Sharpening the Pencil
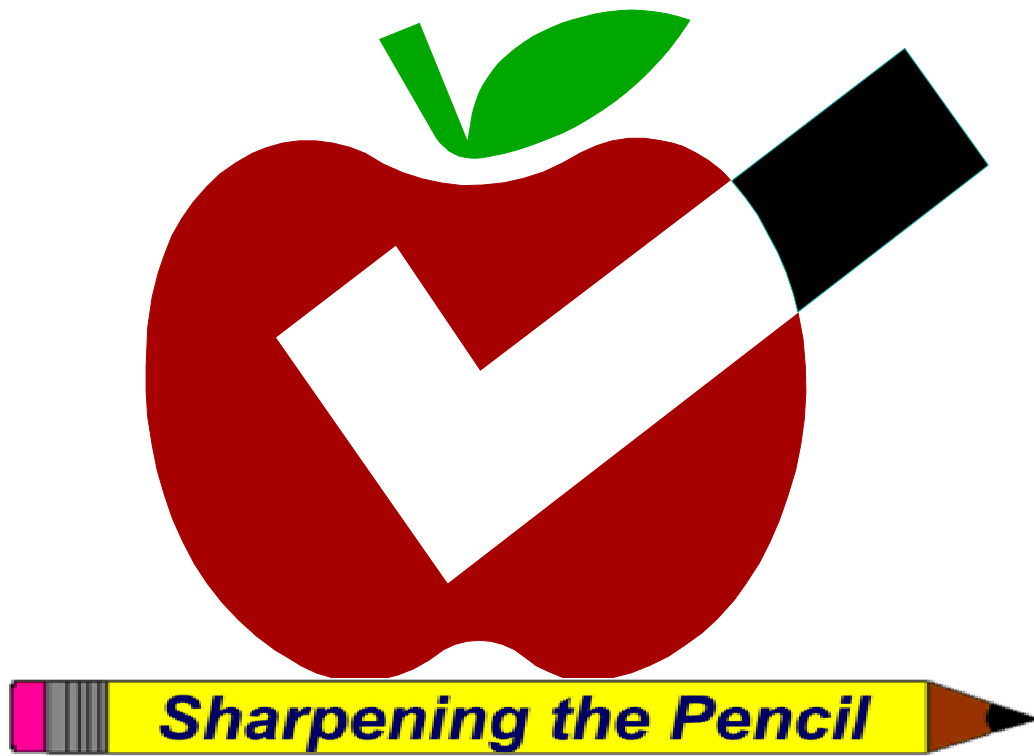
Best Financial Management Practices Review

Miami-Dade County School District
April 2002

Sharpening the Pencil

oppaga

BERKSHIRE ADVISORS, INC.
General Management Consultants

The Florida Legislature

OFFICE OF PROGRAM POLICY ANALYSIS AND GOVERNMENT ACCOUNTABILITY

John W. Turcotte, Director

April 2002

The President of the Senate,
the Speaker of the House of Representatives,
the Joint Legislative Auditing Committee,
the Superintendent of the Miami-Dade County School District,
and the School Board Members of the Miami-Dade County School District

I have directed that a Best Financial Management Practices Review be conducted of the Miami-Dade County School District. The 2001 Legislature directed that the Office of Program Policy Analysis and Government Accountability (OPPAGA) contract for a best practices review of the district, and the results of this review are presented in this report. This review was made pursuant to the Sharpening the Pencil Act (HB 269) passed by the 2001 Legislature to improve school district management and use of resources and to identify cost savings.

OPPAGA is issuing the *Digest of Best Financial Management Practices Review, Miami-Dade County School District* to comply with the law that directs OPPAGA to issue a report to the district regarding its use of the best practices and cost savings recommendations.

This review was conducted by Berkshire Advisors, Inc. of Austin, TX; OPPAGA; and the Auditor General. Berkshire Advisors, Inc., was primarily responsible for fieldwork and developing report findings and recommendations. OPPAGA and the Auditor General attended site visits to monitor fieldwork, conducted meetings with district staff to receive input on the draft, and reviewed and edited the report. OPPAGA made the final determination on the district's use of Best Financial Management Practices, based on information in the final report and in consultation with Berkshire Advisors, Inc.

David Summers was the contract manager for this review. Other OPPAGA staff included Frank Alvarez, Curtis Baynes, Yvonne Bigos, Byron Brown, Mark Frederick, Julie Golding, Steve Harkreader, John Hughes, Pamela Allen Kaperak, Nanette Smith, Gary VanLandingham, Jenny Wilhelm, and Don Wolf under the coordination of Jane Fletcher. Auditor General staff included Jim Kiedinger under the supervision of David Martin.

We wish to express our appreciation to the staff of the Miami-Dade County School District for their assistance.
Sincerely,

JWT/mc

cc: Jeb Bush, Governor
Charlie Crist, Commissioner, Department of Education
Jim Horne, Secretary, Florida Board of Education

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Digest of the Best Financial Management Practices Review

Miami-Dade County School District

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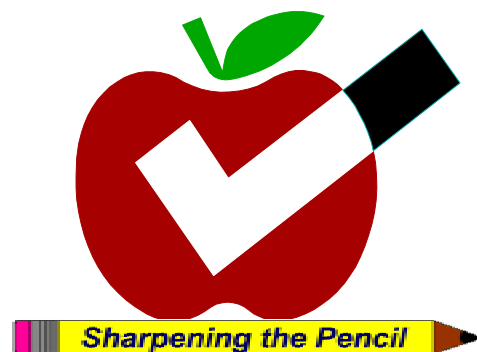
Report No. 02-25A

April 2002

Results in Brief————————

The 2001 Legislature passed the *Sharpening the Pencil Act*, HB 269, to improve school district management and use of resources and to identify cost savings. The act directs the Commissioner of Education to adopt the best practices as standards for the Best Financial Management Practices Review and establishes meeting the best practices as the goal for all Florida school districts. The best practices are designed to encourage districts to

- use performance and cost-efficiency measures to evaluate programs;
- assess their operations and performance using benchmarks based on comparable school district, government agency, and industry standards;
- identify potential cost savings through privatization and alternative service delivery; and
- link financial planning and budgeting to district priorities, including student performance.

In accordance with the *Sharpening the Pencil Act*, Miami-Dade County School District underwent a best practices review during Fiscal Year 2001-02. [1] Based on the recommendations contained in the report, the district could improve operations, save money, and demonstrate good stewardship of public resources. Currently, the district is using 61% (130 of 214) of the best practices adopted by the Commissioner and at this time is not eligible for a Seal of Best Financial Management. (See Exhibit 1.) A detailed listing of all the best practices that identifies the district's current status in relation to each is on page 7 of this digest report.

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[1] This review was conducted by Berkshire Advisors, Inc., of Austin, Texas under contract to the Office of Program Policy Analysis and Government Accountability (OPPAGA).

As shown in Exhibit 2, implementing report recommendations will have a positive fiscal impact of $509,993,500 over a five-year period.

Exhibit 1
The District Is Using 61% of the Best Practices

Best Practice Area (Total Practices)	Is the District Using Individual Best Practices?		
	Yes	No	N/A
Management Structures (12)	3	9	0
Performance Accountability System (5)	0	5	0
Educational Service Delivery (16)	12	4	0
Administrative and Instructional Technology (20)	16	3	1
Personnel Systems and Benefits (15)	8	7	0
Use of Lottery Proceeds (5)	5	0	0
Use of State and District Construction Funds (4)	2	2	0
Facilities Construction (32)	21	11	0
Facilities Maintenance (26)	13	13	0
Student Transportation (20)	9	11	0
Food Service Operations (17)	7	10	0
Cost Control Systems (31)	24	7	0
Community Involvement (11)	10	1	0
All Areas (214)	**130**	**83**	**1**

Exhibit 2
The District Could Experience a Positive Fiscal Impact of $509,993,500 Over the Next Five Years By Implementing Recommendations

Recommendation(s) by Review Area	Projected Five-Year Net Fiscal Impact
Management Structures	
• Assign some work performed by outside counsel to in-house legal staff (Action Plan 3-12)	$381,500
• Modify the district's organizational structure (Action Plan 3-13)	$600,000
Educational Service Delivery	
• Reduce pending ESE referrals and the time between initial referrals and assessments (Action Plan 5-1)	$274,000
• Reduce the number of inappropriate referrals for ESE evaluations (Action Plan 5-1)	$670,000
Administrative and Instructional Technology	
• Develop a District-Wide Strategic Technology Plan to be adopted by the Miami-Dade County Public School Board (Action Plan 6-2)[1]	$27,700,000[2]
• Conduct a network performance baseline assessment on the backbone and all WAN links every two to three years (Action Plan 6-12)	($150,000)
• Implement a firewall strategy with an isolated demilitarized zone (DMZ) segment to make hacking into host servers that reside in a DMZ strategy more difficult (Action Plan 6-13)	($75,000)
Personnel Systems and Benefits	
• Establish four-member intake team to manage the application process and communication to prospective employees (Action Plan 7-3)	($660,000)
• Eliminate the DATA Center (Action Plan 7-8)	$6,000,000
• Purchase Automated Substitute Deployment System (Action Plan 7-12)	($450,000)
• Improve management of Early Return to Work Program (Action Plan 7-15)	$2,500,000
• Training for school board, staff and union leadership in interest-based bargaining (Action Plan 7-20)	($30,000)
Use of State and District Construction Funds	
• Re-consider and expand double sessions in high schools and middle schools and expand year-round schooling in elementary schools (Action Plan 9-2)	$365,300,000
• Increase staff in the Capital Construction Budget office by one professional position (Action Plan 9-5)	($375,000)
Facilities Construction	
• Improve information management (Action Plan 10-7)	($1,500,000)
• Reduce staffing of capital program by 20% (Action Plan 10-17)	$7,850,000
• Develop asset management function in Government Affairs and Land Use Policy and Acquisition unit (Action Plan 10-18)	$3,000,000
Facilities Maintenance	
• Develop an annual training program that focuses on increased technical training for maintenance workers (Action Plan 11-5)	($1,250,000)
• Reimburse maintenance workers for memberships in professional societies and subscribe to professional magazines (Action Plan 11-6)	($500,000)
• Modify the custodial staffing formula to more closely reflect national and State of Florida standards for custodial coverage (Action Plan 11-13)	$18,540,000
• Require head custodians to work during the shift when most non-supervisory custodians are working and when most cleaning activity occurs (Action Plan 11-14)	($925,000)

Recommendation(s) by Review Area	Projected Five-Year Net Fiscal Impact
• Develop a staffing formula for the maintenance trades areas based on historical work order activity data (Action Plan 11-15)	$17,000,000
• Assign responsibility for unskilled maintenance such as changing light bulbs and heating, ventilating and air-conditioning filters to custodial staff instead of higher paid zone mechanics (Action Plan 11-19)	$18,000,000
Student Transportation	
• Develop transportation plan to increase bus occupancy (Action Plan 12-1)	$8,500,000
• Centralize bus routing function (Action Plan 12-1)	$2,500,000
• Reduce the spare bus ratio to no more than 12% of daily routes (Action Plan 12-5)	$463,000
• Review bus size in the transportation fleet (Action Plan 12-5)	$5,300,000
• Centralize select functions (Action Plan 12-16)	$1,750,000
Food Service Operation	
• Establish a new meals per labor hour standard for food production in the schools (Action Plan 13-2)	$22,500,000
• Hire an administrative director for Food Services (Action Plan 13-3)	($300,000)
• Prepare claim for reimbursement of the monthly National School Lunch Program on a timely basis (Action Plan 13-11)	$3,000,000
• Divert additional USDA commodities directly to manufacturers who will return processed commodities reflecting the fair market value of the commodities to the district (Action Plan 13-13)	$3,000,000
• Change from low fat ½ pints of chocolate milk to nonfat ½ pints of chocolate milk (Action Plan 13-16)	$880,000
• Purchase additional items through the commodity food distributor (Action Plan 13-17)	$500,000
TOTALS	**$509,993,500**

[1] As part of this recommendation the district also should implement Action Plans 6-4, 6-5, 6-6, 6-8 and 6-10.

[2] Currently, there are 25 qualified pre-approved vendors that provide desktop computers to the district. The $27.7 million in savings is largely due to the district substantially reducing the overall number of hardware vendors, and have a few vendors responsible for acquiring, setting up and installing desktops and peripherals, and being responsible for technical support on these desktops (i.e., a seat management strategy). This strategy would enable the district to reduce technical support staff positions; that is, the district can realize economies of scale by changing its acquisition, maintenance, and technical support methods.

Purpose

The purpose of Best Financial Management Practices Reviews is to improve Florida school district management and use of resources and to identify cost savings. Florida law directs the Office of Program Policy Analysis and Government Accountability and the Office of the Auditor General to develop a system for reviewing the financial management practices of school districts. Florida law also provides that the best financial management practices, at a minimum, must instill public confidence by

1. addressing the school district's use of resources;
2. identifying ways that the district could save funds; and
3. improving the school district performance accountability systems, including public accountability.

Background

The 2001 Legislature passed the *Sharpening the Pencil Act*, HB 269, to improve school district management and use of resources and to identify cost savings. Two of the most important provisions of the act are that it specifies those districts scheduled to undergo a Best Financial Management Practices Review each year of a five-year-cycle and requires public input during the review process and after the distribution of the final report.

The act also directs that the Commissioner of Education adopt the best practices to be used as standards for these reviews and establishes meeting the best practices as the goal for all Florida school districts. The best practices are designed to encourage districts to

- use performance and cost-efficiency measures to evaluate programs;
- assess their operations and performance using benchmarks based on comparable school district, government agency, and industry standards;
- identify potential cost savings through privatization and alternative service delivery; and
- link financial planning and budgeting to district priorities, including student performance.

In the 2001 General Appropriations Act, the Florida Legislature directed that OPPAGA contract for a Best Financial Management Practices Review of the Miami-Dade County School District.

With close to 370,000 students the Miami-Dade County School District is the largest school district in the state and the fourth largest district in the nation. Located in southeastern (South) Florida, the district operates 411 schools including 208 elementary schools, 48 middle/junior high schools, 46 senior high schools and 109 other educational facilities. The number of district schools operated is significantly more than those operated in other large Florida school districts such as Broward County (240), Hillsborough County (240), Orange County (185) and Palm Beach County (201). The district employs over 36,694 full-time staff members of whom 21,198 are instructional staff.

In accordance with Florida law, OPPAGA contracted with Berkshire Advisors, Inc., of Austin, Texas, a private consulting firm, to conduct this review. Berkshire Advisors, Inc., was primarily responsible for fieldwork and developing report findings and recommendations. OPPAGA and the Auditor General staff monitored the firm throughout the review process to ensure that the best practices and indicators were applied in the district consistent with reviews by consultants and OPPAGA in other districts. OPPAGA and the Auditor General staff attended site visits and provided assistance to the consultant during the course of the review, which included report drafting.

The consultant's report contains findings related to each best practice and detailed action plans to implement each report recommendation. These action plans were developed with input from the school district and detail the specific steps the district should take if it decides to implement the recommendation within two years. Pursuant to s. 230.23025, *Florida Statutes,* OPPAGA made the final determination on whether the school district is using best practices adopted by the Commissioner of Education based on information in the final report and the independent assessment of the district's use of each best practice.

OPPAGA expresses its appreciation to members of the Miami-Dade County School Board and district employees who provided information and assistance during the review.

General Overview and District Obligations

Currently, the Miami-Dade County School District is using 61% of the best practices adopted by the Commissioner, and at this time, is not eligible for a Seal of Best Financial Management. Appendix A of this report contains an action plan detailing how the district could meet the best practices within two years.

Within 90 days after receipt of the final report, the school board must

- decide by a majority plus one vote, whether or not to implement the action plan and pursue a Seal of Best Financial Management, and
- notify OPPAGA and the Commissioner of Education in writing of the date and outcome of the school board vote on whether to adopt the action plan. If the school board fails to vote on whether to adopt the action plan, the superintendent must notify OPPAGA and the Commissioner of Education.

After receipt of the final report and before the school board votes whether to adopt the action plan, the school district must hold an advertised public forum to accept public input and review the findings and recommendations of the report. The district must advertise and promote this forum to inform school and district advisory councils, parents, school district employees, the business community, and other district residents of the opportunity to attend this meeting. OPPAGA and the consultant will attend this forum.

If the school board votes to implement the action plan, the district must submit two annual status reports, the first report no later than one year after receipt of the final report and the second report one year later.

After receipt of each status report, OPPAGA will assess the district's implementation of the action plan and progress toward implementing the best financial management practices in areas covered by the plan and issue a report indicating whether the district has successfully implemented the best financial management practices.

If the school district successfully implements the best financial management practices within two years, it will be eligible to receive a Seal of Best Financial Management from the State Board of Education, a designation that is effective for five years. During the designation period, the school board must annually notify OPPAGA, the Auditor General, the Commissioner of Education, and the State Board of Education of any changes that would not conform to the state's best financial management practices. If no such changes have occurred and the school board determines that the school district continues to conform to the best financial management practices, the school board must annually report that information to the State Board of Education, with copies to OPPAGA, the Auditor General, and the Commissioner of Education.

Conclusions by Best Practice Area

A summary of report conclusions and recommendations by best practice area is presented below.

Management Structures

The district meets 3 of 12 best practices established for management structures. The Miami-Dade County School District needs to focus significant attention on strengthening management structures. Relationships between board members and the superintendent should be strengthened and organizational relationships should be modified to support more cost-effective management.

Performance Accountability System

Currently, the district meets none of the five performance accountability best practices. While the district has established generally effective performance accountability systems to support educational programs, for the most part no such systems are in placed to support operations. Not only is the management infrastructure needed to support effective performance accountability in operational areas absent, but also most non-instructional managers (especially at the central office) lack the management perspective needed to aggressively manage performance on an ongoing basis.

Educational Service Delivery

The district is using 12 of the 16 best practices for education service delivery. While the Miami-Dade County School District generally provides effective educational services and programs to its students, there are several areas in which improvement can occur. The district should ensure that all programs and services are operating from a strategic plan with more specific outcomes, which focuses on measurable student performance targets and cost-efficiency outcomes. The district needs to improve its Exceptional Student Education (ESE) services by completing evaluations in a timely fashion, increasing inclusion and mainstreaming programs, and decreasing suspensions and expulsion of ESE students.

Administrative and Instructional Technology

The Miami-Dade County School District is using 16 of the 20 best practices related to administrative and instructional technology functions. The district's administrative and instructional technology

departments have performed admirably within the framework of their operating organizations. However, a comprehensive district-wide strategic technology plan has not been developed for the school board's approval.

Personnel Systems and Benefits

Overall, the district is using 8 of the 15 best practices in this area. The Miami-Dade County School District's personnel system and benefits function has strong leadership and in recent years has improved many personnel practices. Additional improvement is possible, however, in the areas of recruitment, workforce stability, customer service, use of data in planning and evaluation, communications, substitute hiring and deployment, managing employee misconduct investigations, records management and use of technology.

Use of Lottery Proceeds

The district uses all five best practices pertaining to the use of lottery proceeds. The district has defined enhancement, allocates lottery proceeds to school advisory councils and charter schools as required by law, and reports the costs of specific activities supported with lottery proceeds.

Use of State and District Construction Funds

Overall, the district uses two of the four best practices pertaining to the use of state and district construction funds. The Miami-Dade County School District is generally using construction and operational funds appropriately but significant concerns remain. The district does not use SMART school designs but does incorporate the SMART school design standards into its design prototypes. The district can incorporate lifecycle cost data more effectively into the design process.

Facilities Construction

The district is using 21 of the 32 best practices related to facilities construction functions. The Miami-Dade County School District manages an ambitious school construction program. By improving information management, creating a planning department and improving support for project management, the already sound performance of school construction activities will be enhanced.

Facilities Maintenance

The Miami-Dade County School District is using 13 of the 26 best practices for facilities maintenance. The district's facilities maintenance and operations functions are reasonably effective but have much room to improve. The district needs to develop standards for maintenance worker productivity; make more effective use of information from the work order management system as a management tool; utilize zone mechanics more effectively, and develop a performance appraisal process for maintenance workers.

Student Transportation

The district is using 9 of the 20 best practices established for student transportation. The district transports approximately 70,000 students to and from school each day, but needs to establish better accountability and improve efficiency. While there are opportunities to improve the operational efficiency and cost-effectiveness of student transportation services, the district will not be able to address these opportunities unless it first addresses a more fundamental deficiency—the general absence of a system of accountability based on measurable goals and objectives.

Food Service Operations

The district is using 7 of the 17 best practices in food service operations. The district's food service program is financially viable and meals served by the district are nutritious. However, the district does not effectively review food cost or labor standards. Policies that are set by the district are frequently not followed at the school level.

Cost Control Systems

The district is using 24 of the 31 best practices established for cost control systems. While the district has adequate cost control systems in the areas of internal auditing, financial auditing, asset management, inventory management, risk management, financial management, purchasing and payment processing, certain improvements would enhance operating effectiveness and efficiency.

Community Involvement

The district is using 10 of the 11 best practices related to community involvement. The Miami-Dade County School District has developed a comprehensive set of programs designed to support meaningful community involvement across all areas of the education process. Strengthening service efforts will promote even stronger relationships among the schools, families, and other community stakeholders.

Miami-Dade County School District
Best Financial Management Practices

Currently, the Miami-Dade County School District is using 61% (130 of 214) of the best practices adopted by the Commissioner of Education, and at this time, is not eligible for a Seal of Best Financial Management. This appendix provides a detailed listing of all the best practices and identifies the district's current status in relation to each.

Best Practices	Is the District Using Best Practices?		
MANAGEMENT STRUCTURES	*YES*	*NO*	*PAGE*
1. The roles and responsibilities of the board and superintendent have been clearly delineated, and board members and the superintendent have procedures to ensure that they have effective working relationships.		✓	3-4
2. The board and superintendent have procedures to ensure that board meetings are efficient and effective.		✓	3-8
3. The board and superintendent have established written policies and procedures that are routinely updated to ensure that they are relevant and complete.		✓	3-13
4. The district routinely obtains legal services to advise it about policy and reduce the risk of lawsuits. It also takes steps to ensure that its legal costs are reasonable.		✓	3-14
5. The district's organizational structure has clearly defined units and lines of authority.		✓	3-18
6. The district periodically reviews its administrative staffing and makes changes to eliminate unnecessary positions and improve operating efficiency.		✓	3-25
7. The superintendent and school board exercise effective oversight of the district's financial resources.		✓	3-26
8. The district has clearly assigned school principals the authority they need to effectively manage their schools while adhering to district-wide policies and procedures.	✓		3-28
9. The district has a multi-year strategic plan with annual goals and measurable objectives based on identified needs, projected enrollment, and revenues.		✓	3-30
10. The district has a system to accurately project enrollment.	✓		3-33
11. The district links its financial plans and budgets to its priority goals and objectives, and district resources are focused towards achieving those goals and objectives.		✓	3-34
12. When necessary, the district considers options to increase revenue.	✓		3-35

Best Practices	Is the District Using Best Practices?		
PERFORMANCE ACCOUNTABILITY SYSTEM	*YES*	*NO*	*PAGE*
1. The district has clearly stated goals and measurable objectives that can be achieved within budget for each major educational and operational program. These major programs are: • Educational Programs: Basic Education (K-3, 4-8, 9-12), Exceptional Student Education, Vocational/Technical Education, and English for Speakers of Other Languages. • Operational: Facilities Construction, Facilities Maintenance, Personnel, Asset and Risk Management, Financial Management, Purchasing, Transportation, Food Services, and Safety and Security.		✓	4-3
2. The district uses appropriate performance and cost-efficiency measures and interpretive benchmarks to evaluate its major educational and operational programs and uses these in management decision making.		✓	4-6
3. The district regularly assesses the performance and cost of its major educational and operational programs using performance measures and benchmark data and analyzes potential cost savings and/or cost avoidance of alternatives, such as outside contracting and privatization.		✓	4-10
4. The district formally evaluates the performance and cost of its major educational and operational programs and uses evaluation results to improve program performance and cost-efficiency.		✓	4-17
5. The district clearly reports on the performance and cost-efficiency of its major educational and operational programs to ensure accountability to parents and other taxpayers.		✓	4-19

Best Practices	Is the District Using Best Practices?		
EDUCATIONAL SERVICE DELIVERY	*YES*	*NO*	*PAGE*
1. District administrators use both academic and nonacademic data to improve K-12 education programs.	✓		5-10
2. District administrators facilitate sharing effective instructional practices to improve student performance.	✓		5-20
3. The district provides effective and cost-efficient Exceptional Student Education (ESE) programs.		✓	5-24
4. The district provides effective and cost-efficient instruction as part of its English for Speakers of Other Languages (ESOL) Program.	✓		5-33
5. The district provides effective and cost-efficient secondary vocational and adult/technical education programs.	✓		5-42
6. The district's curricular framework is linked to Florida's accountability standards and to the Sunshine State Standards.	✓		5-45
7. The district has adopted a plan for the progression of students from kindergarten through grade 12 that maximizes student mastery of the Sunshine State Standards.	✓		5-46
8. The district ensures that school improvement plans effectively translate identified needs into activities with measurable objectives and that school advisory councils meet statutory membership requirements.	✓		5-48
9. The district's process for selecting instructional materials ensures that instructional materials meet the needs of teachers and students.	✓		5-51

Best Practices	Is the District Using Best Practices?		

EDUCATIONAL SERVICE DELIVERY	*YES*	*NO*	*PAGE*
10. Each student has current and appropriate instructional materials in core courses that are aligned with the Sunshine State Standards and the district's pupil progression plan.	✓		5-53
11. The district's procedures for acquiring, maintaining, and disposing of instructional materials are cost-effective.		✓	5-54
12. The district has implemented accountability mechanisms to ensure the overall performance, efficiency, and effectiveness of its major educational programs. [2]		✓	5-55
13. The district regularly reviews its organizational structure and the staffing of the central office and schools to minimize administrative layers and processes.		✓	5-62
14. The district clearly reports on the performance and cost-efficiency of its major educational programs to ensure accountability to parents and other taxpayers.	✓		5-64
15. The district has sufficient school library or media centers to support instruction.	✓		5-66
16. The district provides necessary support services (guidance counseling, psychological, social work, and health) to meet the needs of its students in a cost-efficient manner.	✓		5-68

ADMINISTRATIVE AND INSTRUCTIONAL TECHNOLOGY	*YES*	*NO*	*PAGE*
1. The district has solicited and used broad stakeholder input in developing an integrated learning system and in setting priorities for administrative and instructional technology decisions.	✓		6-10
2. The district has a comprehensive technology plan that provides direction for administrative and instructional technology decision making.		✓	6-14
3. The district provides formal and informal support to assist educators in incorporating technology into the curriculum.	✓		6-18
4. The district provides technical support for educational and administrative systems in the district.	✓		6-20
5. The district provides technical support for hardware, software, and infrastructure in a timely and cost-effective manner.	✓		6-22
6. The district has a professional development plan that reflects the district's vision of integrating technology to enhance and enrich the learning environment, as well as improve administrative support.	✓		6-24
7. The district provides professional development for the instructional technologies.	✓		6-26
8. The district bases technology acquisitions on instructional needs and makes technology acquisitions based on those needs. [3]	✓		6-26
9. The district bases technology acquisitions on the results of research, planning, and evaluations of previous technology decisions to ensure technology decisions are cost-effective.	✓		6-27

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[2] See performance accountability best practices and indicators for more information on each indicator for this best practice.

