (transportation cost for regular routes in 2002-03) ÷ 152 (the number of regular route buses in 2002-03) = $19,391. Total Transportation Department cost increased approximately 10% from 2002-03 to 2003-04. Therefore, the cost per bus for 2003-04 is calculated to equal $21,346 ($19,391 X 1.1008 = $21,346). The fiscal impact by achieving a 15 bus reduction is $320,190 (15 X $21,346 = $320,190). The average daily regular riders decreased from 2002-03 to 2003-04 by 3% (2002-03 average daily regular riders = 15,947 and 2003-04 average daily regular riders equal 15,419). The average daily regular riders decreased again from 2003-04 to 2004-05 by 1% (2004-05 average daily regular riders equal 15,340) The fiscal impact assumes no change in regular ridership.

Chapter 8: Purchasing

FISCAL SUMMARY

The following chart shows potential savings (costs) from implementing the purchasing and warehousing recommendations.

Purchasing and Warehousing Recommendations Fiscal Summary

RECOMMENDATION		2004-05	2005-06	2006-07	2007-08	2008-09	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE TIME (COSTS) OR SAVINGS
8-1	Upgrade purchasing clerk position	$0	($31,867)	($31,867)	($31,867)	($31,867)	($127,468)	($4,000)
8-3	Expand just–in–time delivery of goods	$0	$28,352	$28,352	$28,352	$28,352	$113,408	$0
8-4	Implement direct faxing of purchase orders	$0	$5,507	$5,507	$5,507	$5,507	$22,028	($2,750)
8-5	Evaluate comparability and use state contracts to achieve more competitive prices for custodial supplies.	$0	$9,286	$9,286	$9,286	$9,286	$37,144	$0
Total		$0	$11,278	$11,278	$11,278	$11,278	$45,112	($6,750)

Recommendation 8-1 (p. 8-6): Upgrade the purchasing clerk position in the Financial Services Department and fill it with an experienced purchasing professional to enhance compliance, contract monitoring, and research efforts. The one-time cost to conduct a purchasing study is estimated at $4,000 based on the fleet services study. The annual cost of upgrading the position is $31,867. The position upgrade fiscal impact assumes that the part-time purchasing clerk position will be upgraded from a grade 18 to a full-time grade 27 position on the service scale with the experienced individual hired at a minimum of $37,836. The current part-time purchasing clerk salary is $12,744. The additional cost would be the difference in the two salaries multiplied by the fringe benefits factor. The salary difference is $25,092 ($37,836-$12,744). The difference multiplied by the 1.27 fringe benefits factor is $31,867 ($25,092 salary difference x 1.27 fringe benefits = $31,867).

Recommendation 8-3 (p. 8-10): Expand direct vendor or just–in–time delivery of goods and reduce warehouse support. SCPSD is estimated to save $28,352 annually by eliminating the warehouse assistant position. This is based on the salary of $21,978 plus fringe benefits of 29 percent for a total savings of $28,352 ($21,978 x 1.29 = $28,352). Transportation (fuel) savings should be offset by increased freight costs with direct shipments.

Recommendation 8-4 (p. 8-13): Implement direct faxing of purchase orders and eliminate paper forms. The ability to directly fax requires VMS technology. The fiscal impact of implementing this recommendation assumes that SCPSD will need to obtain VMS technology at a one-time cost of $5,500 and an annual maintenance cost of $985. It is assumed that since the H.T.E. system is a shared system, that the one-time cost and annual maintenance cost will be shared equally between SCPSD and the county. The one-time cost would be $2,750 for SCPSD. The shared annual maintenance cost ($493 each for SCPSD and the county) is offset by eliminating the $6,000 for purchase order forms. SCPSD annual savings excluding the one-time

cost of would be $5,507. The first year of implementation will be 2005-06 since the new software version will not be released until June 2005.

Recommendation 8-5 (p. 8-13): Evaluate comparability and use state contracts to achieve more competitive prices for custodial supplies: SCPSD is estimated to save $9,286 annually in the purchase of selected custodial supplies from the Virginia Distribution Center. The savings is estimated based on the price comparison of 10 items as shown in **Exhibit 8-6**. The fiscal impact assumes that SCPSD will consolidate and order their supplies in quantities sufficient to avoid any shipping charges.