[3] Instructional needs include incorporating technology into the curriculum and needs of students learning how to use technology.

Best Practices	Is the District Using Best Practices?		

ADMINISTRATIVE AND INSTRUCTIONAL TECHNOLOGY	*YES*	*NO*	*PAGE*
10. The district has established standards for acquiring new programs and digital content that promote the integration of technology into everyday curricular needs.	✓		6-29
11. The district has a stable and efficient infrastructure. [4]	✓		6-31
12. The district has established and communicated a policy stating appropriate uses of all types of technology resources, including computers, video equipment, software, and the Internet.	✓		6-36
13. The district supports compliance with the established policy on safe and legal use of technology resources.	✓		6-37
14. Segregation of Duties: The district segregates duties to reduce the risk that unauthorized transactions will be entered and not discovered quickly.		✓	6-38
15. User Controls: The district's user controls ensure authorization prior to processing transactions and ensure all output represents authorized and valid transactions.	✓		6-39
16. Application Controls: The district's applications are designed to provide users with reliable data.	✓		6-40
17. General Controls: The district has established general controls in the areas of access, systems development and maintenance, documentation, operations, and physical security to promote the proper functioning of the information systems department.	✓		6-40
18. The district's management information systems provide data needed by administrative and instructional personnel in a reliable and timely manner.	✓		6-41
19. The district has taken steps to minimize the number of databases that are independent of its centralized computer systems.		✓	6-41
20. Other Controls: The district has established appropriate controls related to electronic data exchange transactions, other transactions processed through electronic media, and image processing systems.	NA		6-42

PERSONNEL SYSTEMS AND BENEFITS	*YES*	*NO*	*PAGE*
1. The district has efficient and effective processes for recruiting and hiring qualified personnel.	✓		7-15
2. The district maintains a reasonably stable work force through competitive salary and benefit packages and through district-wide efforts to address and remedy factors that contribute to increased turnover.		✓	7-26
3. The district provides a comprehensive staff development program to achieve and maintain high levels of productivity and employee performance among non-instructional employees.	✓		7-32
4. The district provides a comprehensive staff development program for instructional employees to attain and maintain high quality instruction and to achieve high levels of student performance.	✓		7-34

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[4] Examples of this include a Wide Area Network (WAN) and a Local Area Network (LAN).

Best Practices	Is the District Using Best Practices?		
PERSONNEL SYSTEMS AND BENEFITS	*YES*	*NO*	*PAGE*
5. The district provides a comprehensive staff development program for school-based administrators.	✓		7-38
6. The district's system for formally evaluating employees is designed to improve and reward excellent performance and productivity, and to identify and address performance that does not meet the district's expectations for the employee.	✓		7-40
7. The district ensures that employees who repeatedly fail to meet the district's performance expectations, or whose behavior or job performance is potentially harmful to students, are promptly removed from contact with students, and that the appropriate steps are taken to terminate those persons' employment.	✓		7-42
8. The district maintains clear and effective channels of communication with employees.		✓	7-44
9. The district has efficient and cost-effective policies and practices for providing substitute teachers and other substitute personnel.		✓	7-46
10. The district maintains personnel records in a highly efficient and accessible manner.		✓	7-49
11. The district uses cost-containment practices for its Workers' Compensation Program.	✓		7-51
12. The district has established and implemented accountability mechanisms to ensure the performance, efficiency, and effectiveness of the human resource program.		✓	7-53
13. The district periodically reviews the organizational structure and staffing levels of the office of human resources to minimize administrative layers and processes.		✓	7-55
14. The district periodically evaluates its personnel practices and adjusts these practices as needed to reduce costs and/or improve efficiency and effectiveness.		✓	7-56
15. For classes of employees that are unionized, the district maintains an effective collective bargaining process.	✓		7-59

Best Practices			
USE OF LOTTERY PROCEEDS	*YES*	*NO*	*PAGE*
1. The district has defined "enhancement" in a way that the public clearly understands.	✓		8-4
2. The district uses lottery money consistent with its definition of enhancement.	✓		8-4
3. The district allocates lottery funds to school advisory councils as required by law.	✓		8-5
4. The district accounts for the use of lottery money in an acceptable manner.	✓		8-6
5. The district annually evaluates and reports the extent to which lottery fund expenditures have enhanced student education.	✓		8-6

Best Practices	Is the District Using Best Practices?		

USE OF STATE AND DISTRICT CONSTRUCTION FUNDS	*YES*	*NO*	*PAGE*
1. The district approves use of construction funds only after determining that the project(s) are cost-efficient and in compliance with the lawfully designated purpose of the funds and the district's five-year facilities work plan.		✓	9-3
2. The district uses capital outlay and operational funds appropriately, lawfully, and in accordance with its adopted five-year facilities work plan.		✓	9-9
3. The district minimizes construction costs by using appropriate measures from the SMART (Soundly Made, Accountable, Reasonable and Thrifty) Schools Clearinghouse Frugal Construction Standards. [5]	✓		9-10
4. When designing and constructing new educational facilities, the district incorporates factors to minimize the maintenance and operations requirements of the new facility.	✓		9-11

FACILITIES CONSTRUCTION	*YES*	*NO*	*PAGE*
1. The district has established a facilities planning committee that includes a broad base of school district personnel, parents, construction professionals, and other community stakeholders.		✓	10-8
2. The district has established authority and assigned responsibilities for facilities planning.		✓	10-10
3. The five-year facilities work plan provides budgetary plans and priorities based on the master plan and input from the facilities planning committee.		✓	10-12
4. The five-year facilities work plan is based on a thorough demographic study and enrollment projections.	✓		10-16
5. The five-year facilities work plan is based on an evaluation of the physical condition and the ability of facilities to meet educational needs.	✓		10-17
6. When developing the annual five-year facilities work plan the district evaluates alternatives to minimize the need for new construction.		✓	10-19
7. District planning prioritizes construction needs.		✓	10-20
8. The district can demonstrate that the construction program complies with the current *Laws of Florida.*	✓		10-21
9. For all projects with dates of construction contracted after July 1, 2001, the district can demonstrate that the construction program complies with the Florida Building Code.	✓		10-22
10. The school board ensures responsiveness to the community through open communication about the construction program and the five-year facilities work plan.	✓		10-22
11. The district develops descriptions and educational specifications for each project.	✓		10-23

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[5] The web page is: http:smartschools.state.fl.us.

Best Practices	Is the District Using Best Practices?		
FACILITIES CONSTRUCTION	*YES*	*NO*	*PAGE*
12. Educational specifications for new construction, remodeling, and renovations include a description of activity areas.	✓		10-25
13. The architectural design fulfills the building specification needs as determined by the district.	✓		10-26
14. New construction, remodeling, and renovations incorporate effective safety features.	✓		10-29
15. The district begins school site selection well in advance of future need based on expected growth patterns.		✓	10-31
16. The board considers the most economical and practical locations for current and anticipated needs, including such factors as need to exercise eminent domain, obstacles to development, and consideration of agreements with adjoining counties.	✓		10-32
17. The district has established and implemented accountability mechanisms to ensure the performance, efficiency, and effectiveness of the construction program.		✓	10-32
18. The district has considered, and where possible implemented, the general requirements recommended in the SMART Schools Clearinghouse Frugal Construction Standards.	✓		10-35
19. The district minimizes construction costs through the use of prototype school designs and frugal construction practices.	✓		10-37
20. The district secures appropriate professional services to assist in facility planning, design, and construction.	✓		10-37
21. The district can demonstrate that funds collected for school projects were raised appropriately.	✓		10-39
22. District planning provides realistic time frames for implementation that are coordinated with the opening of schools.	✓		10-40
23. For each project or group of projects, the architect and district facilities planner develop a conceptual site plan and building specifications.	✓		10-41
24. The district follows generally accepted and legal contracting practices to control costs.	✓		10-42
25. The district has assigned one person with the authority and responsibility to keep facilities construction projects within budget and on schedule.	✓		10-44
26. The board minimizes changes to facilities plans after final working drawings are initiated in order to minimize project costs.	✓		10-45
27. The architect recommends payment based on the percentage of work completed. A percentage of the contract is withheld pending completion of the project.	✓		10-47
28. The district requires appropriate inspection of all school construction projects.	✓		10-48
29. The district conducts a comprehensive orientation to the new facility prior to its use so that users better understand the building design and function.		✓	10-48
30. The district conducts comprehensive building evaluations at the end of the first year of operation and regularly during the next three to five years to collect information about building operation and performance.		✓	10-49

Digest: Best Financial Management Practices Review

Best Practices	Is the District Using Best Practices?		

FACILITIES CONSTRUCTION	*YES*	*NO*	*PAGE*
31. The district analyzes building evaluations to determine whether facilities are fully used, operating costs are minimized, and changes in the district's construction planning process are needed.		✓	10-50
32. The district analyzes maintenance and operations costs to identify improvements to the district's construction planning process.		✓	10-50

FACILITIES MAINTENANCE	*YES*	*NO*	*PAGE*
1. The district's maintenance and operations department mission, organizational structure, and operating procedures are established in writing.	✓		11-5
2. The district has established maintenance standards in its short- and long-term plans for providing appropriately and equitably maintained facilities within budget and in accordance with the district's five-year facilities work plan and annual budget.		✓	11-7
3. The district clearly identifies and communicates performance standards and expected outcomes to maintenance and operations staff.		✓	11-9
4. The district ensures that maintenance and custodial standards are regularly updated to implement new technology and procedures.		✓	11-11
5. The district obtains and uses customer feedback to identify and implement program improvements.		✓	11-13
6. The district has established and implemented accountability mechanisms to ensure the performance and efficiency of the maintenance and operations program.		✓	11-15
7. The district accurately projects cost estimates of major maintenance projects.		✓	11-18
8. The administration has developed an annual budget with spending limits that comply with the lawful funding for each category of facilities maintenance and operations.		✓	11-21
9. The board maintains a maintenance reserve fund to handle one-time expenditures necessary to support maintenance and operations.	✓		11-26
10. The maintenance and operations department regularly evaluates maintenance and operations activities to determine the most cost-effective method of providing needed services.		✓	11-28
11. The district minimizes equipment costs through purchasing practices and maintenance.		✓	11-31
12. The district uses proactive maintenance practices to reduce maintenance costs.		✓	11-32
13. The maintenance and operations department regularly reviews the organizational structure of the maintenance and operations program to minimize administrative layers and processes.	✓		11-34
14. The maintenance and operations department regularly reviews the staffing levels of the maintenance and operations program to maximize the efficient use of personnel.		✓	11-34
15. The maintenance and operations department ensures qualified staff by using appropriate hiring practices.	✓		11-35
16. The maintenance and operations departments has a written job description for each position within the department.	✓		11-36

Best Practices	Is the District Using Best Practices?		
FACILITIES MAINTENANCE	*YES*	*NO*	*PAGE*
17. The district provides appropriate supervision of maintenance and operations staff.		✓	11-36
18. The district provides a staff development program that includes appropriate training for maintenance and operations staff to enhance worker job satisfaction, efficiency, and safety.		✓	11-38
19. The district provides maintenance and operations department staff the tools and equipment required to accomplish its assigned tasks.	✓		11-39
20. A computerized control and tracking system is used to accurately track work orders and inventory.	✓		11-39
21. The maintenance and operations department has a system for prioritizing maintenance needs uniformly throughout the district.	✓		11-41
22. District policies and procedures clearly address the health and safety conditions of facilities.	✓		11-42
23. The maintenance and operations department identifies and implements strategies to contain energy costs.	✓		11-43
24. The district has an energy management system in place, and the system is maintained at original specifications for maximum effectiveness.	✓		11-44
25. The school district complies with federal and state regulatory mandates regarding facility health, safety, and energy efficiency conditions.	✓		11-45
26. The district is aware of and prepared for the permitting and inspection requirements of the Florida Building Code.	✓		11-45

Best Practices	Is the District Using Best Practices?		
STUDENT TRANSPORTATION	*YES*	*NO*	*PAGE*
1. The student transportation office plans, reviews, and establishes bus routes and stops to provide efficient student transportation services for all students who qualify for transportation.		✓	12-9
2. The district ensures that all regular school bus routes and activity trips operate in accord with established routines, and any unexpected contingencies affecting those operations are handled safely and promptly.	✓		12-15
3. The district effectively and efficiently recruits and retains the bus drivers and attendants it needs.		✓	12-16
4. The district trains, supervises, and assists bus drivers to enable them to meet bus driving standards and maintain acceptable student discipline on the bus.	✓		12-18
5. The district provides student transportation services for exceptional students in a coordinated fashion that minimizes hardships to students and accurately reports exceptional students transported to receive state funding.	✓		12-20
6. The district ensures that staff acts promptly and appropriately in response to any accidents that occur.	✓		12-21
7. The district ensures that appropriate student behavior is maintained on the bus at all times.	✓		12-24
8. The school district has a process to ensure that a sufficient school bus fleet is acquired economically and will be available to meet the district's future student transportation needs.		✓	12-24

Best Practices	Is the District Using Best Practices?		
STUDENT TRANSPORTATION	*YES*	*NO*	*PAGE*
9. The district provides timely routine servicing for buses and other district vehicles, as well as prompt response for breakdowns and other unforeseen contingencies.	✓		12-29
10. The district ensures that fuel purchases are cost-effective and that school buses and other vehicles are efficiently supplied with fuel.	✓		12-32
11. The district maintains facilities that are conveniently situated to provide sufficient and secure support for vehicle maintenance and other student transportation functions.	✓		12-33
12. The district maintains an effective staffing level in the vehicle maintenance area and provides support for vehicle maintenance staff to develop their skills.		✓	12-36
13. The district maintains an inventory of parts, supplies, and equipment needed to support student transportation functions that balances the concerns of immediate need and inventory costs.		✓	12-38
14. The district provides appropriate technological and computer support for student transportation functions and operations.		✓	12-42
15. The district has established an accountability system for student transportation, and it regularly tracks and makes public reports on its performance in comparison with established benchmarks.		✓	12-43
16. The district coordinates long-term planning and budgeting for student transportation within the context of district and community planning.		✓	12-45
17. The district monitors the fiscal condition of student transportation functions by regularly analyzing expenditures and reviewing them against the budget.		✓	12-46
18. The district provides regular, accurate, and timely counts to the Florida Department of Education of the number of students transported as part of the Florida Education Finance Program.	✓		12-47
19. The district has reviewed the prospect for privatizing student transportation functions, as a whole or in part.		✓	12-48
20. The district periodically reviews the organizational structure and staffing levels of the student transportation program to minimize administrative layers and processes.		✓	12-49

FOOD SERVICE OPERATIONS	*YES*	*NO*	*PAGE*
1. The food service program is clearly defined with a mission statement, operating policies and procedures, and performance expectations.	✓		13-6
2. The district regularly reviews the organizational structure and staffing levels of the food service program to enhance the efficiency of program operation.		✓	13-7
3. The district uses a comprehensive food service training program to increase productivity, improve employee performance, and enhance the food service program.	✓		13-11
4. The district identifies barriers to student participation in the school meals program and implements strategies to eliminate the barriers.		✓	13-11

| Best Practices | Is the District Using Best Practices? | | |

FOOD SERVICE OPERATIONS	YES	NO	PAGE
5. The district has established cost-efficiency benchmarks based on comparable private and public sector food service programs and other applicable industry standards.		✓	13-14
6. The district regularly evaluates the school food service program based on established benchmarks and implements improvements to increase revenue and reduce costs.		✓	13-17
7. The district regularly assesses the benefits of service and service delivery alternatives, such as contracting and privatization, and implements changes to improve efficiency and effectiveness.		✓	13-18
8. The program budget is based on department goals, revenues, and expenditure projections.		✓	13-19
9. The district's financial control process includes an ongoing review of the program's financial and management practices.		✓	13-21
10. The district accounts for and reports meals served by category.	✓		13-23
11. The district regularly evaluates purchasing practices to decrease costs and increase efficiency.		✓	13-24
12. The district has developed an effective inventory control system that is appropriate to the size of the school food service program.	✓		13-28
13. The district has a system for receiving, storing, and disposing of food, supplies, and equipment.	✓		13-29
14. The district has a plan for the repair and replacement of equipment that includes preventive maintenance practices.		✓	13-30
15. The district provides school meals designed to meet the nutritional needs of students.	✓		13-31
16. The district's food production and transportation system ensures the service of high quality food with minimal waste.		✓	13-32
17. The district follows safety and environmental health practices and regulations.	✓		13-33

COST CONTROL SYSTEMS	YES	NO	PAGE
1. The district has established an internal audit function with its primary mission to (1) provide assurance that the internal control processes in the organization are adequately designed and functioning effectively, and (2) where appropriate, offer recommendations and counsel to management that will improve performance.	✓		14-12
2. The district obtains an external audit in accordance with government auditing standards.	✓		14-15
3. The district provides for timely follow-up of findings identified in the external audit.	✓		14-16
4. The district obtains and reviews required financial information relating to school internal accounts, direct service organizations (DSOs), and charter schools.	✓		14-16
5. Segregation of Duties: The district segregates responsibilities for custody of assets from record keeping responsibilities for those assets.	✓		14-22
6. Authorization Controls: The district has established controls that provide for proper authorization of asset acquisitions and disposals.	✓		14-24

Best Practices	Is the District Using Best Practices?		
COST CONTROL SYSTEMS	*YES*	*NO*	*PAGE*
7. Project Accounting: The district has established records that accumulate project costs and other relevant data to facilitate reporting construction and maintenance activities to the board, public, and grantors.		✓	14-25
8. Asset Accountability: The district provides recorded accountability for capitalized assets.		✓	14-27
9. Asset Safeguards: Assets are safeguarded from unauthorized use, theft, and physical damage.	✓		14-29
10. Segregation of Duties over Inventory: The district segregates responsibilities for custody of inventories from record keeping responsibilities for those assets.	✓		14-32
11. Inventory Requisitioning Controls: The district has established and implemented controls that provide for proper inventory requisitioning.	✓		14-34
12. Inventory Accountability and Custody: The district has established controls that provide for inventory accountability and appropriate safeguards exist for inventory custody.	✓		14-35
13. Inventory Management: The district periodically evaluates the inventory function to determine its cost-effectiveness.		✓	14-35
14. General: The district has a process to set objectives for risk management activities, identify and evaluate risks, and design a comprehensive program to protect itself at a reasonable cost.		✓	14-39
15. Providing for Coverage Against Risk Exposure: The district has comprehensive policies and procedures relating to acquiring and reviewing coverage for risks of loss.		✓	14-42
16. Management Control Methods: District management communicates its commitment and support of strong internal controls.		✓	14-48
17. Financial Accounting System: The district records and reports financial transactions in accordance with prescribed standards.	✓		14-50
18. Financial Reporting Procedures: The district prepares and distributes its financial reports timely.	✓		14-52
19. Budget Practices: The district has a financial plan serving as an estimate of and control over operations and expenditures.	✓		14-53
20. Cash Management: The district has effective controls to provide recorded accountability for cash resources.	✓		14-58
21. Investment Practices: The district has an investment plan that includes investment objectives and performance criteria designed to maximize return consistent with the risks associated with each investment, and specifies the types of financial products approved for investment.	✓		14-59
22. Receivables: The district has established effective controls for recording, collecting, adjusting, and reporting receivables.	✓		14-61
23. Salary and Benefits Costs: The district has effective controls that provide accountability for the payment of salaries and benefits.	✓		14-62
24. Debt Financing: The district analyzes, evaluates, monitors, and reports debt-financing alternatives.	✓		14-64
25. Grant and Entitlement Monitoring: The district effectively monitors and reports grants activities.	✓		14-65

Best Practices	Is the District Using Best Practices?		

COST CONTROL SYSTEMS	*YES*	*NO*	*PAGE*
26. Segregation of Duties: The district segregates purchasing responsibilities from the requisitioning, authorizing, and receiving functions.	✓		14-67
27. Requisitioning: The district has established controls for authorizing purchase requisitions.	✓		14-68
28. Purchasing: The district has established authorization controls over purchasing.	✓		14-69
29. Receiving: The district has established controls to ensure that goods are received and meet quality standards.	✓		14-71
30. Disbursements: The district has established controls to ensure disbursements are properly authorized, documented, and recorded.	✓		14-72
31. Invoice Processing: The district has established controls for processing invoices to ensure that quantities, prices, and terms coincide with purchase orders and receiving reports.		✓	14-73

COMMUNITY INVOLVEMENT	*YES*	*NO*	*PAGE*
1. The district has developed a meaningful community involvement mission statement and maintains ongoing community involvement activities in its strategic plan directed toward performing that mission.	✓		15-3
2. The district has established and implemented accountability mechanisms to ensure the performance, efficiency, and effectiveness of the Community Involvement Program.		✓	15-5
3. The district solicits and incorporates parent and community involvement and support.	✓		15-6
4. The district uses a variety of methods of communicating with parents.	✓		15-9
5. The district periodically reviews the organizational structure and staffing levels of the Community Involvement Program to minimize administrative layers and processes.	✓		15-10
6. The district has active Parent Teacher Associations /Parent Faculty Organizations (PTA/PFO) and other effective methods to involve and encourage parent leadership and participation.	✓		15-10
7. The district provides activities that encourage families to be involved in the schools.	✓		15-11
8. The district uses community resources to strengthen schools, families, and student learning and consistently offers school resources to strengthen communities.	✓		15-14
9. The district has developed school-business partnerships.	✓		15-15
10. District schools maintain active and effective programs to involve volunteers in the education process.	✓		15-15
11. District schools solicit economic support through school foundations.	✓		15-16

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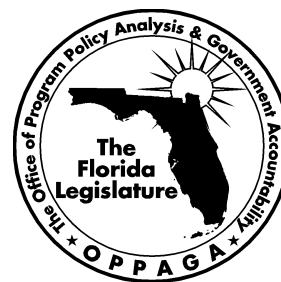
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- Florida Government Accountability Report (FGAR) is an Internet encyclopedia of Florida state government. FGAR offers concise information about state programs, policy issues, and performance. Check out the ratings of the accountability systems of 13 state programs.

- Best Financial Management Practices Reviews of Florida school districts. In accordance with the *Sharpening the Pencil Act*, OPPAGA and the Auditor General jointly conduct reviews to determine if a school district is using best financial management practices to help school districts meet the challenge of educating their students in a cost-efficient manner.

Subscribe to OPPAGA's electronic newsletter, Florida Monitor Weekly, a free source for brief e-mail announcements of research reports, conferences, and other resources of interest for Florida's policy research and program evaluation community.

1 Introduction

Best Financial Management Practices Reviews are designed to help Districts meet the challenge of educating students in a effective and cost-efficient manner. The Miami-Dade County Public School District was selected to be the first District reviewed under the State of Florida "Sharpening The Pencil Act."

Overview

Best Financial Management Practice Reviews are designed to assist school districts meet the many challenges of educating Florida's students in an effective and cost-efficient manner. During these reviews, the school district's management and operational activities are evaluated in comparison to "best practices" established by the State of Florida. These best practices were developed based on national best practices determined by looking at the management and operations of school districts across the county as well as published educational and operational research.

Given the depth and scope of these best practices and the high standard of performance set by the best practices, it is expected that the vast majority of school districts will not be in full compliance with all best practice indicators during their first review. When the District is not meeting a best practice, an action plan is developed with the District which, when fully implemented, will result in the District meeting the best practice with the ultimate goal of improving its effectiveness and cost-efficiency. The Miami-Dade County Public School district was selected by the State of Florida as the first District to be reviewed under the new "Sharpening The Pencil Act".

Background and Scope

The mission of the Miami-Dade County Public School District is to support the improvement of student achievement by strengthening instructional leadership, by launching innovative systemic initiatives, and by disseminating resources that enhance curriculum and instruction.

In accordance with Florida law, Berkshire Advisors, Inc., assessed the operations of the District under the thirteen review areas illustrated in Exhibit 1-1.

Exhibit 1-1

Best Financial Management Practice Review Areas [1]

1. Management Structures	8. Facilities Construction
2. Performance Accountability Systems	9. Facilities Maintenance
3. Educational Service Delivery	10. Student Transportation
4. Administrative & Instructional Technology	11. Food Service Operations
5. Personnel Systems & Benefits	12. Cost Control Systems
6. Use of Lottery Proceeds	13. Community Involvement
7. Use of State & District Construction Funds	

[1] The District's Safety and Security Program was evaluated as part of this review. The finding and recommendations related to Safety and Security will be published in a separate report.

Introduction

OPPAGA and Berkshire Advisors thank the Miami-Dade County Public School Board and the District employees who provided information and assistance for their cooperation and courtesy throughout this review.

Methodology

In conducting this best practice review, Berkshire Advisors, Inc. employed a variety of approaches to gathering information related to the District's performance in relation to the Best Financial Management Practice indicators. The Berkshire Advisors team made several site visits to the Miami-Dade County Public School District. Refer to Exhibit 1-2 for a timeline of major project activities. The review team conducted interviews with District administrators and staff, regional administrators and staff, and school board members. Four public forums were held at locations across the District. Likewise, an e-mail address and 800 number were established so District stakeholders could provide input into the study.

Site visits were conducted to schools, transportation centers, regional offices, maintenance offices, safety and security offices, construction sites and food service operations. In addition, visits were made to over 60 schools where interviews were conducted with administrators, teachers, parents, and School Advisory Council members.

Staff also reviewed documents provided by the District including program documents, compliance reports, strategic plans, financial data, programmatic data, performance data and audit reports. Additionally staff reviewed national, state and District web-based reports and databases related to the performance the District and its peer districts.

Berkshire Advisors also surveyed six groups of stakeholders: school board members, school-based administrators, school-based certificated staff, school-based noncertificated staff, nonschool-based administrators and nonschool-based staff.

Exhibit 1-2

Miami-Dade County Public School District Best Financial Management Practices Review Timeline

Activity	Date
OPPAGA and Berkshire Advisors, Inc Teams Conduct First Site Visit (Team members review MDCPS self-assessment with District staff, conduct initial interviews, request additional data, being to identify potential issues and cost savings)	August 2001
Berkshire Advisors, Inc. Conduct Public Forums (Four public forums were conducted to obtain citizen and community input on District performance)	August through October 2001
Berkshire Advisors, Inc Conduct Second Site Visit (Meetings held with District staff to present preliminary findings and recommendations and gather District feedback, determine issues requiring further investigation and check accuracy of findings)	December 2001
OPPAGA and Berkshire Advisors, Inc. Conduct Third Site Visit (Meetings held with District staff to review draft report and obtain feedback to insure accuracy and to review and revise action plans)	January 2002
Presentation of Final Report to Miami-Dade County Public School Board	March 2002

Source: Berkshire Advisors, Inc.

Interviews

Berkshire Advisors conducted over 1000 on-site interviews to gain an understanding of Miami-Dade County Public Schools operations and programs. The project team interviewed District personnel representing all areas of operations and all levels of staff. Interview participants included school board members, superintendent, deputy superintendents, associate superintendents, assistant superintendents, regional superintendents, regional directors, program executive directors, directors, supervisors, principals, assistant principals, teachers, instructional support staff and noninstructional support staff. In addition, the team held numerous telephone conversations and exchanged e-mails with District staff to gather information and feedback on relevant issues.

On-Site Visitations and Observations

Berkshire Advisors team members conducted on-site visitations and observations of all aspects of District operations. These visits included traditional school campuses, alternative school campuses, ESE centers, early intervention centers, food service operations, transportation centers, security and safety centers, and maintenance operations. Not only were numerous staff interviewed during these visits, but also operations and instruction were observed.

Public Forums

The review team conducted four public forums in different areas of Maimi-Dade County. These forums were conducted at two-week intervals over a two-month period. Forums were held in at locations throughout the District to allow all citizens to have input into the review process, to express their concerns regarding District issues and discuss outstanding District programs and/or operations. Forums were conducted so that citizens were able to meet individually or in small groups to share their input.

Peer Districts

Berkshire Advisors, Inc. in collaboration with OPPAGA and the Miami-Dade County Public Schools identified four peer districts, two Florida Districts and two out-of-state Districts for the purpose of benchmarking District performance with Districts facing similar challenges. Many challenges were presented when attempting to identify benchmark Districts within the State of Florida. Due to the size of Miami-Dade County Public Schools and the uniqueness of the student population served, it is difficult to compare them to anyone within the State of Florida. When comparing Miami-Dade to their counterpart Districts nationally, differing state laws and assessment procedures make the comparison data murky.

Florida benchmark Districts identified were Broward and Hillsborough County. In some noninstructional areas comparisons were also made with Orange and Palm Beach county (Florida) school districts. National peer district identified were Houston Independent School district (Texas) and Clark County Public Schools, (Nevada). These Districts were chosen not just because of their size but because they too are experiencing a large influx of immigrants into the system. Clark County, most especially, is faced with a rising immigrant student population, school overcrowding and the need for an ever increasing pool of teachers.

Benchmarking data was gathered by contacting District superintendents, who referred the researcher to the Districts' public information offices where data collection was coordinated. Additionally data was gathered from District websites, Florida Department of Education, and the Council of Great City Schools.

Surveys

To receive input from a broad range of District staff, Berkshire Advisors, Inc. surveyed six groups of stakeholders as illustrated in Exhibit 1-3.The nature of questions varied dependent on the group surveyed and the results have been incorporated into the report, where applicable.

Exhibit 1-3

Berkshire Advisors, Inc. Surveyed Six Groups of Stakeholders

Survey Group	Total Surveys Distributed
Board Members	9
School-based Administrators	978
School-based Certificated Staff	4800
School-based Noncertificated Staff	4236
Nonschool-based Administrators	386
Nonschool-based Staff	2591
Total	**13000**

Source: Berkshire Advisors, Inc.

2 Statistical Profile of the Miami-Dade County Public Schools

The mission of the Miami-Dade County Public Schools is to support the improvement of student achievement by strengthening instructional leadership, by launching innovative systemic initiatives, and by disseminating resources that enhance curriculum and instruction.

County Profile

Miami-Dade County is located along the southeast tip of the Florida peninsula. It is bounded by Biscayne Bay and the Atlantic Ocean to the east, Everglades National Park to the west, the Florida Keys to the south, and Broward County (Ft. Lauderdale) to the North. The County's total land area is 1,946 square miles and is larger than the states of Rhode Island and Delaware.

The total population of the County (in the year 2000) was 2,253,362. Of this population approximately 933,700 reside in one of the County's 31 municipalities. The City of Miami is the largest municipality, followed by Hialeah, Miami Beach, North Miami and Coral Gables. The remaining population lives in unincorporated areas of the County.

As Exhibit 2-1 shows, the preponderance of County citizens are either white or African American. Persons of Hispanic or Latino origin comprise 57.3 percent of the population.

Exhibit 2-1

The Preponderance Of County Citizens Are Either White Or African American

Race	Percent
White	69.7%
Black or African American	20.3%
American Indian and Alaska Native	0.2%
Asian	1.4%
Person reporting some other race	4.6%
Persons reporting two or more races	3.8%

Source: U.S. Census Bureau.

A significant percentage of the County's population (24.8 percent) is school aged (under 18 years old) while an additional 6.5 percent are less than five years old. In addition, 39.0 percent of County households have persons under 18. By contrast, a relatively small percentage of the County's populations (13.3 percent) are 65 years old or older.

While the County's median household income (based on a 1997 model) is $30,000, 21.1 percent of the County's population is below the poverty level and 29.6 percent of the County's children are below the poverty level.

School District Profile ─────────────

This section presents general information on the Miami-Dade County Public Schools (MDCPS) and compares the District with other large Districts in the state. The Districts with which MDCPS is compared in this section are the Broward County Public Schools, the Hillsborough County Public Schools, the Palm Beach County Public Schools, and the Orange County Public Schools.

General Information

With close to 370,000 students the Miami-Dade County Public Schools is the largest school District in the state and the fourth largest District in the nation. Its student population is much larger than the other large Districts used for comparison, however its rate of growth between the 1996-97 school year and the 2000-01 school year was less than that for the comparison Districts (see Exhibit 2-2).

Exhibit 2-2

MDCPS Services Significantly More Students
Than The Comparison Districts

District	Student Population		Percentage Growth
	1996-97	2000-01	
Miami-Dade	**341,115**	**368,393**	**8.0%**
Broward	215,557	251,116	16.5%
Hillsborough	147,897	164,294	11.1%
Palm Beach	137,663	153,800	11.7%
Orange	129,137	150,984	16.9%
State	2,239,411	2,431,521	8.6%

Source: Florida School District Profiles.

While its overall growth rate is lower than for the comparison Districts the rate of growth has been steady (see Exhibit 2-3).

Exhibit 2-3

Enrollment Growth Has Been Steady
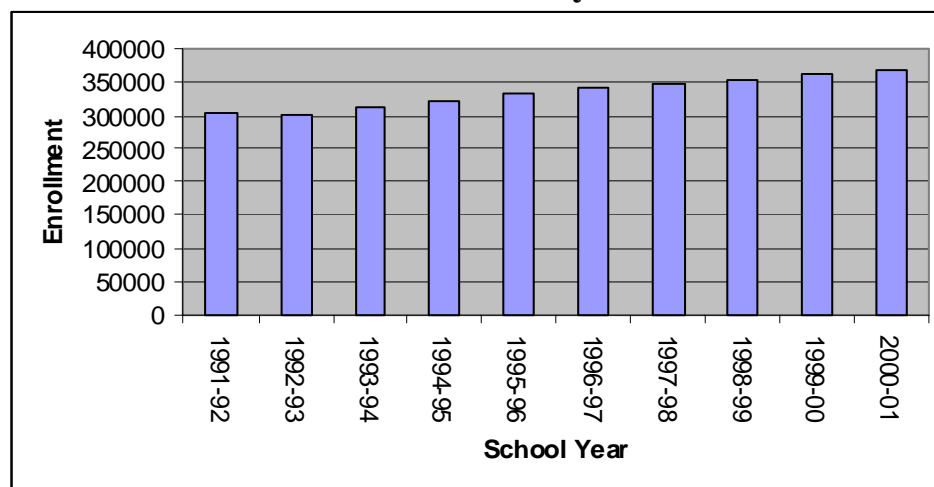
Source: MDCPS Statistical Abstract (2000-01).

The District operates 411 schools of which more than half are elementary schools (see Exhibit 2-4). The number of schools operated is significantly more than the number of school operated in Broward County (240), Hillsborough County (240), Orange County (185) and Palm Beach County (201).

Exhibit 2-4

The District Operates 411 Schools Of Which More Than Half Are Elementary Schools

Type	Number
Elementary Schools	208
Middle/Junior High Schools	48
Senior High Schools	46
Combination Schools[1]	12
Adult Schools	27
Vocational Centers	6
Other Types of Schools (includes Alternative Schools and ESE Centers)	35
Charter Schools	14
Department of Juvenile Justice Schools	15
Total	**411**

Source: MDCPS.

School District Financial Information

The adopted budget for the Miami-Dade County Public Schools for the 2001-2002 fiscal year is $2.468 billion. The District receives revenues from federal, state and local sources. Most (88.3 percent) of the revenue the District receives from the state is from the Florida Education Finance Program (FEFP). This fund source, established by the Legislature, annually prescribes state revenues for education as well as the level of *ad volorum* taxes (property taxes), which can be levied by each school District in the state. It also includes restricted funding called "categoricals" which are funds specified by the Legislature for selected District services, such as instructional materials. Exhibit 2-5 shows the District's sources of funds for the General Fund for the 2001-02 fiscal year.

Exhibit 2-5

District Funds Include Federal, State and Local Sources

Source	Total (Millions)
Federal	$ 10.24
State	1,442.22
Local	721.50
Transfer From Capital Outlay	127.11
Non-Revenue Sources	0.03
Fund Balance	167.20
Total Revenue and Fund Balance	**$2,468.30**

Source: Citizen's Guide to the MDCPS Operating Budget.

According to the District's audited financial statements, in the fiscal year ending June 30, 2001 60.8 percent of the District's expenditures were for instructional services. Operation and maintenance of the physical plant comprised the second greatest portion of District expenditures followed by instructional support services and school administration (see Exhibit 2-6).

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[1] Schools with both elementary and middle school grades or middle school and high school grades.

Exhibit 2-6

60.8 Percent Of District Expenditures In The 2000-01 Fiscal Year Were For Instructional Services

Category	Total (Millions)	Percent
Instructional Services	$1,371.85	60.8%
Instructional Support Services	197.89	8.8%
Pupil Transportation Services	78.57	3.5%
Operation and Maintenance of Plant	301.88	13.4%
School Administration	142.46	6.3%
General Administration	90.77	4.0%
Other	28.66	1.3%
Capital Outlay	42.96	1.9%
Debt Service	.64	0.0%
Total	**$2,255.68**	**100.0**

Source: MDCPS Audited Financial Statements (2000-01).

Miami-Dade County Public Schools expenditures per FTE for 1998-99 (the last year for which comparative information was provided by the State) are similar to those of the Districts used for comparison. Expenditures per student were lower than those in Palm Beach County and Hillsborough County but higher than those in Broward County and Orange County (See Exhibit 2-7).

Exhibit 2-7

MDCPS Expenditures Per FTE Are Comparable To Its Peers

Category	Unweighted FTE	Expenditures (1998-99)	Expenditures Per FTE
Palm Beach	146,175.06	$886,340,340.88	$6,064
Hillsborough	157,622,93	935,092,568.11	5,932
Miami-Dade	**361,614.58**	**2,133,599,616.06**	**5,900**
Broward	231,425.78	1,274,911,687.87	5,509
Orange	140,140.88	753,479,070.17	5,377
Average Without Miami-Dade			**5,721**
State Total	**2,335,600.58**	**13,141,468,926.01**	**5,626**

Source: Florida Department of Education, Profile of Florida School Districts, Financial Data.

Student Characteristics

This section presents information on the student population of the Miami-Dade County Public Schools, as well as information about four other Districts.

The Miami-Dade County Public Schools serves a much higher percentage of minority (i.e., Non-White Non-Hispanic) students than the Districts used for comparisons. While Black Non-Hispanic and Hispanic students comprise 86.8 percent of the students served by the Miami-Dade County Public Schools, Black Non-Hispanic and Hispanic students comprise 55.2 percent of the Broward County Public Schools, 44.7 percent of the Hillsborough County Public Schools, 51.8 percent of the Orange County Public Schools and 47.0 percent of the Palm Beach County Public Schools (see Exhibit 2-8).

Exhibit 2-8

MDCPS Serves A Much Higher Percentage Of Minority Students Than The Districts Used For Comparison

	Broward County	Miami-Dade County	Hillsborough County	Orange County	Palm Beach County
White Non-Hispanic	40.4%	**11.2%**	50.2%	43.7%	48.2%
Black Non-Hispanic	36.0%	**31.0%**	23.6%	29.2%	29.6%
Hispanic	19.2%	**55.8%**	21.1%	22.6%	17.4%
Asian/Pacific Islander	2.7%	**1.2%**	2.2%	3.5%	2.1%
American Indian/Alaskan Native	0.3%	**0.1%**	0.4%	0.3%	0.5%
Multiracial	1.4%	**0.7%**	2.6%	0.7%	2.2%

Source: Profiles Of Florida School Districts, 2000-01.

In addition, as Exhibit 2-9 shows, a much higher percentage of Miami-Dade County Public Schools students are eligible for free/reduced price meals than students in the District used for comparison. Indeed, 17.7% more students are eligible for free/reduced price meals in MDCPS than the average percentage of students in the Districts used for comparison.

Exhibit 2-9

The Proportion Of Miami-Dade Students Eligible For Free/Reduced Price Significantly Exceeds The Proportion In The Districts Used For Comparison

District	Enrollment	Students Eligible For Free/Reduced Price Meals	Percent
Miami-Dade	**368,393**	**217,594**	**59.1%**
Orange	150,984	71,557	47.4%
Hillsborough	164,294	75,544	46.0%
Palm Beach	153,800	59,466	38.7%
Broward	251,116	91,676	36.5%
Average (Excluding Miami-Dade)	**180,049**	**74,561**	**41.4%**
State Average	**2,431,521**	**1,068,609**	**43.9%**

Source: Profiles of Florida School Districts (2000-01).

In addition, a much higher percentage of MDCPS students are limited English proficient than students in the Districts used for comparison. As Exhibit 2-10 shows, the percentage of limited English proficient students served by the Miami-Dade County Public Schools is 7.5 percent higher than the average of the Districts used for comparisons and is more than double the percentage in the state as a whole.

Exhibit 2-10

The Proportion Of Miami-Dade Students Who Are Limited English Proficient Significantly Exceeds The Proportion In The Districts Used For Comparison

District	Enrollment	LEP Students	Percent
Miami-Dade	**368,393**	**67,736**	**18.4%**
Palm Beach	153,800	18,606	12.1%
Broward	251,116	27,287	10.9%
Hillsborough	164,294	17,191	10.5%
Orange	150,984	15,281	10.1%
Average (Excluding Miami-Dade)	**180,049**	**19,591**	**10.9%**
State Average	**2,431,521**	**188,834**	**7.8%**

Source: Profiles of Florida School Districts (2000-01).

By contrast, the percentage of Exceptional Student Education (ESE) students in the MDCPS is lower than all the Districts used from comparison but one – the Broward County Public Schools. In addition, the percentage of students who receive ESE services in the District is lower than the state average (see Exhibit 2-11).

Exhibit 2-11

The Proportion Of Miami-Dade Students Who Receive ESE Services Is Lower In The MDCPS Than For All But One Of The Districts Used For Comparison [2]

District	Enrollment	ESE Students	Percent
Orange	150,984	29,201	19.3%
Hillsborough	164,294	31,319	19.1%
Palm Beach	153,800	28,856	18.8%
Miami-Dade	**368,393**	**62,686**	**17.0%**
Broward	251,116	36,809	14.7%
Average (Excluding Miami-Dade)	**180,049**	**31,546**	**17.5%**
State Average	**2,431,521**	**467,200**	**19.2%**

Source: Profiles of Florida School Districts (2000-01).

Student Performance

The effective delivery of educational services is the first and most important aspect of all school District missions. Critical to the delivery of these services is how Districts can maximize student performance while keeping within budget constraints. This section profiles student achievement in the Miami-Dade County public schools and also presents comparative information on a number of dimensions of student performance: an independent evaluation of schools serving disadvantaged students, test scores, graduation rates, drop-out rates, college placement tests, and post graduation activities.

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[2] ESE includes students identified as eligible for either gifted or special education services

Independent Evaluation Of Schools Serving Disadvantaged Students

An independent evaluation of schools nationwide indicates that the performance of some MDCPS schools in serving disadvantaged students is exemplary. The Washington D.C. based Education Trust, Inc. recently released a national study of schools identifying 180 high-poverty and high-minority schools nationwide that have high student performance of which 65 are located in Miami-Dade County. The report, *Dispelling The Myth Revisited, Preliminary Findings From A Nationwide Analysis Of "High Flying" Schools*, provides a preliminary look at where such "high flying" schools are and what they look like. The analysis identified a total of 4,577 schools nationwide in the year 2000 that met the following criteria:

- Students' reading and/or math performance was in the top third among all schools in the state at the same grade level, and
- The percentage of low-income students in the school was at least 50 percent and ranked in the top third of schools at that grade level *and/or* the percentage of African American and Latino students in the school was at least 50 percent and ranked in the top third of schools at that grade level.

Test Scores

Comparing Miami-Dade County Public Schools to peer districts in Florida, the District's performance is comparable on some measures. Despite the fact that the District serves a significantly larger disadvantaged population than the Broward County Public Schools and the Hillsborough County Public Schools, writing scores on the Florida Comprehensive Assessment Test (FCAT) exceed FCAT scores in Broward County and match Hillsborough County's FCAT scores on the Grade 4 test. In addition, writing FCAT scores exceed average state FCAT scores for all three grades tested (see Exhibit 2-12).

Exhibit 2-12

FCAT Writing Scores For The Miami-Dade County Public Schools Exceed Average State Scores And Also Exceed The Scores For One Peer District

Writing	Grade 4	Grade 8	Grade 10
State	3.4	3.7	3.8
Miami-Dade	**3.6**	**3.8**	**3.9**
Broward	3.5	3.6	3.8
Hillsborough	3.6	4.1	4.0

Source: Department of Education. District FCAT Writing Scores, 2001.

On a number of measures, however, the performance of the Miami-Dade County Public Schools lags that of other Districts. As Exhibit 2-13 shows, for example, District FCAT reading scores are lower than state averages and for the Broward County Public Schools and the Hillsborough County Public Schools.[3]

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[3] It should be noted that the average percentage difference between MDCPS reading scores (for all three grade levels) and reading scores in the Broward County Public Schools (2.9 percent) and the Hillsborough County Public Schools (4.3 percent) is far less than the difference in the percentage of students eligible for free/reduced price meals between the Districts (24.1 percent for the Broward County Public Schools and 11.8 percent for the Hillsborough County Public Schools.

Exhibit 2-13

FCAT Reading Scores For The Miami-Dade County Public Schools Lag The Performance Of Peer Districts

Reading	Grade 4	Grade 8	Grade 10
State	298	295	304
Miami-Dade	**297**	**286**	**294**
Broward	301	297	304
Hillsborough	302	302	311

Source: Department of Education. District FCAT Reading Scores, 2001.

Likewise, MDCPS mathematics scores on FCAT are lower than the average FCAT scores for the State and are also lower than scores in the peer districts (see Exhibit 2-14). [4]

Exhibit 2-14

FCAT Mathematics Scores For The Miami-Dade County Public Schools Lag The Performance Of Peer Districts

Mathematics	Grade 5	Grade 8	Grade 10
State	314	308	323
Miami-Dade	**319**	**301**	**314**
Broward	323	313	325
Hillsborough	321	319	332

Source: Department of Education. District FCAT Mathematics Scores, 2001.

In addition, District students have consistently performed below state and national averages on the College Board Scholastic Assessment Test (SAT). [5] Over the past three years, these scores have been fairly stagnant at the District, state and national levels. As Exhibit 2-15 indicates, the District's scores for both the Mathematics and Verbal portions of the SAT for the 2000-2001 school year were much lower than state and national average. The percent of Miami-Dade County 12th graders opting to take these sets is also below the state average, but slightly above the national average.

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[4] Again, the average percentage difference between MDCPS mathematics scores (for all three grade levels) and mathematics scores in the Broward County Public Schools (2.9 percent) and the Hillsborough County Public Schools (4.1 percent) is far less than the difference in the percentage of students eligible for free/reduced price meals between the Districts (24.1 percent for the Broward County Public Schools and 11.8 percent for the Hillsborough County Public Schools.

[5] A word of caution should be made regarding test interpretation for the SAT: Average scores are based on approximately 41 percent of the graduating class and therefore do not reflect the performance of the overall class of graduating seniors. In addition, the socio-economic status of the populations being compared is not similar. Minority students comprise about one-third of the nation's test takers but about 80 percent of the District's test takers.

Exhibit 2-15

Average SAT Scores For The District Are Considerably Lower Than State And National Averages

	SAT-Math	SAT-Verbal
National	511	505
State	498	499
Miami-Dade, FL	**461**	**461**
Broward, FL	490	484
Hillsborough, FL	500	501
Houston, TX	467	469

Source: Berkshire Advisors

When considering these test scores it should also be stressed that over the past three years District schools have achieved substantial improvements in their state school grades. During this period 112 District schools have improved their state school grade and the improvement has been equally dramatic for both low and high performing schools. As Exhibit 2-16 shows, the over the past three years the District has improved from having 24 schools rated as "F" by the State of Florida to currently having no "F" schools. In addition, during this same period the number of "D" schools has been reduced from 116 to 93 (a reduction of 19.8 percent). Moreover, the total number of "D" and "F" has been reduced by more than one-third (33.6 percent).

The increase in the number of District schools rated "A" and "B" has been even more dramatic. As Exhibit 2-16 shows the number of "A" schools has increased by 366 percent over the past three years while the number of "B" schools has increased by 46.6 percent. Moreover, the total number of schools rated as "A" and "B" has increased by 166% over this period.

Exhibit 2-16

Over The Past Three Years, The Number Of Schools Rated "D" And "F" Has Declined By More Than One-Third While the Number of Schools Rated "A" and "B" Has Increased By 166 Percent

	Number Of Schools Rated "F"	Number Of Schools Rated "D"	Total "D" and "F" Schools	Number of Schools Rated "A"	Number of Schools Rated "B"	Total "A" and "B" Schools
1998-99	24	116	140	9	15	24
1999-00	3	120	123	34	19	53
2000-01	0	93	93	42	22	64

Source: Florida Department of Education.

Graduation Rates

The District's graduation rate is also significantly lower than both the state and the benchmark Districts. As indicated in Exhibit 2-17, the District's current graduation rate of 53.9% is well below the state average of 62.3 percent. Moreover, the District's graduation rate lags that of the peer districts by an even greater percentage. [6]

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[6]Comparisons of graduation rates with non-Florida benchmark school District were not made as the criterion for graduation among state can vary dramatically based on the state's graduation credit requirements and any statewide competency test that must be passed to graduate.

Exhibit 2-17

The District's Graduation Rate Is Much Lower Than The State Average And For Florida Peer Districts

District	Graduate Rate
State	62.3%
Miami-Dade	**53.9%**
Broward	63.9%
Hillsborough	71.4%

Source: Florida Department of Education.

Drop-Out Rate

Moreover, the District's dropout rate exceeds the state rate and is significantly higher than the benchmark Districts. As Exhibit 2-18 shows, the District's dropout rate for the 2000-2001 school year is 5.4 percent or 0.8 percentage points higher than the average dropout rate in the State. In addition, the District's dropout rate greatly exceeds the dropout rate in peer districts. However, one must be careful and not draw many conclusions from other states' dropout rate data. It is not uncommon for each state's application of dropout rate criteria to be flawed and for different states to interpret dropout rate standards differently.

Exhibit 2-18

The District's Dropout Rate Is Much Higher Than The State Average And Dropout Rates In Peer Districts

District	Dropout Rates
State	4.6%
Miami-Dade	**5.4%**
Broward	2.3%
Hillsborough	2.6%
Houston, Texas	3.9%

Source: Berkshire Advisors, Inc.

College Placement Test

The performance of Miami-Dade County Public School students on placement tests at Florida public community colleges also lags that of other Districts. Section 240.118, *Florida Statutes*, requires every freshman in a public community college or university in Florida to demonstrate basic skills before beginning college level courses. Students who achieve minimum scores on the Elementary Algebra, Reading Comprehension, and Sentence Skills portions of the Florida College Placement Test (CPT) are considered "ready" for college-level math, reading and writing, respectively. As illustrated in Exhibit 2-19, the performance of District graduates who achieve minimum scores on all three tests is consistently lower than for the two peer Florida District's and is lower than the statewide average.

Exhibit 2-19

A Lower Percentage Of Miami-Dade County Public School Graduates Are Considered "Ready" For College-Level Math, Reading And Writing Than Peer District Graduates

	Percent Of Graduates Receiving Minimum Scores In Math, Reading And Writing
Miami-Dade	**51.1%**
Broward	63.5%
Hillsborough	68.0%
State	63.0%

Florida Department of Education.

Post Graduation Activities

In addition, information on what District graduates do after graduating from high school suggest that MDCPS graduates are as employable and as ready to continue their education as graduates of the peer districts. As Exhibit 2-20 shows, the percentage of graduates who work or continue their education after graduation is comparable to the two Florida peer districts while somewhat less than the state average.

Exhibit 2-20

The Percentage Of Miami-Dade County Public School Graduates Who Are Employed Or Continuing Their Education Is Comparable To The Percentage Of Graduates Who Are Employed Or Continuing Their Education In Two Peer Districts

	Percent Of Graduates Continuing Education Or Employed
State	63.0%
Miami-Dade	**55.2%**
Broward	56.3%
Hillsborough	55.1%

Source: Florida Department of Education.

Staff Characteristics ─────────────

This section presents information on the personnel employed by the Miami-Dade County Public Schools and makes comparisons with other large Florida school Districts.

As Exhibit 2-21 the percentage of administrators and instructional staff are somewhat higher in the Miami-Dade County Public Schools than in the Districts used for comparison while the percentage of support staff (as a proportion of the District's total staffing is lower).

Exhibit 2-21

Administrators And Instructional Staff Comprise A High Percentage Of The Total Staffing In The Miami-Dade County Public Schools As Compared To The Districts Used For Comparison

District	Full-Time Staff						
	Administrators	% of Total	Instruction	% of Total	Support	% of Total	Total
Broward	669.0	2.9%	13,235.0	57.2%	9,226.0	39.9%	23,130.0
Hillsborough	558.0	2.7%	11,371.0	55.8%	8,447.0	41.5%	20,376.0
Miami-Dade	**1,408.0**	**3.8%**	**21,198.0**	**57.8%**	**14,088.0**	**38.4%**	**36,694.0**
Orange	504.0	3.0%	9,351.0	55.3%	7,058.0	41.7%	16,913.0
Palm Beach	560.0	3.3%	9,402.0	55.8%	6,879.0	40.8%	16,841.0
Average (Excluding Miami-Dade)	**572.8**	**3.0%**	**10,839.8**	**56.1%**	**7,902.5**	**40.9%**	**19,315.0**
State	**9,470.0**	**3.4%**	**150,551.0**	**54.7%**	**115,068.0**	**41.8%**	**275,089.0**

Source: Profiles of Florida School Districts (2000-01).

The percentage of minority (i.e., Non-White Non-Hispanic) staff is much higher in the MDCPS than for the Districts used for comparison. In particular, Black Non-Hispanic and Hispanic staff make up 71.1 percent of the MDCPS. As Exhibit 2-22 shows, in the Districts used for comparison Black Non-Hispanic and Hispanic workers make up a much lower percentage of the total workforce – 39.9 percent of the Broward County Public Schools workforce, 32.3 percent of the Hillsborough County workforce, 35.0 percent of the Orange County workforce, and 34.9 percent of the Palm Beach County workforce.

Exhibit 2-22

A Higher Percentage Of Minority Staff Are Employed By MDCPS Than By The Districts Used For Comparison

	Broward County	Miami-Dade County	Hillsborough County	Orange County	Palm Beach County
White Non-Hispanic	58.6%	**27.7%**	66.7%	63.5%	64.1%
Black Non-Hispanic	31.7%	**35.7%**	16.8%	21.0%	24.0%
Hispanic	8.2%	**35.4%**	15.5%	14.0%	10.9%
Asian/Pacific Islander	0.8%	**0.7%**	0.6%	1.2%	0.8%
American Indian/Alaskan Native	0.7%	**0.4%**	0.4%	0.3%	0.2%

Source: Profiles Of Florida School Districts, 2000-01.

In addition, as Exhibit 2-23 shows the percentage of the work force that is male is higher in the Miami-Dade County Public Schools than it is the Districts used for comparison.

Exhibit 2-23

MDCPS Employs A Higher Percentage Of Male Employees Than The Districts Used For Comparison

District	Percent Male	Percent Female
Miami-Dade	**30.1%**	**69.9%**
Broward	25.2%	74.8%
Palm Beach	25.1%	74.9%
Orange	23.8%	76.2%
Hillsborough	20.7%	79.3%

Source: Profiles of Florida School Districts (2000-01).

3 Management Structures

The Miami-Dade County Public Schools needs to focus significant attention on strengthening management structures. Relationships between Board members and the superintendent should be strengthened and organizational relationships should be modified to support more cost-effective management.

Conclusion

Management structures within the Miami-Dade County Public Schools need to be strengthened both to ensure effective oversight by the Board and to enhance the management of the District's internal operations. In particular, working relationships between the Board and the superintendent should be strengthened and increased attention should be focused on ensuring that all Board members receive the information they need to effectively oversee District operations. The strategic planning process should also be enhanced as part of an overall effort to clearly define District goals, objectives, and priorities and to facilitate efforts to hold the superintendent and District staff accountable for achieving these goals and objectives (within the constraints of existing budgets). The District's overall organizational structure should be revamped to facilitate efforts to achieve these goals. On the positive side, school based management concepts have been effectively implemented in District schools. School administrators have significant budgetary authority and typically use that authority to tailor the resources available at their schools to meet the school's individual needs.

During the course of this review, Berkshire Advisors identified a number of District accomplishments relating to management structures, some of which are included in Exhibit 3-1 below.

Exhibit 3-1

The District Has Had a Number of Notable Accomplishments in Management Structures in the Last Three Years

- School principals have been granted the authority they need to manage their schools while also complying with District policies and procedures.
- The District's "money matters" program has provided school-based administrators with needed training relating to fiscal management.
- One management position – the former Associate Superintendent who oversaw both the legal and labor relations function – has been discontinued.

Source: Berkshire Advisors, Inc.

Overview of Chapter Findings

Berkshire Advisors reviewed the District's management structures using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. The consulting team employed several methodologies to develop chapter conclusions and action plans. For instance, Berkshire Advisors, Inc. conducted on-site interviews with District level managers and gathered information on the management structures activities

such as the District's management structures activities policies and procedures. All school Board members were also interviewed. In addition, visits were made to over 60 schools where interviews were conducted with administrators, teachers, parents, and School Advisory Council members. Moreover, Berkshire Advisors, Inc., held four community forums at locations throughout the District where community members could provide input about District practices. Likewise, an e-mail address and 800 number were established so District stakeholders could provide input into the study. A survey was also administered to Board members. An additional survey was administered to a representative sample of employees from throughout the District.

An overview of chapter findings is presented below.

Responsible Management of District

1. The roles and responsibilities of the Board and superintendent have not been clearly delineated, and Board members and the superintendent have not established procedures to ensure that they have effective working relationships. (Page 3-4)
2. The Board and superintendent have not established procedures to ensure that Board meetings are as efficient and effective as possible. (Page 3-8)
3. The Board and superintendent have not taken steps to ensure that all policies and procedures are routinely updated and that District staff follows them. (Page 3-13)
4. The District routinely obtains legal services to advise it about policy and reduce the risk of lawsuits; however, neither legal costs nor performance are systematically evaluated. (Page 3-14)

Effective and Responsible Operation

5. Although the District's organizational structure has clearly defined units and lines of authority, the current structure does not facilitate effective District management. (Page 3-18)
6. The District has focused little attention on improving operating efficiency. (Page 3-25)
7. Although the District employs a number of effective budget and financial management practices, Board oversight of budget and financial practices can be improved. (Page 3-26)
8. The District has clearly assigned school principals the authority they need to effectively manage their schools while adhering to District-wide policies and procedures. (Page 3-28)

Allocation of Resources

9. Although the District has a multi-year strategic plan, the plan plays only a limited role in setting an overall direction for the District and in providing a framework for achieving District objectives. (Page 3-30)
10. The District has a system to accurately project enrollment. (Page 3-33)
11. The District does not effectively link its financial plans and budgets to its priority goals and objectives, and staff tend not to be focused on achieving those goals and objectives. (Page 3-34)
12. The District has been diligent in identifying additional sources of revenue. (Page 3-35)

Fiscal Impact of Recommendations───────

Two of the chapter's recommendations have a direct fiscal impact—the recommendation to modify the District's organizational structure and the recommendation to consider assigning some outside legal work to in-house counsel. Modifying the District's organizational structure will result in a net reduction of one position with associated annual savings in salaries and benefits over five years of $600,000. Moreover, hiring additional in-house legal staff to handle work that is currently performed by more expensive outside counsel would save the District an estimated $381,500 over five years if the recommendation is implemented. (As discussed in the body of this chapter, the District may not choose to implement this recommendation immediately.)

Exhibit 3-2

**Two Management Structures Action Plan
Recommendations Have Fiscal Impacts**

Recommendation	Five Year Fiscal Impact
• Action Plan 3-12: Assign some work performed by outside counsel to in-house legal staff.	• Five-year savings in salary and benefits of $381,500.[1]
• Action Plan 3-13: Modify the District's organizational structure.	• Five-year savings in salary and benefits of $600,000

Source: Berkshire Advisors, Inc.

Background

A nine member elected School Board provides governance of the Miami-Dade County Public Schools.[2] School Board members serve four-year terms and are elected from individual single member Districts on a staggered basis. The School Board sets District policy and appoints a Superintendent, who in turns selects administrators to head the system's administrative divisions and carry out the Board policy. In addition, the Board Attorney reports directly to the Board.

At the time this study was initiated the District was initiated the District was headed by a Superintendent who had ten positions reporting directly to him:

- Deputy Superintendent of Schools
- Deputy Superintendent – Personnel Management and Services
- Deputy Superintendent – Management and Accountability
- Deputy Superintendent – Education
- Deputy Superintendent – School Operations
- Deputy Superintendent – Federal Programs and Grants Administration
- Chief Financial Officer – Financial Affairs
- Chief Facilities Officer – Facilities Planning and Construction
- Chief Facilities Officer – Maintenance Operations
- Chief – School Police

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[1] As discussed in the body of this chapter, the District may want to delay implementing this recommendation in the short-term.

[2] The Board moved from seven members to nine members as a result of a court order intended to ensure fair representation among Miami-Dade County's ethnic groups.

Responsible Management of District———

1 **The roles and responsibilities of the Board and superintendent have not been clearly delineated, and Board members and the superintendent have not established procedures to ensure that they have effective working relationships.**

The roles and responsibilities of the Board and superintendent are not clearly defined and are not consistently understood

The roles and responsibilities of the Board members are not clearly defined and must be inferred from the "Duties" and "Goals", and sections of Chapter 8 of the School Board Rules. For example, the "Duties" section states that each school Board member should represent the entire District rather than a single residence area. The "Goals" section states that the Board can help the District achieve its goals by making many contributions including selecting and supporting the Superintendent, contributing to the Strategic Plan, and enacting policies to guide the professional staff. These roles and responsibilities would be much clearer if they were documented independently rather than being embedded in peripheral sections.

This lack of specificity has created some disagreement among Board members about the extent to which their roles and responsibilities have been clearly defined. Indeed, in a survey of Board members completed as part of this engagement, two Board members "disagree" or "strongly disagree" that "the District has developed written procedures that clearly delineate the responsibilities of the Board and the superintendent." (Three of the remaining five Board members who responded to the survey "agreed" with this statement, one Board member was "neutral" and one Board member had "no opinion.")

New Board members do, however, receive orientation training when they first come on the school Board[3] and this training covers the roles and responsibilities of the Board and superintendent.[4] However, there is no evidence that the delineation of superintendent and school Board roles and responsibilities are reinforced on an ongoing basis. Indeed, of the six Board members who completed the Board member survey, three Board members "disagree" and one Board member "strongly" disagreed that the "Board and the superintendent annually meet and assess their roles and responsibilities. It is insufficient, therefore, for the District to merely provide training on these roles and responsibilities as part of new Board member training; rather, if all Board members are to clearly understand their roles, the roles and responsibilities should be clearly documented in the School Board Rules and initial understandings must be reinforced on an ongoing basis.

Procedures have not been established to ensure effective working relationships between the superintendent and the school Board

The most telling evidence that the superintendent and the school Board have not established constructive working relationships is that the superintendent was recently dismissed and replaced by an interim superintendent. While undertaking an evaluation of the specific circumstances that led to the superintendent's dismissal is not within the

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[3] This finding is supported both by interviews with District staff who coordinate the new Board member training and by the results of the Board survey. (Of the six Board members who responded to the survey only one "disagrees" that new Board members receive orientation training. However, this Board member may have come on to the Board after the most recent orientation sessions were held.).

[4] Of the six Board members who responded to the Board survey, only one "disagreed" that new Board member training covers the roles and responsibilities of the Board and the superintendent.

scope of this Best Financial Management Practices Review, an examination of the structural and procedural shortcomings that may have contributed to the superintendent's dismissal is warranted as part of this review.

One key factor that may have contributed to the superintendent's dismissal, and certainly complicates effective District governance and leadership, is that no ongoing dialogue between the Board and the superintendent about District goals and objectives currently takes place. Although, to its credit, the District has established a strategic plan to guide its future direction, the District has not used this plan as a vehicle for setting annual performance objectives for the Superintendent nor for facilitating a discussion between the Board and District staff about how the District's strategic direction should be altered. [5] In addition, the former superintendent's contract (which was approved by the Board) did not support a review of goals and objectives as part of the process of establishing expectations for the superintendent's performance nor did it facilitate a review of performance against goals (and other evaluation factors) as part of an annual evaluation of the superintendent. Instead, the superintendent's contract allowed individual Board members to review his performance but provided no mechanism for the Board as a whole to review his performance. Consequently, an opportunity for the superintendent and the Board to engage in a dialogue about District performance each year as part of the process for evaluating the superintendent's performance was lost. [6] In the same way, because no system has been established for evaluating the Board's performance, an opportunity to facilitate a discussion about the Board's role in achieving District objectives and how constructive working relationships between the Board and the superintendent (and his staff) could be fostered is lost.

Effective working relationships between the Board and the superintendent (and his staff) have also suffered because procedures for handling controversial agenda items are generally not viewed as being effective. At present, an informal procedure is in place through which the superintendent directs staff to provide briefings for school Board members on agenda items that may be controversial. In addition, the superintendent has established a formal procedure through which school Board members may request briefings from appropriate staff through the committee chair. These efforts, however, are viewed as being insufficient by a number of Board members. Three of the seven Board members who responded to the Board survey "strongly disagree" with the statement that "the Board and superintendent advise each other when they become aware that an agenda item is likely to be controversial or that a controversial topic may arise at a Board meeting" and two of the remaining four Board members are "neutral" on this issue. Clearly, if controversial issues are not viewed as being handled effectively, working relationships between Board members and the superintendent will suffer.

Processes and procedures for managing Board access to District staff and constituent inquiries are not consistently adhered to

The District has established a well-defined procedure governing how Board members are to access District staff or direct staff to respond to constituent inquiries. The District office administrative staff is responsible for coordinating the educational programs to support the policies established by the Board. The line of authority from the District office to the schools is through the region superintendents, region directors, and principals. All personnel who work in the school are responsible administratively to the principal, and all contacts with employees in the school are made through the principal's office. Surveys of employees and Board members strongly suggest that these procedures are not consistently adhered to. Four of the seven Board members who responded to the Board survey "strongly disagree" that procedures for how Board members are to access District staff or direct staff to respond to constituent inquiries are adhered to and one Board member was "neutral." In addition, in interviews at both the District and school level staff complained about the time they are required to spend responding to inquiries from Board members or their staff. These interview findings are reinforced by the results of the employee survey. While three out of five survey respondents (60.1 percent "agree" or "strongly agree" with the statement "the District has

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[5] Four of the seven Board members who responded to the Board survey "disagree" or "strongly disagree" with the statements that "the Board and the superintendent annually meet and assess the District performance on its goals and objectives." One of the three remaining survey respondents was "neutral" about this statement. In addition, three of the seven Board members who responded to the survey "disagree" or "strongly disagree" with the statement that "the Board and the superintendent annually meet and assess their future plans for improving District performance." Two Board members were neutral about this statement.

[6] It should be noted that the District has begun to address this issue. The Board has asked that an superintendent evaluation process be prepared.

established procedures for how Board members are to access District staff or direct staff to respond to constituent inquiries" fewer than two out of five respondents (38.5 percent) "agree" or "strongly agree" with the statement "Board members and their staffs adhere to these procedures." Likewise, a relatively small percentage of survey respondents (15.3 percent) "disagree" or "strongly disagree" that procedures for how Board members are to access District staff are in place but almost double this number of survey respondents (29.8 percent) "disagree" or "strongly disagree" that Board members and their staffs adhere to these procedures.

Recommendations

- *We recommend that the District strengthen the ongoing training of Board members to ensure they have a consistent understanding about their roles and responsibilities and to ensure a shared understanding of how they work effectively with the Superintendent and staff; as part of this process we recommend that the Board attain Master Board status.*

Action Plan 3-1 provides the steps needed to implement this recommendation.

Action Plan 3-1

Strengthen Board Member Training		
Strategy	Strengthen the ongoing training of Board members to ensure a consistent understanding about their roles and responsibilities and how they should work with the Superintendent; as part of this effort the Board should take steps to attain Master Board status.	
Action Needed	Step 1:	Review Board rules and policies to clearly summarize the roles and responsibilities of Board members.
	Step 2:	Meet with each individual Board member to discuss their understanding of their roles and responsibilities; how they work with the superintendent, and procedures for contacting District staff.
	Step 3:	Meet with the Superintendent and a cross section of District administrators and staff to understand, from their perspective, issues and problems relating to Board member roles and responsibilities.
	Step 4:	Design Board member training program to address the issues identified.
	Step 5:	Hold training program.
	Step 6:	Seek Board approval for requirement to attain Master Board status.
	Step 7:	Repeat steps 1 through 5 on an annual basis.
Who Is Responsible	Superintendent and Board Chair	
Time Frame	June through August 2002	
Fiscal Impact	None	

Source: Berkshire Advisors, Inc.

- *We recommend that the District establish a formal process for evaluating the performance of the superintendent.*

Action Plan 3-2 provides the steps needed to implement this recommendation.

Action Plan 3-2

Establish A Formal Process For Evaluating The Superintendent		
Strategy	Establish a formal process for evaluating the Superintendent.	
Action Needed	Step 1:	Establish a task force to develop recommendations and alternatives for evaluating the superintendent's performance.
	Step 2:	This task force should collect information on the approaches other large school Districts use to evaluate the performance of their superintendents.
	Step 3:	The task force should develop a range of measures that might be used to evaluate performance.
	Step 4:	The task force should develop methodologies for evaluating performance against potential performance measures.
	Step 5:	The task force should recommend to the Board an approach to evaluating the superintendent's performance along with alternatives (the advantages and disadvantages of each alternative should be clearly documented).
	Step 6:	The Board should select a desired approach to evaluating superintendent performance.
	Step 7:	Processes for measuring performance should be put in place.
Who Is Responsible	Board Chair	
Time Frame	March through June 2002[7]	
Fiscal Impact	None	

Source: Berkshire Advisors, Inc.

- *We recommended that overall priorities for the District be formally approved by the Board each year and related performance expectations be incorporated into the process for evaluating superintendent performance.*

Action Plan 3-3 provides the steps needed to implement this recommendation.

Action Plan 3-3

Formally Establish District Priorities And Superintendent Performance Expectations		
Strategy	Establish an annual process for developing District priorities and formally setting Superintendent performance expectations.	
Action Needed	Step 1:	Hold annual Board workshop at which District priorities will be summarized and quantified.
	Step 2:	Establish annual performance expectations for the Superintendent that reflect and consistent with District priorities.
	Step 3:	Meet with the Superintendent at least once very six months to informally review progress in achieving District priorities and personal goals established for the Superintendent.
	Step 4:	Using the performance expectations for the Superintendent, the Board should evaluate his or her performance each year.
Who Is Responsible	Board Chair	
Time Frame	June through August 2002	
Fiscal Impact	None	

Source: Berkshire Advisors, Inc.

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[7] This process is already underway.

- *We recommend that the District revise its procedures for handling controversial Board items to ensure controversial Board items are identified well in advance, that Board members receive needed information to evaluate these items, and to ensure that these items are discussed in committee meetings (or other public settings) prior to being considered by the entire Board.*

Action Plan 3-4 provides the steps needed to implement this recommendation.

Action Plan 3-4

Modify Procedures For Handling Controversial Board Items	
Strategy	Revise procedures for handling controversial Board items to ensure controversial Board items are identified well in advance, that Board members receive the information they need to evaluate these items, and to ensure these items are discussed in committee meetings (or other public settings) prior to be considered by the entire Board.
Action Needed	Step 1: Review Board agendas for the past year to identify Board items that were "controversial".
	Step 2: Meet with Board members to discuss the information they would have appreciated receiving to evaluate these items.
	Step 3: Meet with Board members to understand perceived shortcomings in how the controversial items were handled.
	Step 4: Meet with Board members to discuss for what types of controversial items additional discussion in committee meetings would have been helpful.
	Step 5: Meet with Board members to discuss for what types of controversial items additional input from the public would have been helpful and what forum would have been most appropriate for soliciting this public input.
	Step 6: Use the information developed in Steps 1 through 5 to categorize general types of controversial items.
	Step 7: Develop Board policies for handling each type of controversial item.
	Step 8: Implement these policies.
	Step 9: Repeat steps 1 through 4 for at least three years to ensure policies are effective and make modifications as appropriate.
Who Is Responsible	Superintendent and Board Chair
Time Frame	June through August 2002
Fiscal Impact	None

Source: Berkshire Advisors, Inc.

2 The Board and superintendent have not established procedures to ensure that Board meetings are as efficient and effective as possible.

The Board and superintendent have taken appropriate steps to comply with sunshine law requirements

The District has taken appropriate steps to ensure compliance with sunshine law requirements. A review of public notices for each Board meeting over the past 12 month reveals that public notification requirements relating to the sunshine law are adhered to. In addition, the District has been proactive about training Board members about sunshine law requirements. Indeed, the District has prepared a training video for Board members that provides information about the sunshine law.

Moreover, in interviews, many Board members referred to sunshine law requirements and these Board members are aware of their restrictions. Interview findings were also confirmed by the survey of Board members conducted as part of this engagement. Five of the seven Board members who completed the survey "agree" or "strongly agree" with the statement that "Board members are trained about sunshine law requirements regarding meetings."[8] Likewise, five of the six Board members who expressed an opinion "agree" or "strongly agree" with the statement that "Board members adhere to sunshine law requirement."[9]

Some steps the District has taken to ensure productive Board meetings are not completely effective

The District has taken a number steps to help to ensure that Board meetings are productive and make effective use of staff, public, and Board member time. For example, a master calendar has been prepared showing the dates of major events, contract expirations, and Board actions needed to meet legal requirement and uses is calendar to ensure that these matters are placed on the Board agenda in a timely manner. In addition, because Board agendas do not limit the time Board members have to discuss agenda items sufficient time is available to discuss even the most controversial and complicated items. A committee structure has also been established to facilitate the discussion of controversial and complicated issues prior to the Board meeting. Likewise, procedures have been established so that items about which neither the public nor Board members wish to comment can be approved without discussion. Moreover, Board meeting are held once a month at the same time (1:00 p.m.) and location (the District headquarters building) both to ensure Board meetings do not extend too late in the evening and to provide a consistent location for the public to attend meetings. Finally, Board agenda are currently organized around who proposes an item (e.g., the Board or the administration). If a Board member wishes to move an item earlier in the agenda, he or she can do so if this step is approved by a vote of the Board.

While these steps to ensure productive Board meetings are well meaning, with the exception of establishing a master calendar and not limiting the time for debate on specific items, these steps have not ensured productive Board meetings and, in some cases, may have unintended negative consequences.

Use of committees. Board committees can provide a useful mechanism for discussing complex or complicated issues prior to a meeting of the full Board. Although Board committees have been established some of these committees do not meet frequently enough to play a meaningful role in reducing the time spent discussing complicated or controversial meetings prior to Board meetings. As Exhibit 3-3 shows, some committees (Elementary and Secondary Education, Personnel Management and Services, Financial Affairs, Management and Accountability, Facilities Planning and Construction, and Personnel Management and Services) meet frequently (eight to ten times over a 10 month period) while other committees (e.g., School Operations) have rarely met during this period.

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[8] Two Board members were "neutral" about this statement.
[9] One Board member was "neutral" about this statement and the seventh Board member has "no opinion."

Exhibit 3-3

Some Board Committees Meet Infrequently

Committee	Number Of Meetings (10 months starting January 2001)
Elementary and Secondary Education	10
School Operations	0
Personnel Management and Services	8
Federal Programs and Grants Administration	6
Financial Affairs	10
Community and Alternative Education and Student Support Services	6
Management and Accountability	10
Facilities Planning and Construction	10
District Office Operations, Labor Relations, and Legislative Programs	3

Source: Miami-Dade County Public Schools.

In addition, in interviews, some Board members expressed their opposition to discussing issues in committee meetings because they feel it is important that their voice be heard and on record about issues discussed in committee. Clearly, if Board members feel it is important to have their position stated on each item discussed in committee, the value of having committees at all is significantly reduced.

Approval of items by consent. Because the Board does not use a consent agenda each agenda item about which neither the public nor a Board member wish to comment must be brought up and voted on individually. This practice takes somewhat more time than if a single consent agenda (consisting of all items for which it has previously been determined no discussion is necessary) was voted on by the Board.

Organization of the Board agenda. One of the most important factors that should be considered when organizing a Board agenda is whether or not the Board agenda is structured to ensure Board members (as well as the staff and community members attending the Board meeting) are able to focus their time and attention on the most critical issues facing the District. District can take a variety of approaches to achieving this objective, however, the current approach to organizing Board agendas in the Miami-Dade County Public Schools – an organization that is based on who proposes an agenda item – while logical, may not ensure that Board members, the public, and staff attending Board meetings make effective use of their time. Organizing Board agendas around who proposes an item rather than, for example, by the importance of the item being addressed may lead to a situation where relatively minor items are discussed at the beginning of a meeting when Board members are fresh and extremely important items are discussed at the end of a meeting when Board members are more fatigued. In addition, under current practices, if an item is moved to the beginning of the agenda members of the public who were hoping to address the issue may not yet have arrived at the meeting.

Time and location of meetings. While there is some appeal to having Board meetings at the same time and location each month to provide consistency, this practice inconveniences members of the public who work during the day (and therefore cannot discuss items that occur early in the meeting) or who live or work a significant distance from the school headquarters building.

The timeliness and quality of information Board members receive about agenda items also compromises the effectiveness of Board meetings

When Board members do not receive the information they need to evaluate agenda items well in advance of Board meetings, they will not have enough time to prepare for a constructive discussion at the Board meeting. When Board members are not prepared for meaningful discussions and debate, the efficiency and effectiveness of Board meetings will suffer. Although District staff recognize the need to provide needed information to Board members their efforts have not been sufficient. The District's standard that materials be provided to Board members five days

prior to meetings is not consistently achieved. (A review of Board information packets for the past 12 month revealed that for an average of 22.75 agenda items per month were revised, replaced on otherwise modified less than five days prior to Board meetings.) In addition, the District does not try to identify complex or controversial items and provide information on these items more than five days before a meeting. That the District does not consistently provide Board members with timely information about agenda items is confirmed by the Board member survey. Four of the seven Board members who responded to the survey "disagree" or "strongly disagree" with the statement that "the Board receives agenda materials in sufficient time to review them prior to Board meetings" and one Board member was "neutral" on this issue.

In addition, the quality of information provided to support agenda items does not consistently meet Board member needs. The supplemental information provided to Board members for agenda items for three Board meetings did not include the following: an executive summary; a description of how the item supports the District's goals and objectives; an explanation of how the action will be accomplished; a description of desired results; a discussion of alternatives; a discussion of persons who will be affected and how they have provided input on the proposed actions; a discussion of how the proposed action will affect students and parents; information on what policy or law applies to the item; an analysis of whether the items complies with, duplicates, modifies, or affects existing policies or procedures; a statement as to whether a new policy is needed to implement the proposed action; a delineation of the time frame required to implement and complete the proposed action; and an assignment of responsibility for evaluating the proposed action. In some cases, however, the reason for the recommended action and a delineation of needed resources was provided. (It should be noted that much of this supplemental information dealt with contract approvals for which such detailed may not be needed.)

This analysis of the adequacy of the information provided to support Board agenda items is supported by the results of the Board survey. Five of the six Board members who expressed an opinion "disagree" or "strongly disagree" with the statement that "for each major agenda item, District staff prepare a clearly written executive summary that describes how the item supports the District's goals and objectives and what impact it has on the budget." One Board member was "neutral" on this issue and a sixth Board member expressed "no opinion."

Recommendations ———————————————

- *We recommend that the District start Board meetings sufficiently late in the day to allow persons who work during the day to attend Board meetings and rotate the location of Board meetings across the District to facilitate access to these meetings by the public.*

Action Plan 3-5 provides the steps needed to implement this recommendation.

Action Plan 3-5

Change The Time Board Meetings Start And Rotate The Location Of Board Meetings		
Strategy	Make it easier for the public to attend Board meetings by changing the time at which Board meetings start and rotating the location of Board meetings around the District.	
Action Needed	Step 1:	Survey a random sample of persons who currently attend Board meetings as well as a sample of citizens from the community as a whole to determine what Board meetings times would be most conducive to public participation at Board meetings.
	Step 2:	Use this information to determine at what time Board meetings should start (or whether some Board meetings should be held on weekends).
	Step 3:	Pass Board resolution changing the time Board meetings start.
	Step 4:	Pass a Board resolution approving the rotation of Board meetings around the District.
	Step 5:	Identify suitable locations for Board meetings.

	Step 6:	Schedule future meetings at these.
Who Is Responsible	Board Chair	
Time Frame	June through August 2002	
Fiscal Impact	None	

Source: Berkshire Advisors, Inc.

- *We recommend that a Board workshop be convened to discuss the roles of Board committees and to ensure a common understanding of the role committees can play in ensuring items receive appropriate attention from Board members and that the time spent in Board meetings is as productive as possible.*

Action Plan 3-6 provides the steps needed to implement this recommendation.

Action Plan 3-6

Review Role Of Board Committees		
Strategy	Convene a workshop to discuss the role of Board Committees.	
Action Needed	Step 1:	Convene workshop.
	Step 2:	Reach a consensus among Board members about the role of committee meetings.
	Step 3:	Reach a consensus with regard to the frequency with which Board committees should meet.
	Step 4:	Summarize the results of these discussion for future Board members.
Who Is Responsible	Board Chair	
Time Frame	June through August 2002	
Fiscal Impact	None	

Source: Berkshire Advisors, Inc.

- *We recommend that the process for setting the agenda for Board meetings be modified to establish a consent agenda and to ensure that important items are discussed early in the meeting when Board members (and the public) are fresh.*

Action Plan 3-7 provides the steps needed to implement this recommendation.

Action Plan 3-7

Establish Consent Agenda		
Strategy	Modify the process for setting the agendas for Board meetings and establish a consent agenda.	
Action Needed	Step 1:	Review approaches other school Boards use for establishing consent agendas.
	Step 2:	Reach agreement on the type of information that should be included on consent agendas.
	Step 3:	Reach agreements on the process for removing items from the consent agenda, as needed.
	Step 4:	Modify Board policies, as appropriate, to implement this.
Who Is Responsible	Board Chair and Superintendent	
Time Frame	June through August 2002	
Fiscal Impact	None	

Source: Berkshire Advisors, Inc.

- *We recommend that District staff meet with each Board member to discuss their expectations for information that should be included for each Board item and when this information needs to be received and modify approaches to developing this information to ensure the needs of Board members are met.*

Action Plan 3-8 provides the steps needed to implement this recommendation.

Action Plan 3-8

Ensure Board Members Receive All The Information They Need To Make Informed Decisions		
Strategy	Develop approaches to ensure Board members receive the information they need to make informed decisions about all agenda items.	
Action Needed	Step 1:	Review a sample of recent Board agendas with Board members to discuss Board member information needs for each agenda item.
	Step 2:	Discuss the best format for providing this needed information.
	Step 3:	Discuss the time frame for providing this information to Board members
	Step 4:	Establish procedures to ensure Board members receive the information they need to make informed decisions in a timely manner.
Who is Responsible	Superintendent And Board Chair	
Time Frame	June through August 2002	
Fiscal Impact	None	

Source: Berkshire Advisors, Inc.

3 The Board and superintendent have not taken steps to ensure that all policies and procedures are routinely updated and that they are followed by District staff.

The District has not taken steps to ensure that all policies and procedures are updated on a routine basis

The Miami-Dade County Public Schools has established numerous policies and procedures to guide District operations and has also established procedures for handling District-wide administrative matters. These policies and procedures are reviewed by the Board attorney to ensure that they are in compliance with state requirements. However, no procedures are in place to ensure that these policies and procedures are updated on a routine basis. For example, no Board committee has been charged with developing, updating, and evaluating policies. Likewise, no process has been established to systematically review all policies and procedures on a regular basis to ensure that they continue to be complete and relevant. Rather, policies and procedures are updated on an "as needed" basis based on a review by District staff. While this practice ensure that many policies and procedures will be updated, because the District does not perform a systematic assessment of all policies and procedures on a pre-determined schedule there is no guarantee that all policies and procedures are updated.

The District has done an effective job of ensuring policies and procedures are widely disseminated and available to District employees

The District has taken a number of appropriate to ensure that policies and procedures are widely disseminated and available to District employees. For example, District policy and procedure manuals are distributed to appropriate Bureaus, Departments, and Offices as well as to region offices and school sites. In addition, the District maintains

an updated web site that contains all school Board rules and relevant contact information. (Because all District employees have access to the web, this information is available to them.)

Employee survey results suggest that the District has done an effective job of disseminating information on policies and procedures and encouraging staff to use this information to guide their work. More than three-fourths of the survey respondents (78.0 percent) "agree" or "strongly agree" with the statement "I am familiar with District policies and procedure" and about the same percentage of survey respondents (78.6 percent) "agree" or "strongly agree" that "I know where to access District policies and procedures with which I am not familiar." Moreover, over four out of five survey respondents (81.4 percent) "agree" or "strongly agree" that "I use District policies and procedures to guide my day-to-day activities."

Recommendations ────────────────

- *We recommend that the District establish procedures to ensure policies and procedures are formally evaluated each year to ensure they reflect the District's current needs.*

   Action Plan 3-9 provides the steps needed to implement this recommendation.

Action Plan 3-9

Ensure Polices And Procedures Are Formally Evaluated Each Year		
Strategy	Establish procedures to ensure that policies and procedures are formally evaluated each year.	
Action Needed	Step 1:	Assign responsibility to Board Committee(s) for ensuring policies and procedures are formally reviewed each year.
	Step 2:	Assign responsibility to a staff person in each major organizational unit who will be charted with ensuring that policies and procedures for that unit are updated on a regular basis.
	Step 3:	Develop a schedule for reviewing and revising policies and procedures.
	Step 4:	Board Committee(s) should review revised policies and procedures each year.
	Step 5:	Board should adopt revised policies and procedures each year.
Who is Responsible	Superintendent and Board Chair	
Time Frame	August through December 2002	
Fiscal Impact	None	

Source: Berkshire Advisors, Inc.

4 The District routinely obtains legal services to advise it about policy and reduce the risk of lawsuits; however, neither legal costs nor performance are systematically evaluated.

The District uses available legal resources to receive advice about policy and lawsuits

The school Board employs in-house general counsel and legal department, consisting of nine full time attorneys (including the Board Attorney). These in-house staff are supplemented by outside counsel who are retained by the

Board to provide legal services for the District. In addition to representing the District and the Board on legal matters, the Board attorney and his staff participate in the staff agenda preparation meeting prior to each Board meeting. The Board attorney and his staff are also available to provide legal advice to the Board as a whole and to individual Board members. In the same way, the Board attorney provides legal advice to the superintendent and his staff.

The District would benefit from a more systematic analysis of its legal expenditures

The District does a reasonable job of managing its legal costs. The Board Attorney's salary is somewhat higher ($162,000 for the year ending June 30, 2001) than comparable salaries in other Districts but is not unreasonable given the level of the position responsibilities. Moreover, fees paid to outside counsel are informally checked periodically with fees paid by other organizations to ensure compensation paid to outside counsel is not excessive.

In some areas, however, taking a more systematic approach to evaluating legal costs would be beneficial. In many cases, all that is required is to more rigorously evaluate issues that are already considered from a qualitative perspective. For example, the Board attorney currently decides what services should be provided in-house based on a number of factors including:

- The level of expertise needed to handle a particular type of case
- The volume of legal work requiring this expertise that is expected
- The legal skills and expertise of in-house staff
- Anticipated fluctuations in workload demand

Based on the Board Attorney's assessment of these issues cases involving general litigation, special education, personnel, real estate, contracting, finance (not including serving as bond counsel) and zoning in-house are typically handled by in-house staff while construction litigation, desegregation litigation, FCC council, bond counsel, workers compensation, eminent domain litigation, and personal injury work is contracted out. While the work performed by in-house versus outside counsel generally seems appropriate, in one area – personal injury litigation – assigning all work to outside counsel does not seem appropriate. As Exhibit 3-4 shows, the amount of payments to outside legal counsel for personal injury litigation has been both significant and consistent.

Exhibit 3-4

Payments To Outside Counsel For Personal Injury Litigation Has Been Both Significant And Consistent

Year	Legal Costs For Personal Injury Litigation	Hours (at $90 per hour)
2000	$839,337	9,326
1999	$859,124	9,545
1998	$1,282,109	14,245

Source: Miami-Dade County Public Schools.

Given that the hourly rate of two Senior Assistant Board Attorneys (one of which who is paid near the top of the salary scale) and one Assistant Board Attorney (including benefits) is $70.90 hiring additional in-house staff to handle a portion of the personal injury litigation seems worth considering. Indeed, hiring two Senior Assistant Board Attorneys and one Assistant Board Attorney to handle approximately 60 percent of the personal injury workload has the potential to reduce costs by over $76,000 per year (although these potential savings would be offset somewhat by the cost of providing needed secretarial support.) [10] It should be noted that these potential savings, while not insignificant, may not justify disrupting relationships with external law firms that have provided

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[10] In addition, space for additional staff would need to be identified before implementing this recommendation can be considered.

high quality services to the District over a number of years. Before implementing this recommendation the cost of this disruption should be weighed against the potential cost savings.

Additional information is needed to further analyze the cost-effectiveness of legal operations. For example, legal staff has not been required to track the time, by activity, for case related and other work. Without this information there is no way to analyze whether the legal unit has the right mix of professional and support staff and whether the mix of professional and paraprofessional staff is in place. For example, discussions with legal managers suggests that hiring additional law clerks and paralegals might be cost-effective, however, at present there is no information available to quantify the additional work that might be performed by these clerks or the cost savings that might result.

The District has established an informal process for evaluating legal performance

At present, the District does not formally evaluate the overall quality of legal services provided and no system exists to evaluate the legal unit's performance. It should be noted that the Board Attorney's performance is evaluated each year, but this evaluation is typically performed by each Board member individually. Consequently, unless the Board chooses to hold a public meeting after the individual evaluations to review his performance as a group, the District cannot use the performance of the Board attorney as a proxy for the evaluation of the legal department as a whole.

In addition, the Board Attorney should be commended for following up with outside counsel to discuss whether "favorable outcomes" have been achieved and to ensure that billing practices are appropriate.

Recommendations ———————————————

- *We recommend that the District develop the management infrastructure needed to evaluate the cost of legal services on an ongoing basis.*

  Action Plan 3-10 provides the steps needed to implement this recommendation.

Action Plan 3-10

Develop Systems Needed To Evaluate The Cost Of Legal Services On An Ongoing Basis	
Strategy	Develop the management infrastructure needed to evaluate the cost of legal services on an ongoing basis.
Action Needed	Step 1: Develop procedures for billing time on cases.
	Step 2: Determine hourly rates for each staff members.
	Step 3: Work with the Office of Information Technology to develop a system to track time expended per case.
	Step 4: Use information from this billing system to evaluate the costs of in-house legal services.
Who is Responsible	Board Attorney
Time Frame	April through August 2002
Fiscal Impact	Office of Information Technology staff will need to devote time to developing the recommended system to track expenditures.

Source: Berkshire Advisors, Inc.

- *We recommend that the Board attorney establish a formal process for determining what legal services should be provided by in-house counsel and what legal services should be provided by outside attorneys.*

Action Plan 3-11 provides the steps needed to implement this recommendation.

Action Plan 3-11

Develop Evaluation Framework For Determining What Legal Services Should Be Provided By Outside Counsel		
Strategy	Establish a formal process for determining what legal services should be provided by in-house counsel and what legal services should be provided by outside attorneys.	
Action Needed	Step 1:	Review and document informal evaluation criteria currently used to determine when to "outsource" legal work.
	Step 2:	Formalize these informal evaluation criteria into an assessment framework.
	Step 3:	Develop systems and procedures to capture information needed to evaluate the need for outside counsel using this framework.
	Step 4:	Use the framework to systematically evaluate the mix of in-house and outside legal work performed.
	Step 5:	Modify the mix of in-house and outside legal work performed, as appropriate.
	Step 6:	Review analysis on an annual basis.
Who is Responsible	Board Attorney	
Time Frame	April through August 2002	
Fiscal Impact	None	

Source: Berkshire Advisors, Inc.

- *We recommend that the District should explore hiring additional in-house attorneys to handle work that is currently assigned to more expensive outside counsel that does not require significant expertise and for which the demand for the work does not vary substantially.*

Action Plan 3-12 provides the steps needed to implement this recommendation.

Action Plan 3-12

Explore Hiring Additional Attorneys To Handle Work Currently Assigned To Outside Counsel		
Strategy	Explore hiring additional in-house attorneys to handle legal work currently assigned to more expensive outside counsel.	
Action Needed	Step 1:	Estimate the costs associated with hiring two Senior Assistant Board Attorneys and one Assistant Board Attorney to handle approximately 60 percent of the personal injury cases currently performed by outside counsel.
	Step 2:	Estimate the secretarial support needs of these additional staff.
	Step 3:	Determine how the space needs of these staff can be met.
	Step 4:	Develop a list of the type of disruption, if any, that would be caused by implementing this recommendations and the potential impact of this disruption.
	Step 5:	Weigh the savings associated with assigning additional work to in-house staff against the impact of the potential disruption that will be caused.
	Step 6:	Use the analyses developed in Steps 1 through 5 to assess the appropriateness of increasing the volume of personal injury cases handled in-house.
	Step 7:	Hire additional Board attorneys, as appropriate based on the results of this analysis.

Who is Responsible	Board Attorney
Time Frame	April to August 2002
Fiscal Impact	Legal costs will be reduced by approximately $76,300 each year.

Source: Berkshire Advisors, Inc.

Effective and Responsible Operation⎯⎯⎯⎯⎯⎯

5 **Although the District's organizational structure had clearly defined units and lines of authority when the study was initiated[11], the structure did not facilitate effective District management.**

Lines of authority and unit responsibility were clearly defined in the organizational structure that was in place when the study was initiated

At the time the study was initiated, the District had done a reasonably effective job of delineating the responsibilities of individual units within the organizational structure and clearly defining unit roles and responsibilities. District organizational charts were current and reflected existing organizational arrangements. [12] In addition, in interviews staff indicated a clear understanding of the roles and responsibilities of their units and of the roles and responsibilities of the units which with they worked on a regular basis. Survey results relating to this issue are, however, mixed. While more than half (53.9 percent) of the survey respondents who expressed an opinion "agree" or "strongly agree" with the statement that "I have a clear understanding of the District's organizational structure and the roles and responsibilities of each organizational unit," more than a quarter (25.9 percent) "disagree" or "strongly disagree" with this statement. These findings suggest that the District needs to focus additional effort on ensuring organizational roles and responsibilities are understood by all District employees.

Organizational arrangements that were in place when the study was initiated appear to have evolved over time rather than to have been developed based on an assessment of management needs

While it is important that organizational relationships be clearly articulated, understood, and documented in organizational charts, it is more important that organizational structure facilitate an organization's efforts to achieve its objectives cost-effectively. As will be discussed in greater detail in subsequent subsections of this section, neither the overall organization of the District nor the organization of several individual units within the District were effective when the study was initiated. This appears to have resulted in large part because organizational structure had been allowed to evolve over time. Rather than systematically evaluating organization structure on a regular basis and making organizational changes to streamline operations and improve operational efficiency, organizational changes had been made on a more *ad hoc* basis. Over time this resulted in a structure in which some key functions did not report to the units to which they were aligned operationally (for example, at the time this study was initiated responsibility for energy management was organizationally separate from the maintenance function.)[13]

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[11] A fundamental restructuring of the organization of the Miami-Dade County Public Schools is currently under way.

[12] It is worth nothing that having accurate organizational charts in a District of the size and complexity of the Miami-Dade County Public Schools is no small feat. Many much smaller and less complex organizations the consultants have studied do not have accurate organizational charts.

[13] One of the first initiatives of the new superintendent was to assign this function to the maintenance unit.

Because organizational arrangement evolved over time, rather than being based on an assessment of management needs, coordination and oversight of the District at the time the study was initiated was more complicated than necessary. The next two subsections discuss the need for organizational realignment at the time the study was initiated. The first subsection discusses problems associated with the overall organization of the District at that time. Problems associated with the organization of individual units at the time the study was initiated are discussed in the second subsection.

At the time the study was initiated, the District's overall organizational structure did not strike an appropriate balance between the need for the superintendent to directly oversee critical operations and the need for him to have sufficient time to focus on issues of greatest concern to the District

Two organizational imperatives should provide the basis for the organizational structure of any large school District.

- The superintendent should have access to and/or oversight over the functions that are most crucial to improving the District's performance
- The number of functions and units reporting directly to the superintendent should be kept to a reasonable level to ensure he has time to focus on issues of greatest concern to the District

The organization of the Miami-Dade County Public Schools at the time the study was initiated did not strike an appropriate balance between these imperatives. At the time the study was initiated, the Superintendent had ten key positions reporting to him:

- Deputy Superintendent of Schools
- Deputy Superintendent – Education
- Deputy Superintendent – Personnel Management and Services
- Deputy Superintendent – Management and Accountability
- Deputy Superintendent – Federal Programs and Grants Administration
- Deputy Superintendent – School Operations
- Chief Facilities Officer – Facilities Planning and Construction
- Chief Facilities Officer – Maintenance Operations
- Chief – School Police

While, without question, each of these functions is important not all of these functions need the direct attention and oversight of the superintendent. For example, the school police and federal programs and grants administration do not require the direct supervision of the superintendent – especially in an organization as large and as complicated as the Miami-Dade County Public Schools. Other functions, for example facilities planning and construction, maintenance operations, and financial affairs are of sufficient importance to report to the superintendent, but require so much management time and attention that it is difficult for the superintendent to effectively oversee these functions while also performing the myriad other responsibilities for which he is responsible. In other cases – most notably education, school operations, and federal programs and grants administration – having three separate administrators report to the superintendent complicates efforts to ensure that these essential functions are effectively coordinated. (This issue will be discussed in greater detail in the next subsection).

The organizational placement of a number of District functions hampered organizational effectiveness at the time the study was initiated

Three of the primary factors that should be considered when determining what functions should be assigned to the same organizational units are whether the same types of management skills and expertise are needed to manage the functions, whether a single entity needs to be accountable for related activities, and whether functions need to work

closely together if they are to be effective. The current assignment of a number of functions within the District at the time the study was initiated were inappropriate because they failed to take into account these central organizational precepts.

- Business and operations support functions were spread throughout the organization
- Responsibility for maintenance related activities were assigned to several organizational units
- The management and accountability unit included a number of disparate functions
- Responsibility for financial controls and records were not consistently under the control of the Chief Financial Officer
- Management of the education, school operations, and federal programs and grants administration are organizationally separate

Business and operations support functions were spread throughout the organization. At the time the study was initiated, responsibility for key business and operations support functions was widely dispersed throughout the District. In particular:

- Food services reported through an Assistant Superintendent to the Deputy Superintendent – Management and Accountability
- Print Shop operations reported through an Assistant Superintendent to the Deputy Superintendent – Management and Accountability
- Transportation reported through an Assistant Superintendent to the Deputy Superintendent – School Operations
- Procurement reported to the Chief Financial Officer
- Facilities Maintenance reported to the Superintendent of Schools
- Facilities Planning and Construction reported to the Superintendent of Schools

As discussed previously, these organizational arrangements contributed to the Superintendent's excessively broad span of control. Equally important, however, spreading these operational functions among so many organizational units hindered the District's efforts to appropriately leverage the business and operational expertise needed to appropriately manage them. Effectively managing business and operational functions requires a mindset and expertise that most school District managers do not have. Organizational arrangements at the time the study was initiated, however, required that a relatively large number of District managers share this operational mindset and expertise. Moreover, because responsibility for business and operational functions was diffuse, advocacy for business and operational issues within the District was diffuse as well.

Responsibility for maintenance related functions is divided among a number of organizational units. In addition to the Maintenance Department, a number of units within the District have responsibility for maintenance related activities. For example, at the time this study was initiated responsibility for energy management reported to the Deputy Superintendent for Schools. In addition, responsibility for the maintenance of the District's central office was assigned to the District Office Operations unit rather than to the Maintenance Department.

The management and accountability unit include a number of disparate functions. At the time this study was initiated the Deputy Superintendent – Management and Accountability oversaw a number of disparate functions, many of which had little to do with management or accountability. While a logical case can be made for the Office of Evaluation and Research, the offices responsible for pre-qualifications and educational facilities compliance and equal educational and employment opportunity, and the Office of Business Development and Assistance Minority/Women Business Enterprises reporting to this unit, the organizational rationale for other functions reporting to this unit – the Bureau of Community Services, Food and Nutrition Services, Hospitality and Dining Services, and Office of Public Relations – is not clear. It appears that these responsibilities were assigned to this unit to even out workload among the Deputy Superintendents despite the fact that the organizational skills and expertise needed to oversee these functions is quite different. In addition, while it may have been appropriate for the District's auditing function – the Office of Management and Compliance Audits – to report to this unit on administrative matters, the unit's direct reporting relationship should have been to the school Board.

Responsibility for financial controls and records were not consistently under the control of the Chief Financial Officer. A single individual – the Chief Financial Officer – should be responsible for overseeing financial controls and records and should be held accountable for integrity of these operations. At the time the study was initiated, however, there were a number of instances where basic financial controls and records were not under the direct organizational authority of the Chief Financial Officer. For example, project and construction accounting was not under the direct responsibility and authority of the Controller. Moreover, while General Ledger control accounts were maintained by the Controller's office, school level accounts were maintained by the facilities organization. Consequently, the Controller was not able to provide detailed construction or project costs by school location. In addition, work order accounting systems were maintained and controlled by operations departments (such as Transportation and Maintenance) and were not under the direct responsibility and authority of the Controller.

Management of the education, school operations, and federal programs and grants administration were organizationally separate. As discussed, at the time the study was initiated management of the education, school operations, and federal programs and grants administration functions were assigned to separate units reporting directly to the superintendent. Because these activities are so inextricably linked, however, this organizational separation complicated efforts to provide coordinated services and support to schools. In addition, the Education Department itself was divided into a complicated array of discrete programs and services. Organizing around individual programs and services rather than organizing around school support generalists (who can access individual programs and services to help address the needs of individual schools) limits the effectiveness of these programs. Finally, in some cases, the organizational placement of selected functions made little sense. For example, assigning the staff person responsible for coordinating the 21st Century Schools Program – a program that provides before and after care services to students – to the Office of Adult Education had no justification.

Prior to the recent reorganization of the school District, establishing an organizational structure in which five key staff would report to the Superintendent was suggested

The new Superintendent should have the full authority to determine how best to organize the staff reporting to him to facilitate efforts to achieve District goals. One organizational option that is suggested by the consultants, and that the District may want to consider in the long run, is presented in Exhibit 3-5.

Exhibit 3-5

One Organizational Approach Would Have Five Key Managers Report Directly To The Superintendent

Recommended Overall Organization
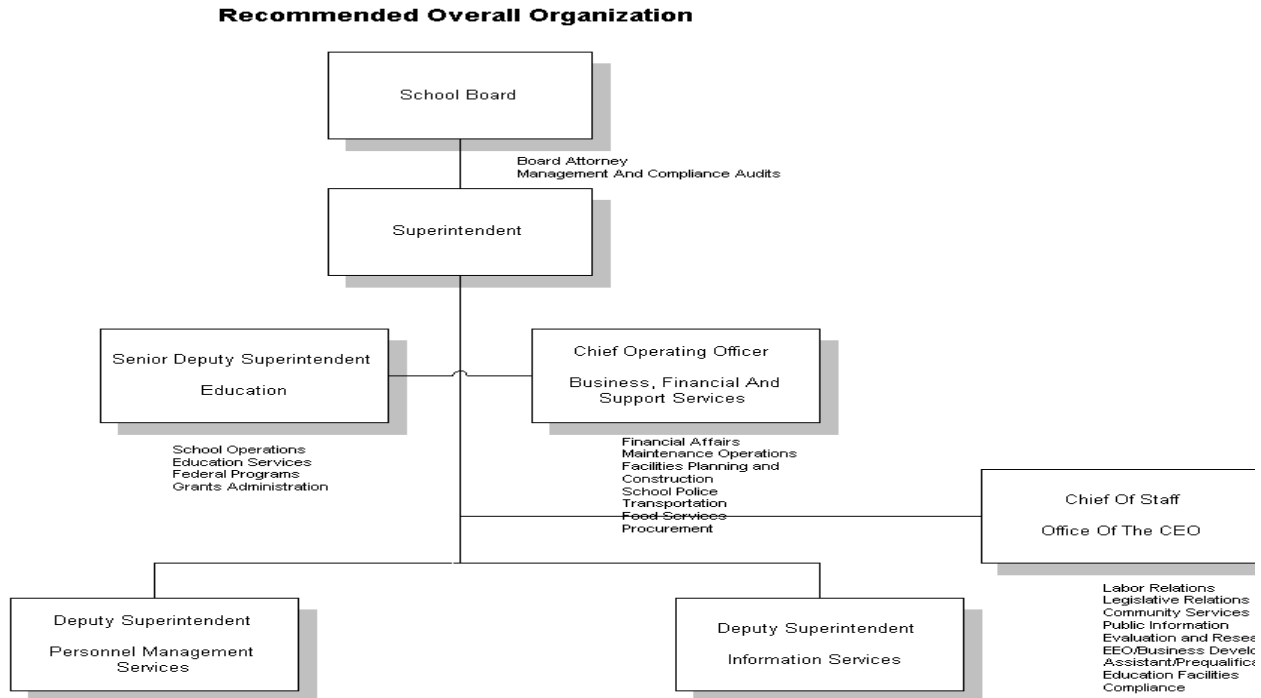
Source: Berkshire Advisors, Inc.

This structure would achieve an appropriate balance between the imperative that the Superintendent have direct access to and oversight of key functions and the imperative that the number of functions reporting to him be kept to a reasonable level. In this structure, the Superintendent would have direct oversight over the key functions that are most important to the District's success and would directly supervises the senior managers responsible for these functions.

- **Education**. Developing curriculum, managing schools to deliver instruction, and holding staff accountable for ensuring high student achievement are the core activities of the Miami-Dade County Public Schools. All other activities are either ancillary to or support these central tasks. Clearly, these important functions should report to the Superintendent.

- **Business, Financial and Support Services**. Business, financial and support services while not core District services are, nonetheless, essential to its success. The COO who leads this unit should oversee all operational units and functions including: financial affairs, maintenance operations, facilities planning and construction, school police, transportation, food services, and procurement.

- **Personnel Management Services**. People are the District's most important asset. The success of the District's efforts to improve performance will depend, to a great extent, on the quality and commitment of staff at all levels. Consequently, it is important that the human resource function report directly to the Superintendent.

- **Information**. Information is of crucial importance to all organizations and will be of special importance to the District as efforts to use information to improve performance increase. The person selected to serve as CIO must have a strategic vision for how information can be used to improve organizational performance and a technical understanding of information systems. One of the key roles the CIO will play will be to understand and interpret the needs of the Superintendent, the Senior Deputy Superintendent – Education, the Chief

Operating Officer, and the Deputy Superintendent – Personnel Management Services. One of the position's primary responsibilities will be to ensure the District's information systems seamlessly address these needs.

- **Chief of Staff**. Other functions are also important to the District's success but it is not necessary that the Superintendent directly oversee these functions on a day-to-day basis. These functions include: labor relations, legislative relations, community services, public information, evaluation and research, and EEO/Business Development. Rather than have these important functions report directly to the Superintendent, a Chief of Staff should coordinate these functions. Having these functions grouped as part of an Office of the Superintendent will facilitate Superintendent access when he needs to directly oversee these functions. The Chief of Staff should work with the managers of these important functions on a day-to-day basis to address issues that do not require the Superintendent's direct attention.

The Organizational Structure That Is Being Put In Place By The New Administration Is Similar In Most Respects To The Suggested Organizational Structure

Like the suggested organizational structure presented previously, the organizational structure being put in place has five positions reporting to the Superintendent:

- Deputy Superintendent of Education
- Chief Business Officer
- Chief of Staff
- Chief Financial Officer
- Chief Personnel Officer

In most important respects this organizational structure is identical to the one presented in the previous subsection. Two important differences should be noted, however. First, in the structure that has been recently implemented the Chief Financial Officer reports directly to the Superintendent instead of reporting through the COO (Chief Business Officer in the new structure). Where the Chief Financial Officer position reports in an organization such as this will vary depending on the experience and desires of the chief executive and having the Chief Financial Officer reporting directly to the Superintendent is certainly reasonable. Second, responsibility for Information Technology reports to the Chief Financial Officer in the new organizational structure whereas the suggested structure recommends that a Chief Information Officer position be established. While it may be worthwhile for the District to consider establishing such a position in the long-term it should be stressed that implementing the suggested organizational structure presumes that a person with the desired skills and abilities (e.g., someone who understands education, technology, and information from a management perspective) can be recruited and hired. Another organizational placement for the technology function is certainly warranted until the District identifies someone with the needed skills and experience and feels the time is right for establishing an information function.[14]

The District Is Undergoing National Searches To Ensure The Most Qualified Managers Possible Fill All Key Positions Within The Organizational Structure

The District's new leadership is undertaking national searches to ensure the most qualified staff are employed to fill key positions within the new organizational structure. While undertaking a national search by no means precludes the selection of existing District staff to fill key positions – the District has many outstanding staff who may be qualified to fill these positions – this step ensures that the best candidates possible will be selected to serve the Miami-Dade County Public Schools and its students.

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[14] Given the substantial level of change that the District is undergoing at the present time, even if senior managers agree that a Chief Information Officer position may be needed in the future, effectively integrating such a position in the current structure may not be appropriate given the degree of change the District is currently undergoing.

Recommendations ——————————————

- *We recommend that the overall organization of the District be revised to reduce costs and facilitate more effective operations.*

Action Plan 3-13 provides the steps needed to implement this recommendation.

Action Plan 3-13

Revise The District's Overall Organizational Structure	
Strategy	Revise the District's overall organization to reduce costs and facilitate more effective operations.
Action Needed	Step 1: Review the organizational recommendations presented in this chapter.
	Step 2: Make modifications to these organizational recommendations, as appropriate.
	Step 3: Develop position descriptions for all new positions.
	Step 4: Conduct a search for these positions.
	Step 5: Select leaders and implement organizational structure.
Who is Responsible	Superintendent
Time Frame	Steps 1 through 3 of this recommendation have already been completed and Step 4 is underway.
Fiscal Impact	Implementing the recommended organizational structure will reduce costs by approximately $120,000 per year.

Source: Berkshire Advisors, Inc.

- *We recommend that the organization of a number of units within the District be revised to reduce costs and facilitate more effective operations.*

Action Plan 3-14 provides the steps needed to implement this recommendation.

Action Plan 3-14

Systematically Review The Organization Of All Major Units	
Strategy	Revise the organization of all major units to reduce costs and facilitate more effective operations.
Action Needed	Step 1: Define organizational principles to guide the development of revised organizational structure in each unit.
	Step 2: Review organizational structures to identify unnecessary positions, excessive management layers and inappropriate spans of control.
	Step 3: Identify other factors that hinder the effectiveness of current organizational arrangements.
	Step 4: Develop recommendations to modify organizational recommendations.
	Step 5: Develop plan to implement organizational recommendations.
	Step 6: Implement organizational recommendations.
	Step 7: Review organizational arrangement on an ongoing basis.
Who is Responsible	Superintendent and the leaders of each organizational unit.
Time Frame	July to November 2002
Fiscal Impact	Fiscal impact will depend on the results of the analysis. For some units, the financial implications of reorganizations are presented in other chapters of this report.

Source: Berkshire Advisors, Inc.

6 The District has focused little attention on improving operating efficiency.

Improving operating efficiency has not been a District priority

Although the District has taken some modest steps to improve operating efficiency – for example, discontinuing the Associate Superintendent position that previously oversaw the labor and legislative functions – at least until recently improving operating efficiency has not been a District priority. (Quite recently the District has begun the process of reviewing the roles and responsibilities of teachers on special assignment and has begun to initiate the Sterling approach to improving organizational performance.) While the District has done some limited benchmarking – for example, benchmark comparisons of salaries for administrative and school-based administrators, classroom teacher to pupil ratios, classroom teacher to pupil ratios and expenditures per student – the results of these benchmarking initiatives have not been used in any systematic way to adjust staffing levels.

The lack of emphasis the District has placed on improving operating efficiency and reducing administrative staffing levels is reinforced by the results of the employee survey. Fewer than two out of four survey respondents (38.3%) who expressed an opinion (and 52.0% of management and supervisory staff) "agree" or "strongly agree" with the statement, "I am familiar with District efforts to streamline administrative staffing levels." In addition, the number of survey respondents who "disagree" or "strongly disagree" with this statement is high (38.6% of all respondents and 28.9% of administrative staff). Even fewer respondents – 19.7% of all respondents and 24.2% of management and supervisory staff – "agree" or "strongly agree" with the statement that "I have provided feedback on District efforts to streamline administrative staffing levels and a very high percentage of respondents (59.5% of all survey respondents and 57.3% of administrators) "disagree" or "strongly disagree" with this statement.

There are two primary reasons why the District currently focuses little attention on reviewing administrative staffing and controlling costs. First, as discussed, controlling costs (while ensuring District objectives are achieved) simply has not been a management priority. In interviews, almost no staff raised issues relating to controlling expenditures as one of their primary concerns. Improving operational efficiency is simply not part of the management mindset of District administrators. Second, the management infrastructure needed to effectively manage staff and other resources is not in place. As will be discussed in greater detail in the next chapter, performance expectations relating to cost are rarely articulated and systematically tracked. However, without needed information on performance against goals managers have little basis for refining staffing levels to reflect needs and priorities.

Recommendations ───────────────

- *We recommend that the District create the management infrastructure needed to improve District management.*

  Action Plan 4-1 (presented in Chapter 4) provides the steps needed to implement this recommendation.

- *We recommend that the goals and objectives of each manager in the District be modified so that controlling costs (without compromising service) are included in their performance expectations*

  Action Plan 4-2 (presented in Chapter 4) provides the steps needed to implement this recommendation.

7 Although the District employs a number of effective budget and financial management practices, Board oversight of budget and financial practices can be improved.

The District employs a number of effective budget and financial management practices

On a number of dimensions the District's budget and financial management practices are strong. For example, the budget process begins by considering the needs of individual schools. In addition, a reserve fund balance is maintained (the reserve fund has averaged 1.42% of the total budget over the past five years) and a contingency fund is provided (the contingency fund has averaged 6.2% of the total budget over the past five years). The fund balance and contingency reserves for each of the past five fiscal years are presented in Exhibit 3-6.

Exhibit 3-6

The District Maintains A Fund Balance And A Contingency Fund

Fiscal Year	Total Budget (millions)	Fund Balance (millions)	Fund Balance As A Percent Of The Total Budget	Contingency Fund (Millions)	Contingency Fund As A Percent Of The Total Budget
1996-97	$1,999.25	$14.56	.73%	$90.19	4.51%
1997-98	$2,056.36	$43.09	2.10%	$117.06	5.49%
1998-99	$2,181.38	$44.39	2.03%	$154.72	7.09%
1999-00	$2,240.38	$35.81	1.58%	$162.92	7.27%
2000-01	$2,373.05	$38.50	.62%	$167.20	7.05%

Source: Berkshire Advisors, Inc.

In addition, key financial indicators such as the reserve fund balance, the debt ratio, inventory levels are monitored on an ongoing basis. Moreover, limits of $10,000 have been established for how much various staff can spend without approval and the Board approves purchases that exceed that amount.

In addition, the District has received the Government Finance Officers Association Distinguished Budget Award. This program has been established to encourage governments to prepare budget documents of the highest quality to meet the needs of decision-makers and citizens. Eight criteria are examined when considering an application for the award: local significance and value, technical significance, transferability, documentation, the cost/benefit analysis, efficiency, originality, and durability. The District has received this award each year for the past seven years and, according to District staff, the Broward County Public Schools is the only other Florida District that has received this award.

The information and training Board members receive may be insufficient in some cases to provide effective budget and financial oversight

Board member perspectives on whether they receive sufficient training and information to effectively oversee the District's budget and financial affairs is mixed. As the Exhibit 3-7 shows, there is significant diversity of opinion among Board members on these issues.

Exhibit 3-7

Board Members Have Diverse Opinions About Whether They Receive Adequate Training On Budget And Financial Related Issues

Survey Item	Number Who "Strongly Disagree"	Number Who "Disagree"	Number Who Are "Neutral"	Number Who "Agree"	Number Who "Strongly Agree"
School Board members receive training in school District budget and financial practices	2	2	2	1	
The proposed budget is presented to the Board in an easy-to-read, understandable, and concise format that Board members can understand	2	2	1	2	
The District provides the Board with information about revenue and expenditures by major function over the past two to three fiscal years for use in evaluating budget proposals	2	1		4	
The Board established procedures for how to handle budget reductions and, when necessary, implements these procedures	2	1		4	
The District has a procedures for informing, in a concise and easily understood format, the Board about the short- and long-term fiscal implications of proposed budgets or budget amendments	2	2	1	1	
Requests for budget increases are made in easy-to-read, understandable, and concise formats and are tied to priorities established in the Board's long-term plan for the District	2	1	2	1	1

Source: Berkshire Advisors Board Member Survey.

A number of factors may explain these divergent perspectives. For example, a Board member who has a strong business or financial background may be able to interpret information provided to Board members (and need less training) more easily than a Board member who does not have a business or financial background. Alternatively, new Board members may have a steeper learning curve than Board members who have been on the Board for a long period of time. Moreover, some Board members may have come on the school Board after budget training was provided. Whatever the reasons, the fact that some Board members do not feel they receive the information they need to make provide sound budget and financial oversight, by itself argues for the need to address these deficiencies.

Recommendations———————————————

- *We recommend that Board members receive additional individualized training relating to budget and financial management that is tailored to their needs.*

Action Plan 3-15 provides the steps needed to implement this recommendation.

Action Plan 3-15

Supplement Budget and Financial Management Training Board Members Receive		
Strategy	Take additional steps to ensure Board members receive needed and individualized training relating to budget and financial management.	
Action Needed	Step 1:	Meet with Board members individually to assess their needs for budget and financial management related training
	Step 2:	Supplement budget and management training currently provided to address the needs of each Board member
	Step 3:	Review training success with Board members and provide additional training as necessary
Who is Responsible	Chief Financial Officer	
Time Frame	April to May 2002	
Fiscal Impact	None	

8 The District has assigned school principals the authority they need to effectively manage their schools while adhering to District-wide policies and procedures.

The District has effectively implemented school-based management practices and procedures

Interviews with District level and school-based managers and administrators clearly indicate that the District has assigned school principals the authority they need to effectively manage their schools while adhering to District-wide policies and procedures. Most notably, school principals have significant budgetary authority. As long as District established parameters are adhered to (for example, standards relating to student teacher ratios) school principals have the authority both to vary the mix of staff at their schools (for example, by hiring teachers instead of counselors) and to move resource among personnel and non-personnel accounts. It is worth noting that not only do school-based administrators have the authority to make these changes but also use that authority to tailor the resources available at their schools to meet the school's individual needs. Creative approaches using resources were observed at many of schools visited by the consultants including the following:

- Implementation of inclusion model at Kensington Park Elementary Schools which includes co-teaching models to serve ESE, ESOL and Title One students
- Implementation of an inclusion model at Miami-Palmetto High School that resulted in 97% of ESE students receiving standard high school diplomas versus special diploma
- Implementation of specialized ROTC programs at the MAST Academy
- Tailored use of FCAT enhancement moneys and EESAC lottery funds to develop school specific programs to improve student performance

- Collaboration between all instruction departments within many schools to incorporate FCAT remediation strategies and objectives into all subject areas (i.e. Music, Art, Social Studies, Physical Education and Vocational Areas) rather than eliminate electives for FCAT remediation classes

- Establishment of a wide range of internship programs in several high schools to provide students career experience and incentives for high performance

The results of the interviews and school visits performed by the consultants were confirmed by the results of the employee survey. As the Exhibit 3-8 shows, the percentage of school-based administrators who "agree" or "strongly agree" to items relating to school-based authority are consistently high while the percentage who "strong disagree" is low.

Exhibit 3-8

School Administrators Have Been Granted Significant Authority

Survey Item	Number Who "Strongly Disagree"	Number Who "Disagree"	Number Who Are "Neutral"	Number Who "Agree"	Number Who "Strongly Agree"
I have sufficient flexibility in managing my staff to achieve school, District, and state education goals	4.3	14.3	10.6	45.2	25.6
I have sufficient flexibility in managing my budget to achieve school, District, and state education goals	7.0	19.4	14.4	43.5	15.7
I have sufficient authority over the operations of my school to achieve school, District, and state education goals	4.0	12.1	12.4	47.9	23.6
I have a clear understand of the authority I have been granted to improve my school's performance	1.9	4.2	4.9	35.9	53.0

Source: Berkshire Advisors, Inc. Employee Survey.

In addition, sufficient oversight is provided to ensure that school-based administrators do not misuse the authority they have been granted. Through the District's "money matters" initiative school-based administrators receive training on how to manage the schools' resources and school-level audits are performed to ensure District financial requirements are adhered to. In addition, region staff closely monitor school operations paying closer attention to schools that are struggling than schools who are meeting performance expectations.

Allocation of Resources

9 Although the District has a multi-year strategic plan, the plan plays only a limited role in setting an overall direction for the District and in providing a framework for achieving District objectives.

The District has established a five-year strategic plan that has a number of good features

The Miami-Dade County Public Schools has invested significant time and effort into developing a strategic plan to guide the District over a five-year period (2000 to 2005). This plan has a number of good features including the following:

- **The number of overall goals included in the plan is limited**. The plan establishes goals in three areas: School to Career; Effective Learning Environment; and Efficient Management Practices.

- **Specific objectives and actions are identified for each overall goal**. Ten objectives, with a total of 58 action steps, have been identified for the School to Career Goal. Seven objectives, with a total of 31 action steps, have been identified for the Effective Learning Environment goal. Five objectives, with a total of 32 actions steps, have been identified for the Efficient Management Practices goal.

- **Responsibilities and time frames for completing each action step are identified**. For each of the 121 action steps included in the strategic plan a start date and completion date is specified. Likewise, the individual and office responsible for completing the action step is clearly specified.

- **The resources needed to implement each action step are specified**. The strategic plan also indicates the financial resources that will be needed to complete each action step.

- **Criteria that will be used to determine whether an action plan has been completed are articulated**. For each action plan step a statement detailing what must be done to prove completion of the action plan is specified.

In addition, the process of developing the strategic plan was extremely inclusive. Findings from four surveys were used to develop the goals and objectives incorporated into the plan:

- A telephone survey of approximately 800 Miami-Dade County residents

- A survey of approximately 500 public school stakeholders representing various groups including community-based organizations, businesses, parent/citizen groups, students, public school unions/employee organizations, school principals, and teachers

- A school Board climate survey to appraise the opinions, attitudes, and perceptions of District administrators toward the performance of the Board was completed by approximately 200 administrators including supervisors, managers, directors, and assistant/associate/deputy superintendents in the downtown administrative offices

- A school climate survey which included responses from approximately 40,000 parents, 46,000 students, and 14,000 staff.

Despite the plan's good features, it has a number of short-comings as well.

Although the District's 2000-2005 strategic plan has a number of sound features it also has a number of short-comings that prevent it from becoming a completely effective tool for setting an overall direction for the District,

establishing priorities, and driving improvement. In some cases, these shortcomings are closely linked to the good features of the strategic plan that are described in the preceding subsection.

- **The most important issues facing the District are not consistently reflected in the strategic plan**. When evaluated independently each of the action steps included in the strategic plan seem worthwhile. However, when viewed from the perspective of the District's greatest needs, it is not clear that the action plan steps consistently focus on the District's highest priorities (although without question in a number of cases the action plan steps focus on crucial needs). For example, the objectives and action steps incorporated into the strategic plan relating to efficient management practices, while worthwhile, will do relatively little to significantly reduce costs. In the Miami-Dade County Public Schools, personnel related expenditures account for by far the greatest share of District costs (86% of general fund expenditures and 70% of total expenditures) yet none of the action steps included in the strategic plan identify activities that will reduce personnel costs (by, for example, taking steps to improve management or improve employee productivity).

- Too many objectives are incorporated in the strategic plan to focus management and employee attention on the most important issues facing the District. Strategic plans are useful documents not only for specifying what objectives an organization will focus on during the period covered by the plan but also for specifying what activities will receive less focuses attention during the strategic planning period. There are so many objectives incorporated in the District's strategic plan, however, that to a significant extent the plan's ability to encourage managers and staff to focus on a small number of objectives is lost. [15]

- **The plan reflects a programmatic rather than a systemic approach to addressing issues**. For the most part, the action steps and strategies incorporated in the strategic plan, reflect a "programmatic approach" to strengthening the District's performance. Many of the action steps identify programs which should be implemented. Again, while these programs may be worthwhile, the emphasis on establishing programs to address the District's needs diverts attention from identifying more systemic approaches to addressing core problems (for example, using information more effectively to manage District operations and improve performance). None of the action steps included in the strategic plan appear to address systemic issues, however, in some cases the programmatic action plans incorporated into the plan together address broad issues (e.g., improving student performance and making effective use of technology) facing the District.

- **The overall goals that provide a framework for the plan are too broad to provide to drive improvement efforts**. The goals that are articulated in the strategic plan – school to career, effective learning environment, and efficient management practices – are useful in defining the areas on which the District will focus during the five years the strategic plan is in place. However, as currently articulated, these goals are so broad they cannot by themselves be used to drive improved District performance. Indeed, while progress against specific objectives linked to each goal can be evaluated using criterion provided in the strategic plan at the end of the plan's five year period there is no way of determining whether a goal was achieved or not.

- The quantifiable criterion used to assess performance for individual strategic objectives do not specify the levels of performance improvement expected. For many of the objectives included in each goal area of the strategic plan, the District has identified quantifiable measures that can be used to evaluate performance. For example, the criterion measure that is used to evaluate performance in improving student achievement in reading is the "percentage of 4th, 8th, and 10th grade students scoring at Level 2 or above in reading." Likewise, one of the criterion measures that will be used to assess the District's efforts to "reduce the percentage of incidents related to violence, weapons, drugs, vandalism, and truancy" (one of the objectives included under the goal – Effective Learning Environment) is the "percentage of incidents related to violence, weapons, drugs, vandalism, and truancy." In the same way, the criterion measure for one of the objectives included under the goal Efficient Management Practices – improve the delivery of services such as maintenance, classroom materials, and transportation – is the percentage of work order closed. While the District should be commended in each of these cases for identifying quantifiable criteria measures, the fact that specific expectations for the level of improved performance desired are not specified limits the effectiveness of these measures as a tool for improving performance. As stated, any increase (no matter how small) in the percentage of 4th, 8th, and 10th

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[15] It should be noted that just because an issue is not included in a strategic plan that does not mean the issue is unimportant and performance related to the issue should not be evaluated. Rather, the strategic plan identifies areas on which special emphasis will be placed during the period covered by the strategic while more of a "maintenance" effort should be devoted to other areas.

grade students scoring at Level 2 or above in reading; any reduction (no matter how small) in the percentage of incidents related to violence, weapons, drugs, vandalism, and truancy; and any increase (no matter how small) in the percentage of work order closed would be considered success. A much more effective approach to driving improved performance would be to establish specific performance thresholds that must be achieved each year during the five year duration of the strategic plans before declaring success in achieving an objective.

- **Linkages between actions plan steps and improved performance are not articulated as well as they could be**. Although the action steps incorporated in the strategic plan taken individually appear to be worthwhile, the linkages between action plan steps and the associated objectives are not articulated as well as they could be. The strategic plan appears to assume that successfully completing each action step will result in improved performance on the associated objective but do not specify why improvement is expected.[16] Because the linkages between actions steps and objectives are not specified evaluating whether the approaches to achieving each objective that are incorporated in each action plan step is difficult. Consequently, making "mid-course adjustments" if the action plans steps are not having the desired affect will be extremely difficult.

The strategic plan is not consistently used as a vehicle to drive District improvement

The extent to which the District uses the strategic plan to drive District improvement appears to be mixed. On the positive side, Accountability Reports are prepared to assess progress against the strategic plan. [17] Likewise, in the Educational Services area progress against objectives outlined in the strategic plan are reviewed on at least an annual basis. In addition, at least some Board members are of the opinion that an annual assessment of the progress the District has made against the strategic plan is performed. (Of the six Board members who completed the Board survey, two "agreed" or "strongly agreed" with the statement "the Board annually assesses the progress the District has made toward achieving objectives outlined in the District's strategic plan," three Board members "disagreed" or "strongly disagreed" with the statement, and one Board member was neutral. [18]) Moreover, most survey respondents (62.6 percent) "agree" or "strongly agree" that they are "familiar with the District's strategic plan and its overall goals and objectives."

These positive findings notwithstanding, at least in some areas the role of the District's strategic plan in driving District improvement is limited. For non-instructional areas in particular the specific objectives outlined in the strategic plan do not focus on key improvement needs.

Recommendations

- *We recommend that the District's approach to strategic planning be modified so that a limited number of truly strategic objectives are identified and to facilitate evaluating the strengths and shortcomings associated with the District's approach to achieving these objectives.*

Action Plan 3-16 provides the steps needed to implement this recommendation.

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[16] This finding should in no way be interpreted as indicating that action plan steps are not related to strategic objectives or that the selection of action plan steps is in any way haphazard. Rather, the problem identified is that the logic behind the selection of individual action plan is not sufficiently articulated.

[17] In two of the years between 1995 and 2000 the accountability reports were not prepared. During one of these years, the District was in the process of developing a new strategic plan.

[18] Differences of opinion among Board members on this issue may reflect both their tenure on the Board (they may not have been a member of the Board the last time an accountability report was issued) or may reflect differences of opinion about the quality of the assessment performed.

Action Plan 3-16

Modify Approach To Strategic Planning	
Strategy	Modify the District's approach to strategic planning that the strategic plan so that a limited number of truly strategic objectives are identified and so that an evaluation of the strengths and shortcomings associated with the District's approach to achieving these objectives is facilities.
Action Needed	Step 1: Interview Board members to understand the perceived strengths and weaknesses of the strategic plan as a tool for both setting the District's overall direction and evaluating its success in achieving goals.
	Step 2: Interview District level, region, and school-based staff to understand their perspectives on the strengths and shortcomings of the strategic plan.
	Step 3: Through the interviews performed in Step 1 and Step 2 to determine the extent to which the strategic plan focuses attention on the most important issues facing the District.
	Step 4: Also use the interviews performed in Step 1 and Step 2 to determine the extent to which the strategic plan can be used to assess the strengths and short-comings of the approaches currently used to achieve strategic objectives.
	Step 5: Develop an approach to identify a small number of areas on which the District must focus to fulfill its mission and achieves its overall objectives.
	Step 6: Develop an approach to identifying the strategies and approaches that should be put in place to improve performance in these areas.
	Step 7: Develop an approach to objectively assessing whether performance in these areas has improved.
	Step 8: Develop an approach to using the performance measures established in Step 7 to assess the efficacy of the strategies and approaches used to improve performance in the high priority area.
	Step 9: Develop a strategic planning process that incorporates the activities performed in Steps 5 through 8.
	Step 10: Implement strategic planning process.
	Step 11: Use strategic plan goals and objectives to drive budgetary and resource allocation decisions.
	Step 12: Specify strategic goals and objectives in District budget documents.
	Step 13: Detail, as part of the budget document, how resources have been allocated to implemented the strategies reflected in the strategic plan.
Who is Responsible	Deputy Superintendent – Management and Accountability; Chief Financial Officer
Time Frame	August 2002 to August 2003
Fiscal Impact	None

Source: Berkshire Advisors, Inc.

10 The District has a system to accurately project enrollment.

The District has established an effective system to project enrollments

The District's approach to projecting enrollments is sound. A number of approaches are used to project enrollments including cohort survival (ten year and five year weighted), linear regression based on a ten-year history, and straight-line projections using three assumptions (current growth will be maintained, average growth over the past

two years, and average growth over a three year period.) In addition, demographic information from Miami-Dade County is accessed, when necessary, to support the enrollment projection process. Likewise, District staff discuss relevant issues with representatives of the Immigration and Naturalization Service and read articles on political instability in Latin American countries to stay current on issues that may affect District enrollment.

The effectiveness of the District's approach to projecting enrollments is reflected by the fact that enrollment projections are generally quite accurate. As the Exhibit 3-9 shows, District projections are on average within .46% of actual enrollment and the differences between actual enrollment and estimated enrollment have ranged from 123students to 3,080 students over the past five years.

Exhibit 3-9

District Enrollment Projections Are Quite Accurate

Year	Actual Enrollment	Estimated Enrollment	Difference	Percentage Difference
2000-01	360,877	361,000	(123)	(.03)
1999-00	352,507	352,000	507	.14
1998-99	345,100	343,500	1,600	.46
1997-98	338,399	341,000	(2,601)	(.77)
1996-97	333,420	336,500	(3,080)	(.92)

Source: Miami-Dade County Public Schools

In addition, the District works to improve the enrollment projection process on an ongoing basis. When enrollment projects are not accurate (for example, for school year 1996-97 enrollment projections were off by a total of 3,080 students), the District reviews the assumptions it incorporates into the enrollment projection process. In the past, when enrollment projections have not been accurate there has been a qualitative shift in the factors that affect enrollment and the assumptions that previously were appropriate may no longer be adequate. (For example, District staff speculate that the most recent enrollment projections may not be accurate because Miami-Dade County is becoming "built out" and there is much less room for growth within the County.) In the five years between 1996-97 and 2000-01 the percentage difference (on an absolute basis) between actual and projected enrollments has declined each year.

At the school level, school based administrators are involved in reviewing the enrollment projections of their schools. Eighty nine percent of the school-based administrators who responded to the employee survey "agreed" or "strongly agreed" with the statement "I review annual enrollment projections for my school."

11 The District does not effectively link its financial plans and budgets to its priority goals and objectives, however, staff generally are familiar with the plan and focused on achieving those goals and objectives.

The link between the District's budget and its strategic plan is tenuous.

As previously discussed, the costs associated with completing selected action steps in the District's strategic plan are delineated. As currently constructed, however, budget priorities are not systematically set to help support implementation of the strategic plan. Indeed, the plan's programmatic agenda provides little guidance for how budget priorities should be established.

For the most part, District employees are familiar with strategic plan goals and work to achieve those goals

While the District's strategic plan may not be the primary focus of improvement efforts in non-instructional areas, the plan is helpful in supporting improvement objectives. Survey findings suggest that not only are employees familiar with the plan but work to achieve those goals. More than two in five respondents expressing an opinion (62.6%) "agree" or "strongly agree" with the statement, "I am familiar with the District's strategic plan and its overall goals and objectives" while 18.9% of survey respondents "disagree" or "strongly disagree" with this statement. An even higher percentage of District employees (70.3%) "agree" or "strongly agree" that "the goals and priorities established by the District influence my day-to-day work. In addition, a high percentage of employees (74.3%) "agree" or "strongly agree" that they understand how their work contributes to the District achieving its goals and objectives. While these findings, in themselves, do not obviate the criticisms of the strategic plan presented previously in this section, they do speak to the District's success in communicating the strategic plan and its goals and objectives to staff. In addition, these results suggest that the District has an extremely strong foundation from which to leverage an improved strategic planning process to drive improvement efforts.

Recommendations ———————————

- *We recommend that District budgets formally reflect the goals and priorities articulated in the strategic plan.*

Action Plan 3-15 (presented previously) provides the steps needed to implement this recommendation.

12The District generates significant revenue from external sources.

Although the District generates significant revenue from external sources, relatively little attention has focused on increasing revenue from local sources

The Miami-Dade Public Schools actively seeks sources of revenue from outside sources. Exhibit 3-16 summarizes the grant revenues that have been received during the most recent fiscal year. These revenues constitute 11.2 percent of the District's total budget.

Exhibit 3-10

The District Receives Significant Revenue From Grant Sources

Source	Total Revenue
Federal	$ 8,309,709
Federal Through State	186,716,787
State	11,732,461
Foundations	1,217,963
Local	1,021,819
Federal Through Local	2,463,266
Total	$211,462,005

Source: Miami-Dade County Public Schools.

In addition, the District has taken steps to facilitate the efforts of District staff to access grant revenue. For example, the District maintains a web site and produces a grant writing manual that provides information on grant opportunities from private, state, and federal sources.

The District does not, however, actively pursue opportunities to increase local revenues. While the District may, from a theoretical perspective, consider pursuing various local options to increase revenues the fact that the last successful election for raising local revenue was 13 years ago reflects a reluctance to seriously pursue such options. This was also the last time that the voters had the opportunity to vote to increase revenues to schools.

4 Performance Accountability Systems

While the District has established generally effective performance accountability systems to support educational programs, for the most part no such systems are in placed to support operations. Not only is the management infrastructure needed to support effective performance accountability in operational areas absent, but also most non-instructional managers (especially at the central office) lack the management perspective needed to aggressively manage performance on an ongoing basis.

Conclusion

The District's performance with regard to performance accountability is decidedly mixed. In general, the District has done an effective job of using performance information to strengthen educational programs. For educational programs, performance objectives have been established that are linked to the District's overall goals, strategies for achieving performance goals are in place, performance against goals is tracked, and performance information is used to develop strategies to support ongoing improvement efforts. With regard to management of District support operations, however, performance accountability systems are, with few exceptions, not in place. Generally, information is not used as a tool for managing the District's non-instructional operations and quantifiable goals and objectives have not been established for operational programs. Likewise, the quantifiable performance indicators needed to monitor District performance on an ongoing basis have not been established in most operational areas. Perhaps the biggest barrier to strengthening performance accountability for support operations is that central office managers lack the management perspective needed to aggressively manage performance on an ongoing basis.

During the course of this review, Berkshire Advisors, Inc. identified a number of District accomplishments relating to performance accountability systems, some of which are included in Exhibit 4-1 below.

Exhibit 4-1

**The District Has Had Notable Accomplishments
in Performance Accountability in the Last Three Years**

- The District is in the process of establishing a Sterling Management process to establish goals for District performance and to drive performance improvement.
- Educational programs have established generally effective performance management systems
- A number of school-based administrators creatively manage their schools to achieve goals outlined in their school improvement plans.
- Some isolated units – most notably, the Accounts Payable function – effectively use performance indicators as a management tool.

Source: Miami-Dade County Public Schools.

Overview of Chapter Findings ───────────

Berkshire Advisors reviewed the District's performance accountability systems using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. The consulting team employed several methodologies to develop chapter conclusions and action plans. For instance, Berkshire Advisors, Inc. conducted on-site interviews with District level managers and reviewed policies and procedures relating to performance accountability. All school board members were also interviewed. In addition, visits were made to over 60 schools where interviews were conducted with administrators, teachers, parents, and School Advisory Council members. Moreover, Berkshire Advisors, Inc., held four community forums at locations throughout the District where community members could provide input about the District's practices. Likewise, an e-mail address and 800 number were established so District stakeholders could provide input into the study process. A survey was also administered to board members. An additional survey was administered to a representative sample of employees from throughout the District. (Approximately 13,000 surveys were sent to employees of which 3,919 were returned.)

An overview of chapter findings is presented below.

Accountability For Efficiency And Effectiveness

1. While goals and objectives have been established for educational programs, little effort has been devoted to establishing goals for non-instructional functions. (Page 4-3)
2. While the District has established performance measures for educational programs, such measures have not been established for non-instructional programs and for neither educational nor operational programs are cost-efficiency measures used. (Page 4-6)
3. The District assesses the performance of educational programs but does not consistently evaluate the performance of operational programs. (Page 4-10)
4. The District evaluates the performance of its major educational programs and uses these results to improve program performance; however, little effort is devoted to evaluating operational programs and for neither educational nor operational programs is adequate attention focused on controlling costs. (Page 4-17)
5. The District reports on the performance of its major educational programs to ensure accountability to parents and other taxpayers. (Page 4-19)

Fiscal Impact of Recommendations ───────────

Over time, the recommendations to improve performance accountability systems presented in this chapter should yield significant savings in operational improvements. In the immediate term, however, implementation of these recommendations will not have any fiscal impact.

Background ───────────

For the most part, the District does not have effective performance accountability systems in place to support non-instructional activities. A great deal of information on student academic performance, on the other hand, is used to diagnose opportunities for improvement and make decision to improvement instruction. The information collected includes the following:

*   School Profile Data is provided by three comprehensive annual reports (Feeder Pattern Profiles, District and School Profiles and Statistical Abstract)

- Comprehensive analysis of student performance on Stanford Nine Achievement Test (Stanford-9) and Florida Comprehensive Assessment Test (FCAT) is completed each year

- A comprehensive system of summer school pre- and post- tests is used to evaluate the effectiveness of the summer school curriculum

- The District has developed and implemented systems for comparing student academic assessments to state accountability standards and student academic assessments in peer districts

- A systematic assessment is performed each year on the effectiveness of Title I programs

- Specific analyses of student performance data is provided to schools, regional offices and District departments to assist them in planning for curriculum and instructional modifications, remediation, and professional development

In addition, a range of non-academic indicators is also used to improve instructional performance.

Accountability for Efficiency and Effectiveness ——

1 **While goals and objectives have been established for educational programs, little effort has been devoted to establishing goals for non-instructional functions.**

The extent to which information is used as a tool for managing the District varies significantly by program area

The effective operations of any organization and especially school Districts requires making effective use of information to evaluate operations and to inform decision making. The extent to which information is used as a tool for managing the Miami-Dade County Public Schools varies considerably by program area. With regard to educational programs (e.g., basic education, exceptional student education, vocational/technical education, and English for Speakers of Other Language) managers monitor performance goals and modify operations based on performance results. In particular, at the school level, principals use school improvement plans to drive performance improvement efforts. With some exceptions, however, the District's approach to managing the performance of non-instructional operational areas (e.g., facilities construction, facilities maintenance, personnel, asset and risk management, financial management, purchasing, transportation, food services, and safety and security) is not "data driven." [1] In all but a few of these operational areas key indicators of performance that are linked to overall District goals and objectives have not been established. In addition, relatively few central office managers of operational units appear to have the management perspective needed to drive performance improvement against specified goals and objectives.

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[1] Facilities construction, for example, monitors the percentage of projects completed within budget, the average duration of "new construction," and the average duration of "additions and renovations." In addition, measures for evaluating performance have been established relating to the accounts payable function and investment management. It is also worth noting that the Chief of Police has implemented new systems for capturing performance data and is beginning to use this information to manage operations. Moreover, while some management information is collected in the food service areas (e.g., information on labor hours and dollars by school, summaries of food purchases by schools, and sales data) this information is unreliable and difficult to use to inform management decision-making.

Goals and objectives have been established for key educational programs but not for operational programs

Educational programs. Goals and objectives have been established for each major educational program and these objectives have been linked to the overall goals articulated in the District's strategic plan (see Exhibit 4-2).

Exhibit 4-2

Instruction Goals And Objectives Are Directly Linked To Strategic Plan Goals

Program	Program Goal or Objective	Strategic Plan Goal(s)
Specific School Improvement Plans	To increase student performance on FCATS in each area by defined percent over the current baseline	School To Career
K-12 Educational Service Delivery	• To improve student achievement emphasizing reading, writing skills, mathematics and science	School To Career
	• Decrease the number of schools receiving "D" and "F" grades and increase the number of schools receiving "A" and "B" grades on the State's School Accountability Report	School To Career
Exceptional Student Education	Improve graduation rates of students with disabilities, including the number of students who graduate with a standard diploma	School To Career
English for Speakers of Other Languages	Increase the number of students who are bilingual and biliterate	School To Career
Adult Education	Enhance vocational/technical programs and adult education programs to meet the demands of business and industry	School To Career
Alternative Education	Strengthen counseling and academic programs for all at-risk students located at alternative schools and juvenile justice centers	Effective Learning Environment

Source: Miami-Dade County Public Schools.

Operational programs. While the District has done a commendable job of establishing goals and objectives for educational programs, the same cannot be said for its efforts in establishing goals and objectives for non-instructional programs and activities. Indeed, other than investment management, accounts payable, and some aspects of facilities construction quantifiable goals and objectives have not been established in any non-instructional program area. To the extent goals and objectives have been established for non-instructional functions at all they tend to be quite general in nature and lack the specificity needed to drive improvement efforts.

Goals and objectives identified in the District's strategic plan could be more useful in helping managers identify and focus on the key activities central to improving the District's performance

From a theoretical perspective a strategic plan should be designed to help an organization focus its efforts on the key initiatives and activities that are central to its success. The District's strategic plan, however, has so many objectives and initiatives, that its use as a tool to help managers focus on the most important challenges facing the District is limited. The plan established three major goals and 23 distinct objectives. As discussed, the objectives defined for each educational programs are linked to one of the three goals established in the plan – school to career, effective learning environment, and efficient management practices. However, these goals are so broad that it is difficult to imagine any educational program initiative that could not be linked to one of these overall goals.

It is also worth noting that, for the most part, strategic plan objectives cannot be used as proxies for goals and objectives for operational functions. Indeed for some operational program areas, the strategic plan lists no relevant objectives (see Exhibit 4-3).

Exhibit 4-3

Strategic Plan Goals And Objectives have Not Been Established For Some Operational Program Areas

Program Area	Strategic Plan Objective
Facilities Construction	• Reduce school overcrowding (Strategic Plan Objective IIc) • Decrease the average duration of new construction additions, and renovations and ensure that Capital Outlay programs/projects are completed within budget (Strategic Plan Objective IIIb)
Facilities Maintenance	• Improve the delivery of services such as maintenance, classroom materials, and transportation (Strategic Plan Objective IIIc)
Personnel	• Increase skills, knowledge, and professionalism of school staff (Strategic Plan Objective IId)
Asset and Risk Management	• None
Financial Management	• Improve the financial planning and management process to ensure that resources are allocated and expended according to District needs and priorities (Strategic Plan Objective IIIa)
Purchasing	• Improve the delivery of services such as maintenance, classroom materials, and transportation (Strategic Plan Objective IIIc)
Transportation	• Improve the delivery of services such as maintenance, classroom materials, and transportation (Strategic Plan Objective IIIc)
Food Services	• None
Safety And Security	• Reduce the percentage of incidents related to violence, weapons, drugs, vandalism, and truancy. (Strategic Plan Objective IIa)

Source: Miami-Dade County Public Schools.

Where strategic plan objectives are in place for operational programs these objectives tend to focus on specific initiatives rather than overall goals that could be used to drive overall improvement efforts.

Recommendations ———————————

- *We recommend that quantifiable goals and objectives be established for each organizational unit and that these goals and objectives be linked to the overall goals and priorities articulated in the District's strategic plan and other operational plans.*

Action Plan 4-1 provides the steps needed to implement this recommendation.

Action Plan 4-1

Establish Quantifiable Goals And Objectives For Each Organizational Unit

Strategy	Establish quantifiable goals and objectives for each organizational unit and link these goals and objectives to the strategic plan or other operational plans.	
Action Needed	Step 1:	Articulate the role of each organizational unit in achieving overall District goals and objectives.
	Step 2:	Establish performance measures that can be used to assess the extent to which each organizational unit is achieving its goals.
	Step 3:	Assess the strengths and shortcomings of each organizational unit is achieving its goals.
	Step 4:	Set priorities based on an systematic assessment of where improvement is needed most.
Who Is Responsible	Deputy Superintendent – Management and Accountability	
Time Frame	April 2002 to February 2003	
Fiscal Impact	No immediate impact.	

2 While the District has established performance measures for educational programs, such measures have not been established for non-instructional programs and for neither educational nor operational programs are cost-efficiency measures used.

Performance standards have been established for educational programs but not for operational programs

Educational programs. Program goals, by themselves, are of little value unless performance against these goals can be objectively evaluated. As Exhibit 4-4 shows, the District has done a credible job of ensuring that for each educational program goal or objective a quantifiable measure has been established.

Exhibit 4-4

A Quantifiable Measure Has Been Established For Each Educational Program Goal Or Objective

Program	Program Goal or Objective	Performance Measure
Specific School Improvement Plans	To increase student performance on the FCAT in each area by defined percent over current baseline	FCAT scores
K-12 Educational Service Delivery	To improve student achievement emphasizing reading, writing skills, mathematics and science	FCAT scores SAT I Scores Number of students enrolled and the percent completing Level III courses in Math and Science
	Decrease the number of schools receiving "D" and "F" grades and increase the number of schools receiving "A" and "B" grades on the State's School Accountability Report	Number and percent of schools receiving each grade on the state's School Accountability Report Comparison of current year grades to those received in

Program	Program Goal or Objective	Performance Measure
		previous years
Exceptional Student Education	Improve graduation rates of students with disabilities, including the number of students who graduate with a standard diploma	Graduation rate Percent of ESE students obtaining standard vs. special diploma
	Improve timeliness of initial evaluations	Timelines report
English for Speakers of Other Languages	Increase the number of students and adults who are bilingual and biliterate	Percent of LEP students scoring at or above Level 2 on the FCAT Reading and Writing Number of schools participating in Extended Foreign Language Programs
Adult Education	Enhance vocational/technical programs and adult education programs to meet the demands of business and industry	Survey of critical equipment, curriculum and facility needs as to whether or not meeting industry standards

Percent of applied technology students employed

Number and percent of applied technology students who complete job preparation vocational programs |
| Alternative Education | Strengthen counseling and academic programs for all at-risk students located at alternative schools and juvenile justice centers | Number of plans addressing transition issues submitted by schools to the Division of Student Services

Number of "school-within-school" academies at middle and senior high schools |

Source: Berkshire Advisors, Inc.

The fact that performance measures have been established for District educational programs is confirmed by the results of the employee survey. More than three-fourths (76.7 percent) of certificated administrators "agree" or "strongly agree" with the statement "I am familiar with performance measures and benchmarks the District has established to evaluate its major educational and operational programs." [2] In addition, almost two-thirds (63.4 percent) of certificated non-administrators "agree" or "strongly agree" with this statement.

Operational programs. Quantifiable performance standards that can be used to drive improved performance have not been established for most District operational programs. The District has established performance expectations for individual programs in a small number of areas. For example, the accounts payable function has established a number of specific performance indicators as has the investment management function. In addition, the percentage of projects completed within budget, the average duration of "new construction," and the "average duration of "additions and renovations" are used to assess the performance of the facilities construction function. Moreover, some performance indicators have been established to monitor warehouse operations and safety and security operations are beginning to benefit from an analysis of performance information. Furthermore, while some information is collected to support food service operations (e.g., information on labor costs and hours, information

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[2] Only certificated staff would likely be familiar with educational programs.

on food purchases by school) this information is not consistently reliable and is difficult to use to inform management decision making.

The fact that performance measures have not been established for many District operational programs is also confirmed by the results of the employee survey. Fewer than two out of five (38.4 percent) of non-certificated administrators "agree" or "strongly agree" with the statement "I am familiar with performance measures and benchmarks the District has established to evaluate its major educational and operational programs." [3] Moreover, only about one third of non-certificated non-administrators (35.4 percent) "agree" or "strongly agree" with this statement.

Some of the performance standards incorporated in the strategic plan focus on process and do not set sufficiently specific expectations for performance

While the District's strategic plan includes some quantifiable performance goals the expectations for performance tend to lack specificity. (For example, the strategic plan sets the expectation that there "will be an increase in the percentage of students at the 4th, 8th, and 10th grade scoring at Level 2 or above on the FCAT reading test" without setting expectations for how many schools should improve their performance and by how much performance should improve.) In addition, even within the strategic plan linkages between individual action steps (detailed in the plan) and overall performance expectations are not well defined. The strategic plan seems to assume that completing each action step will result in improved performance without providing a mechanism for evaluating these assumptions. (A more detailed analysis of the strengths and shortcomings of the District's strategic plan is presented in Section 9 of the Management Structures Chapter (page 3-30 to 3-33).

Existing performance standards do not reflect the need to control costs

While the District does collect information on program cost and clearly collects a great deal of information on program performance, little if any attention appears to be focused on linking this information and evaluating the cost-effectiveness of program operations. [4] Moreover, the fact that little attention is focused on controlling the costs associated with educational service delivery is reflected in the program objectives that have been established for educational service delivery programs (presented earlier in this section). Not one performance objective is related to cost.

Moreover, while one of the three goals articulated in the strategic plan is to establish "efficient management practices" virtually none of the criteria that are used to evaluate success on this goal consider costs. Indeed, only 8 of the 121 action steps included in the plan (6.6 percent) have the potential to reduce costs. Moreover, surprisingly only 8 of the 32 action steps included under the goal "efficiency management practices" (25.0 percent) will result in reduced costs when implemented.

The District uses benchmarks to evaluate its educational programs but does not use benchmarks to evaluate non-instructional programs

The District has done some benchmarking over the past three years to compare itself to other Districts. Benchmark studies have been performed in the following areas:

- Principal (and Assistant Principal) to pupil ratios
- Principal (and Assistant Principal) to teacher ratios
- Classroom teacher to pupil ratios

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[3] A "non-certificated administrator" is one who is not required to have educational certification to hold their job. Essentially, these are administrators who are not educators.

[4] For example, reading and math allocations by schools are calculated by schools and reported with FCAT scores (Florida Comprehensive Assessment Test Enhancement Program; Distribution to Schools Based on Services Generated By The Number of Student Scoring At FCAT Level 1 In Reading And/Or Mathematics).

- Salaries for school-based administrators and teachers
- Expenditures per student
- Standardized test (FCAT) results
- Student performance on SAT/ACT/AP tests

In addition, reports have been prepared analyzing the approaches other Districts use to establish ethical standards (*Policies and Procedures Regarding Ethical Standards in Districts Other than Miami-Dade County* [July 2000]), comparing Miami-Dade County to other Florida counties on various indicators of child well-being, and comparing the proportion of administrative staff across 11 different industries (including education). In addition to these specific studies, the District has developed and implemented systems for comparing student academic assessments to the state accountability standards and to student academic assessments in peer districts. (The District identifies as its peers for benchmarking Broward County, Florida; Chicago, Illinois; Los Angeles, California; and Clark County, Nevada.)

Little benchmarking has been performed to assess the performance of non-instructional programs, however.

Recommendations ———————————————

- *We recommend that the District establish quantifiable performance indicators for each organizational unit and that these indicators be linked to the goals and objectives for the unit (which in turn should be linked to the goals and priorities identified in the District's strategic plan and other operational plans)*

  - *Action Plan 4-1 (in the preceding section) presents the steps needed to implement this recommendation.*

- *We recommend that management information systems be modified so that information on performance indicators can be tracked on an ongoing basis.*

  Action Plan 4-2 provides the steps needed to implement this recommendation.

Action Plan 4-2

Modify Management Information Systems To Facilitate The Tracking Of Information On Performance Indicators		
Strategy	Modify management information systems so that information on performance indicators can be tracked on an ongoing basis.	
Action Needed	Step 1:	Identify performance indicators developed in Action Plan 4-1.
	Step 2:	Determine the information needed to track performance against those indicators.
	Step 3:	Work with the Office of Information Technology to modify systems to track performance using these indicators.
	Step 4:	Develop procedures for recording information on performance indicators.
	Step 5:	Implement system and procedures.
Who is Responsible	Deputy Superintendent – Management And Accountability	
Time Frame	April 2002 to February 2003	
Fiscal Impact	No immediate impact.	

- *We recommend that benchmark comparisons be performed for non-instructional programs on an ongoing basis to help calibrate the level of performance that should be provided by each organizational unit.*

  Action Plan 4-3 provides the steps needed to implement this recommendation.

Action Plan 4-3

Perform Benchmark Comparisons For Non-Instructional Programs	
Strategy	Perform benchmark comparisons for non-instructional programs on an ongoing basis to help calibrate the level of performance that should be provided by each organizational unit.
Action Needed	Step 1: Identify high performing organizations in each non-instructional area.
	Step 2: Identify data needed for comparison.
	Step 3: Develop data collection templates.
	Step 4: Contact other organizations to gather date.
	Step 5: Summarize data and assess implications.
	Step 6: Identify "lessons" learned from benchmark organizations.
	Step 7: Develop plans to implement lessons.
	Step 8: Implement improvement plans.
	Step 9: Repeat this process every two to three years.
Who is Responsible	Unit heads for each operational unit
Time Frame	June 2002 to September 2002
Fiscal Impact	No immediate impact.

3 The District assesses the performance of educational programs but does not consistently evaluate the performance of operational programs.

Performance data is used to evaluate educational programs but not operational programs

Education programs. The District does an effective job of tracking performance of educational programs against goals. As Exhibit 4-5 shows, performance against most goals is tracked on an annual basis and in some cases a more frequent assessment of performance is performed. In only a small number of cases are no mechanisms currently in place to track performance against goals.

Exhibit 4-5

For Educational Programs, Performance Against Goals Is Tracked At Regular Intervals

Program	Program Goal or Objective	Performance Measure	Frequency
Specific School Improvement Plans	To increase student performance on the FCAT in each area by defined percentage over current baseline	FCAT scores	Annual
K-12 Educational Service Delivery	To improve student achievement emphasizing reading, writing skills, mathematics and science	FCAT Scores	Annual
		SAT I Scores	3 times per year
		Number of students enrolled and the percent	Each semester

Program	Program Goal or Objective	Performance Measure	Frequency
	Decrease the number of schools receiving "D" and "F" grades and increase the number of schools receiving "A" and "B" grades on the State's School Accountability Report	completing Level III courses in Math and Science	
		Number and percent of schools receiving each grade on the state's School Accountability Report	Annual
		Comparison of current year grades to those received in previous years	Annual
Exceptional Student Education	Improve graduation rates of students with disabilities, including the number of students who graduate with a standard diploma	Graduation rate	Annual
		Percent of ESE students obtaining standard vs. special diploma	Annual
	Improve timeliness of initial evaluations	Timelines Report	Monthly
English for Speakers of Other Languages	Increase the number of students and adults who are bilingual and biliterate	Percent of LEP students scoring at or above Level 2 on the FCAT Reading and Writing test	Annual
		Number of schools participating in Extended Foreign Language Programs	Annual
Alternative Education	Strengthen counseling and academic programs for all at-risk students located at alternative schools and juvenile justice centers	Number of plans addressing transition issues submitted by schools to the Division of Student Services	Annual
		Number of "school-within-school" academies at the middle and senior high schools	Annual

Source: Miami-Dade County Public Schools.

Not only are performance results evaluated for educational programs, but also staff within each major program area can demonstrate that information on program performance is used to assess program and develop strategies for improvement. A discussion of steps that are currently taken to use information to strengthen program performance in each major educational service delivery area follows:

- **Exceptional Student Education.** Many steps are taken to strengthen ESE programs at the school regional and District levels due to the many regulations and agencies that influence the delivery of these services and the ever-changing expectations of service delivery in this program area. At the school level, SACs address ESE programs through the School Improvement Planning process. At the District and region level many structures are in place to monitor compliance with federal and state regulations regarding evaluation, Individual Education

Plan (IEP) completion, least restrictive environment, participation in standard and alternative assessments. Some of specific steps taken to strengthen program performance at the region and District levels include:

- Providing training to principals and assistant principals related to their responsibilities in insuring "least restrictive environments" are provided for ESE students within their school

- Designing a "boot camp" program to provide pre-service training to new non-certified teaching staff

- Working to convert "Child Study Teams" to "School Study Teams" to reduce inappropriate referrals to ESE as well as increase timeliness of initial evaluations

- Providing training to ESE and general education staff related to state and federal criteria for student participation in standard vs. alternative assessment

- **Vocational Education.** The steps taken to strengthen vocational education programming occur primarily at the school level as part of the School Improvement Planning process. However at the District level, leadership in setting direction for vocation initiatives and ongoing evaluation of the effectiveness and marketability of vocational training program occurs in cooperation with Miami-Dade business partners. A comprehensive system of determining community employment needs through the One Community-One Goal program has developed to ensure the District is preparing students to meet the vocational demands and needs of their community. A structured evaluation process for vocational programs has been also developed which includes stakeholders with expertise in their given vocational/career areas. Based on feedback provided through this process, the District has been working to shift the focus of many of its senior high school academies and vocation training programs.

- **English For Speakers of Other Languages.** The steps taken to strengthen ESOL performance occur at both the school and District level. At the school level, ESOL program performance is addressed as part of the School Improvement Planning process. At the District level, an annual report and self-assessment (as required by both Florida law and the LULAC Consent Decree) on the District-wide performance of ESOL programs is completed each year. This report addresses the five major objective of the ESOL program:

  - The acquisition of English language skills

  - The completion of curriculum requirements

  - A review of indices of academic progress

  - Test performance results

  - The identification and exiting of LEP students

  The data contrasts students' performance across two school years and compares student performance to non-LEP students. The self-assessment data is used to set new baselines and determine where programmatic adjustments must be made for the next school year.

- **Individual Schools.** The School Improvement Plan defines specific objectives with clear criterion upon which to measure performance. SACs are responsible for determining performance on these objectives throughout the year and where appropriate redesigning intervention strategies where objectives are not being reached (or setting higher targets where objectives are reached early in the school year). As each subsequent School Improvement Plan is developed, the SAC first measures their progress on the previous year's objectives before setting new targets.

  The fact that performance measures for educational programs are in place and these performance measures are effectively communicated is supported by the results of the employee survey (see Exhibit 4-6). More than half the survey respondents (53.8%) "agree" or "strongly agree" that "the District does an effective job of using performance measures and benchmarks to assess how well educational and operational programs are meeting their goals and objectives" and slightly more than half (51.2%) "agree" or "strongly agree" the District regularly performs assessment of operational practices in the areas with which the respondent is most familiar. However, for each of these issues the survey results also suggest that significant improvement is possible.

Exhibit 4-6

Employee Survey Results Confirm That Performance Measures For Educational Programs Are In Place

Survey Item	Percent Who "Strongly Disagree"	Percent Who "Disagree"	Percent Who Are "Neutral"	Percent Who "Agree"	Percent Who "Strongly Agree"
The District does an effective job of using performance measures and benchmarks to assess how well educational and operational programs are meeting their goals and objectives.	8.0	14.1	24.1	36.0	17.8
The District regularly performs assessments of operational practices in the areas with which I am most familiar.	.1	5.1	26.6	34.4	16.8

Source: Berkshire Advisors Employee Survey.

While most respondents indicated that performance measures for instructional programs had been effectively communicated, they were less positive that performance measures for non-instructional programs had been effectively communicated. Consequently, improvement is needed in ensuring operational reviews are disseminated and on using the results of the reviews to improve performance. In each of these areas, the number of survey respondents who "agree" or "strongly agree" with the associated survey items is less than 50 percent and a relatively high percentages of survey respondents "disagree" or "strongly disagree" with the related survey item (see Exhibit 4-7).

Exhibit 4-7

Improvement Is Needed On Ensuring Operational Reviews Are Disseminated And Used

Survey Item	Percent Who "Strongly Disagree"	Percent Who "Disagree"	Percent Who Are "Neutral"	Percent Who "Agree"	Percent Who "Strongly Agree"
I have review the results of these assessments..	13.1	20.6	22.0	28.1	16.2
The results of operational assessments are used to improve performance and cost-efficiency.	11.8	15.3	28.5	29.2	15.2

Source: Berkshire Advisors Employee Survey.

Operational programs. As discussed, performance measures have not been established for operational programs and consequently performance results cannot be used to drive improvements in efficiency and/or effectiveness for most non-instructional areas. The fact that performance measures for non-instructional programs are not in place,

effectively communicated, and used to improve performance is supported by the results of the employee survey (see Exhibit 4-8). For each of the survey items relating to these issues the percentage of non-certificated respondents who "strongly agree" or "agree" is relatively low (less than 40 percent) while the percentage of non-certificated respondents who "disagree" or "strongly disagree" is high (more than 30 percent and in some cases as high as 49.9 percent).

Exhibit 4-8

Performance Measures For Non-Instructional Programs Are Not In Place

Survey Item	Percent Who "Strongly Disagree"	Percent Who "Disagree"	Percent Who Are "Neutral"	Percent Who "Agree"	Percent Who "Strongly Agree"
The District does an effective job of using performance measures and benchmarks to assess how well educational and operational programs are meeting their goals and objectives.	12.6	16.3	33.5	28.0	9.6
The District regularly performs assessments of operational practices in the areas with which I am most familiar.	12.8	19.7	32.2	27.0	8.3
I have reviewed the results of these assessments.	22.5	27.4	23.2	21.0	6.0
The results of operational assessments are used to improve performance and cost-efficiency.	14.7	17.3	33.9	27.1	7.0

Source: Berkshire Advisors, Inc.

The District does not systematically evaluate alternative service delivery methods and privatization for all educational and operational programs

The District, from time to time, has considered alternative service delivery methods and privatization. Examples of alternative service delivery approaches include the following:

- **Exceptional student education**. Frameworks have been developed for analyzing which ESE related supports and services are best provided by District staff and which are best performed by contractors in collaboration with community agencies. This decision process considers both clinical and educational practices and incorporates an assessment of the cost-effectiveness of various alternatives. ESE also performs routine assessments of both student support needs and program support need to determine which services are most efficiently and cost-effectively provided by District staff or in collaboration with community agencies.

- **Alternative education**. A large portion of alternative education services are provided to District students through a combination of District school programs and provide providers. Contracts have been established with private community agencies or in collaboration with community, county, and state agencies. A range of models

have been developed to serve the varying needs of high-risk students and these models are routinely assessed to ensure services are provided in the most clinically and educationally sound, as well as the most cost effective, manner. A new evaluation process has also been developed to monitor schools and services that are provided through contractors or through collaborative agreements to ensure they are both efficient and effective.

- **Edison project**. The District contracted with the Edison Project to operate one school. The success of this effort was evaluated and a determination was made not to expand this initiative.

- Although the District should be commended for its approach to evaluating alternative service delivery in each of these cases, the fact remains that the District's approach to evaluating alternative service delivery is spotty. The determination of the functions and services for which alternative service delivery methods should be considered tends to lack rigor and to be made on a case-by-case basis. (Indeed, the extent to which alternative service delivery approaches are reviewed tends to be determined by the predilections of individual managers.) No framework has been established to guide such decisions on a District-wide basis. Moreover, once a decision to implement an alternative service delivery method has been made, that decision is not re-evaluated at regular intervals. (It would not be uncommon for circumstances to change over time to the point where a decision to employ an alternative service delivery approach that at one point in time was sound is no longer efficient or effective.)

Recommendations

- *We recommend that the District develop an overall framework to guide its approach to evaluating the performance and cost-effectiveness of major educational and operational programs.*

- *We recommend that each organizational unit use this framework to develop guidelines for evaluating the performance and cost-effectiveness of their operations.*

- *We recommend that a schedule be established that specifies when the performance and cost-effectiveness of individual organizational unit should be formally evaluated.*

Action Plan 4-4 provides the steps needed to implement these recommendations.

Action Plan 4-4

Develop And Implement A Framework For Evaluating Performance And Cost Effectiveness		
Strategy	Develop and implement an overall framework to guide the District's overall approach to evaluating the performance and cost-effectiveness of major educational and operational programs.	
Action Needed	Step 1:	Identify the types of factors that should be considered when evaluating the performance do of a major educational and/or operational program.
	Step 2:	Identify the types of factors that should be considered when determining whether a program is cost-effective.
	Step 3:	Identify the factors that should be considered when making tradeoffs between program costs and program effectiveness.
	Step 4:	Use the factors developed in Steps 1, 2 and 3 to develop a framework and guidelines that all managers can use when evaluating program performance and effectiveness.
	Step 5:	Charge the leadership of each organizational unit to use this framework to develop guidelines for evaluating the performance and cost effectiveness of their operations.
	Step 6:	Develop a schedule for completing programs evaluations for each organizational unit.

	Step 7: Evaluate the performance and cost-effectiveness of each major educational and operational program.
	Step 8: Develop improvement initiatives based on this evaluation.
	Step 9: Develop plans to implement needed improvements.
	Step 10: Implement plans
	Step 11: Re-evaluate program performance and cost-effectiveness every two to three years.
Who is Responsible	Deputy Superintendent – Management And Accountability
Time Frame	April 2002 to February 2003
Fiscal Impact	No immediate fiscal impact.

Source: Berkshire Advisors, Inc.

- *We recommend that the District Develop an overall framework to guide decisions with regard to what services should be provided in-house and what services should be provided by outside contractors or by using some other alternative service delivery approach.*

- *We recommend that each organizational unit use this framework to develop guidelines for assessing what services should be provided in-house and what services should be provided by outside contractors or by some other alternative service delivery approach.*

- *We recommend that a schedule be established that specifies when alternative service delivery approaches should be evaluated.*

Action Plan 4-5 provides the steps needed to implement these recommendations.

Action Plan 4-5

Develop And Implement A Framework For Evaluating Alternative Service Delivery	
Strategy	Develop an overall framework to guide decisions with regard to what services should be provided in-house and what services should be provided by outside contractors or by using some alternative service delivery approach.
Action Needed	Step 1: Identify types of alternative service delivery approaches (including outsourcing).
	Step 2: Systematically identify the potential benefits associated with each services delivery alternative.
	Step 3: Systematically identify the potential costs and risks associated with each service delivery alternatives.
	Step 4: Develop approaches for weighting costs and risks against benefits.
	Step 5: Summarize the results of Steps 1 through 4 in an evaluation framework.
	Step 6: Charge the leaders of each unit to use this framework to make a preliminary assessment of functions and services that are good candidates for outsourcing (or another alternative service delivery approach).
	Step 7: Develop a schedule for completing a more detailed analysis of the costs, risks, and benefits associated with each candidate function or service.
	Step 8: Determine for which specific functions and services outsourcing or some other alternative delivery approach should be pursued.
	Step 9: Develop plans to implement these alternative service delivery approaches.
	Step 10: Implement the plans.
	Step 11: Re-evaluate programs and services using the evaluation framework every two to three years.
Who is Responsible	Deputy Superintendent – Management and Accountability

Time Frame	April 2002 to February 2003
Fiscal Impact	No immediate fiscal impact.

Source: Berkshire Advisors, Inc.

4 The District evaluates the performance of its major educational programs and uses these results to improve program performance; however, little effort is devoted to evaluating operational programs and in neither the educational nor operational program areas is adequate attention focused on controlling costs.

The District performs a number of high quality program evaluations

Various District departments and units perform evaluations of District educational programs. Some departments coordinate the evaluation of their own programs. For example, the Vocational and Technical Education programs are routinely evaluated by independent Advisory Committees comprised of community members from appropriate local businesses. The programs are evaluated for appropriateness and/or availability of tools, administrative support, curriculum instructional support and program performance. In addition, ESE staff have performed a number of on site program support reviews including reviews of best practices for Children's Mental Health/SED Hospital to School and on-site ESE program reviews. The Elementary, Secondary and Workforce Development Education unit has also performed an analysis of Algebra 1, Algebra 1A, and Algebra 1B classes in seven senior high school and an analysis of Middle School Mathematics in 13 Miami-Dade County Public Schools.

When requested, the Office of Evaluation and Research also performs program evaluations on behalf of District departments. Over the past 12 months from December 2000 to December 2001 office completed 18 reviews (some of which are interim reports or are repeated for more than one year), including the following:

- Evaluation of K-8 Centers Program
- Preliminary Evaluation Reports: Success for All, Safety Net, and the Edison Project
- Report Summary on Student Enrollment Projected by the Metro- Dade Planning Department
- Evaluation of the Recording for the Blind and Dyslexic Learning Through Listening Program
- Evaluation of the 1999-2000 HIV/AIDS Education Program
- Evaluation Of The Success For All Program (1999-2000)
- Evaluation of the Edison Project School – Final Report (1999-2000 School Year)
- Review of Charter Schools (1999-2000)
- Evaluation of the Comprehensive Reading Plan – Second Interim Report (1999-2000 School Year)
- Evaluation of the Disciplinary Schools Program
- Evaluation of Project PROUD (1999-2000 School Year)
- Tile I Evaluation Summary Report (1999-2000)
- A Partial Census of Haitian-Americans and Haitian Creole Speakers Employed By the Miami-Dade County Public Schools
- Evaluation of the I.D. Badge Program
- Evaluation of the Cognitive Tutor Algebra I Program
- School Improvement Plans – Schools Not Making Adequate Progress (2000-2001)
- Evaluation of HIV/AIDS Educational Program
- Evaluation of the Education Now and Babies Later (ENABL) Program.

The evaluations completed by the Office of Evaluation and Research are of high quality. The evaluations examine whether the program being reviewed is meeting its intended objectives, evaluations are understandable, are summarized in a written report, and include a plan of action for how the evaluations can be used to improve performance. In addition, the reports are shared with program staff and board members. In two areas, however, the quality and focus of the evaluations could be improved. First, plans of action included in the reports would benefit from being more specific and action oriented.[5] In addition, the overall evaluations would benefit from focusing more attention on identifying ways to improve program cost-effectiveness. For example, in the process of evaluating a program an opportunity to improve its cost-effectiveness might be identified. Even if this is not the primary focus of the evaluation the opportunity to enhance cost-effectiveness should be shared as part of the evaluation report and associated implementation plans. In addition, specific evaluations might be performed that compared the costs of various programs that have similar objectives and achieve similar results.

A systematic process has not been established to ensure that the recommendations of program evaluations are implemented

While anecdotal evidence from interviews suggests that the program evaluations performed by the Office of Evaluation and Research and by individual units are well regarded and are generally used to improve performance, no systematic follow-up of how the results of program evaluations are used to improve performance or the extent to which the plans of action presented at the end of evaluations are implemented. Certainly, the results of the evaluations are used to inform the types of improvement initiatives discussed in section 3 of this chapter, however no analysis has been conducted to assess how the recommendations of specific evaluations have been implemented. However, the Office of Evaluation and Research does not currently have the resources needed to systematically conduct follow-up evaluations of programs to assess implementation progress.

The program evaluations which are performed do not consistently reflect the most important issues facing the District

The 18 program evaluations completed by the Office of Research and Evaluation over the past 12 months have not consistently focused on the programs that have the most impact on the District. (While undertaking an evaluation of Project PROUD, the I.D. Badge Program, the Recording for the Blind and Dyslexic Learning Through Listening Program is certainly worthwhile, these programs have only a limited impact on the District's overall performance.) Instead, program evaluations (at least the program evaluations performed by the Research and Evaluation unit) tend to be done only when required by the provisions of a grant or when an individual program manager requests that an evaluation be undertaken. It is worth noting that virtually no program evaluations have been performed of operational programs (such as Facilities Construction, Facilities Maintenance, Personnel, Asset and Risk Management, Purchasing, Transportation and Food Services) although a review of some operations was included as part of the review performed by Arthur Andersen in 1999. In addition a complete review of garage operations and Transportation Department operations is currently being conducted by the Office of Management and Compliance Audits.[6] Because program evaluations are not consistently performed and do not focus on areas that have the greatest impact on the cost and quality of District operations, opportunities to revise and improve District programs and services in a systematic way are lost.

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[5] These plans of action are prepared by the program being evaluated.

[6] The Office of Management and Compliance Audits has also done more limited reviews focusing on the specific procedures including a review of construction contract administration, the automation of the bid process, and payroll procedures. For more information about the District's Office of Management and Compliance Audits, see Chapter 14, Cost Controls, pages 14-16 through 14-21.

Recommendations ——————————————————

- *We recommend that the District develop criteria for determining when formal program evaluations and assessments of performance (including costs) should be conducted.*

- *We recommend that the District use these criteria to develop procedures for undertaking these program evaluations and assessments.*

- *We recommend that resources for conducting follow-up assessments to determine whether action plan steps have been implemented should be included in the initial evaluation design.*

Action Plan 4-6 provides the steps needed to implement these recommendations.

Action Plan 4-6

Develop And Implement A System For Determining When Formal Program Evaluations Should Be Conducted		
Strategy	Develop criteria for determining when formal program evaluations and assessment of performance (including costs) should be conducted and use these criteria to set priorities for program evaluation.	
Action Needed	Step 1:	Develop criteria for determining when formal program evaluations and assessments of performance should be conducted.
	Step 2:	Use these criteria to develop a scheduled for completing evaluations of major programs.
	Step 3:	Develop criteria to determine when evaluations should be done by the Research and Evaluation and when they should be performed by department staff.
	Step 4:	Assess the resources required to perform needed performance evaluations (both by departments and by Research and Evaluation).
	Step 5:	Assess the resources required to conduct follow-up evaluations to determine whether evaluations findings have been used to improve performance.
	Step 6:	Adjust priorities to reflect the resources available to perform evaluations.
	Step 7:	Use the resulting schedule to perform evaluations.
Who is Responsible	Deputy Superintendent – Management and Accountability	
Time Frame	April 2002 to September 2002	
Fiscal Impact	No immediate impact.	

Source: Berkshire Advisors, Inc.

5 The District reports on the performance of its major educational programs to ensure accountability to parents and other taxpayers.

Available information on performance is widely disseminated

The District makes information on its performance and cost-efficiency available through a number of communications vehicles. Reports on the performance of the District's major educational programs (including evaluation reports) are routinely distributed to the public by the District's Offices of Public Relations and Evaluation and Research. The District is required to complete many of these reports to comply with regulatory or grant requirements.) In particular, Statistical Abstract reports which contain summaries of evaluation reports and provides a wealth of information on the District. Likewise, District and school profiles are published providing test score,

attendance, and demographic information on each school as well as findings from the school climate survey. An accountability report is also published that summarizes the District's progress in meeting the objectives detailed in its strategic plan. The Statistical Abstract and the School Profiles are distributed to 34 public libraries, seven colleges and universities, and eight other organizations (e.g., City of North Miami Community Planning and Development, the Dade County Health Department, the Southeast Fisheries Science Center, the Dade County Fair). The Accountability Report is distributed to all schools and senior administrators and is also available to the public, Board and at other committee meetings.

In addition, the District makes effective use of the Internet to provide information on performance. In particular, program evaluation reports and the Title I survey report are available on the District's website. The website also includes links to other websites (most notably the Florida Department of Education website) that can be used to access information on the District and its performance.

It should be noted, however, that the District can only provide information on programs it has evaluated. Moreover, because, as previously noted, the District does not systematically evaluate the cost-effectiveness of its programs cost-effectiveness cannot be shared. (However, prior drafts of this report – which deals with a variety of cost-effectiveness issues – has been put on the District's website.) Likewise, evaluations of the performance of operational functions are generally not performed and therefore cannot be disseminated to the public. [7] (Again, prior drafts of this report which evaluated operational functions were put on the District's website.)

The District conducts an annual climate survey to receive feedback from parents and other taxpayers

Every year the District conducts a School Climate Survey to "grade" each school on a number of dimensions including safety, the quality of education provided, and the overall school climate. Staff, parents, and students of elementary middle, and senior high schools respond to this survey and the responses are analyzed and report to the Board, the Superintendent, senior District staff, region office staff, and individual schools. As noted, results from these climate surveys are included in the published school profiles.

- ▪ *We recommend that as information on the performance of non-instructional operations is developed that this information be widely disseminated.*

Action Plan 4-7 provides the steps needed to implement this recommendation.

Action Plan 4-7

Disseminate information on non-instructional performance.		
Strategy	Disseminate information on non-instructional performance as this information is developed.	
Action Needed	Step 1:	Using the approaches currently used to disseminate information on non-instructional performance as a starting point identify stakeholders with which information on non-instructional performance should be shared
	Step 2:	Develop cost-effective approaches to sharing information on non-instructional performance with these stakeholders.
	Step 3:	Develop plans to share information on non-instructional performance.
	Step 4:	Implement these plans as information on non-instructional performance is developed.
Who is Responsible	Deputy Superintendent – Management and Accountability	
Time Frame	October 2002 to October 2003	
Fiscal Impact	No immediate impact.	

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[7] As noted the Office of Management and Compliance Audits is currently undertaking a review of garage and transportation operations.

5 Educational Service Delivery

While Miami-Dade County Public Schools (MDCPS) generally provides effective educational services and programs to its students, there are several areas for improvement. The District should ensure that all programs and services are operating from a strategic plan with more specific outcomes, which focuses on measurable student performance targets and cost-efficiency outcomes. The District needs to improve its Exceptional Student Education services by completing evaluations in a timely fashion, increasing inclusion and mainstreaming programs, and decreasing suspensions and expulsion of ESE students.

Conclusion

The Miami-Dade County Public Schools serve a diverse group of students with a wide range of abilities, needs and unique challenges. The District offers a vast array of educational services and programs to provide for the District's students. It does a good job of serving a significantly disadvantaged student population and, in most areas, its performance is improving. However the District has several areas where it can further improve. Areas for improvement include evaluating educational programs and services for cost-efficiency, establishing clearer linkages between programs and services as part of the strategic plan, setting more specific, criterion-based, objectives as part of the strategic plan, completing initial Exceptional Student Education (ESE) evaluations in a timely fashion, increasing ESE inclusion models, and streamlining the organizational structure in educational service delivery. The District also needs to reduce expulsion and suspensions of ESE students and revise policies regarding the sale of used books and payment for books which are lost, damaged, and unreturned.

During the course of this review, Berkshire Advisors, Inc. identified a number of District accomplishments in the educational service delivery system, some of which are included in Exhibit 5-1 below.

Exhibit 5-1

**The District Has Had a Number of Notable Accomplishments
in Educational Service Delivery in the Last Three Years**

- The District has developed an exemplary Comprehensive Reading Program, which data indicates has resulted in significant student learning gains at the primary level.
- The District has developed strong systems for sharing effective instructional practices and providing exemplary professional development for its teachers and instructional leaders.
- The District has reduced the number of D and F schools by 36% and increased the number of A and B schools by 166%.
- The District has developed a comprehensive system for implementing and monitoring the School Improvement Plan process, including a strong system of providing training to school administrators and Educational Excellence School Advisory Councils (EESACs).

Source: Miami-Dade County Public Schools.

Overview of Chapter Findings ─────────

Berkshire Advisors, Inc. reviewed the District's educational service delivery structure using the Best Financial Management Practices adopted by the Commissioner of Education and the associated indicators. The consulting team employed several methodologies to develop chapter conclusions and action plans. For instance, Berkshire Advisors, Inc. conducted on-site interviews with District and regional level managers and visited a sample of more than 50 schools. At many of these school visits individual interviews and focus groups were conducted with teachers, parents, non-instructional staff, administrators and Educational Excellence School Advisory Council (EESAC) members. In addition, information on policies and procedures relating to the educational service delivery system was gathered and evaluated. Moreover, to receive additional input, Berkshire Advisors, Inc. surveyed District-level staff, principals, teachers, and parents.

An overview of chapter findings is presented below.

Effective and Cost-efficient Instructional Programs

1. The District has comprehensive systems for collecting and analyzing academic and nonacademic data and uses this information to drive system wide improvement. (Page 5-10)
2. District administrators facilitate sharing effective instructional practices to improve student performance. (Page 5-20)
3. The District's performance in serving students with exceptional needs and meeting associated regulatory requirements, while excellent in many areas, is inconsistent. (Page 5-24)
4. The District's English for Speakers of Other Languages (ESOL) Program, while having many excellent components, needs stronger systems for evaluating and improving services. (Page 5-33)
5. The District provides effective and cost-efficient secondary vocational and adult/technical education programs. (Page 5-42)
6. The District's curricular framework is linked to Florida's accountability standards and to the Sunshine State standards. (Page 5-45)
7. The District has adopted a plan for the progression of students from kindergarten through grade 12 that maximizes student mastery of Sunshine State Standards. (Page 5-46)
8. The District ensures that school improvement plans effectively translate identified needs into activities with measurable objectives and that school advisory councils meet statutory membership requirements. (Page 5-48)

Instructional Materials

9. The District's process for selecting instructional materials ensures that instructional materials meet the needs of teachers and students. (Page 5-51)
10. Each student has current and appropriate instructional materials in core courses that are aligned with the Sunshine State Standards and the District's pupil progression plan. (Page 5-53)
11. While the District's procedures for acquiring textbooks are cost-efficient, the procedures for maintaining and dispensing instructional materials are not cost-efficient. (Page 5-54)

Accountability

12. While the District uses performance information to strengthen educational programs and services, current efforts suffer from a lack of cohesive focus and devote insufficient attention to costs. (Page 5-55)
13. The District's educational service delivery organizational structure and the staffing of the central office have multiple administrative layers and processes, which result in considerable duplication of effort as well as confusion. (Page 5-62)
14. While the District informs the public and taxpayers about the performance of its major educational programs, it does not provide the public and taxpayers a report or analysis of the cost-efficiency of these programs. (Page 5-64)

Library/Media And Support Services

15. The District has sufficient library or media centers to support instruction. (Page 5-66)

16. The District provides most support services (guidance, counseling, psychological, and health) in a cost-efficient manner. (Page 5-68)

Fiscal Impact of Recommendations

Two of this chapter's recommendations – the recommendation to begin moving ESE students from center and cluster programs to their neighborhood schools and the recommendation to reduce the number of inappropriate referrals for ESE evaluations and reduce the number of pending referrals - will have a direct fiscal impact on the District's budget. As shown in Exhibit 5-2 implementing these recommendations will reduce costs by $670,000 and increase revenue by $317,000 over the next five years. The recommendation to move ESE students into neighborhood schools has an unknown fiscal impact.

Exhibit 5-2

Two Educational Service Delivery Recommendations
Will Have A Fiscal Impact

Recommendation	Five Year Fiscal Impact
• Action Plan 5-1: Reduce pending ESE referrals and the time between initial referrals and assessments	• $274,000 increase in revenue (Fiscal impact dependent on annual legislative appropriations and federal funding)
• Action Plan 5-1: Reduce the number of inappropriate referrals for ESE evaluations	• $670,000 decrease in evaluation costs (Fiscal impact dependent on growth in student enrollment)

Source: Berkshire Advisors, Inc.

Background

The background information presented in this section is divided into six parts. The first subsection provides an overview of the District, its schools, and the students it serves. The second section discusses how the functions and units responsible for educational service delivery are organized. The next four present information on the programs and services the District offers to serve students who are supported by federal Title I dollars, students with exceptional needs, English for Speakers of Other Languages (ESOL) programs, and alternative education programs for students whose needs are not being met in a regular education setting.

Overview

The Miami-Dade County Public Schools, the 4th largest school District in the United States and the largest school District in the State of Florida, has a student population of more than 368,000. The students served by the District are ethnically diverse - almost 56.0% of the District's students are Hispanic, another 31.0% are Black/Non-Hispanic, 11.0% are White, 1.2% are Asian/Pacific Islander and 0.8% are of other or mixed ethnicity. As shown in Exhibit 5-3, the District operates a total of 411 schools.

Exhibit 5-3

The District Operates 411 Schools Of Which More Than Half Are Elementary Schools

Type	Number
Elementary Schools	208
Middle/Junior High Schools	48
Senior High Schools	46
Combination Schools[1]	12
Adult Schools	27
Vocational Centers	6
Other Types of Schools (includes Alternative Schools and ESE Centers)	35
Charter Schools	14
Department of Juvenile Justice Schools	15
Total	**411**

Source: Miami-Dade County Public Schools.

Organization

Three major divisions oversee the educational services delivery for the Miami-Dade County Public Schools: the Division of School Operations, the Division of Education, and the Division of Federal Grants and Program Administration. A Deputy Superintendent, who reports directly to the Superintendent, leads each division.

Division of School Operations. The Division of School Operations provides line support and supervision to each of the District's six regional offices, full service schools, community schools and also oversees athletics, activities and accreditation. Six Directors Regional Superintendents who oversee each of the regional offices and an Administrator who oversees athletics, activities, and accreditation report to the Deputy Superintendent who leads this Division.

Division of Education. The Division of Education provides line support and supervision to a wide range of curricula and programmatic areas. These include: Bureau of Elementary, Secondary and Workforce Development (led by an Associate Superintendent); Bureau of Adult/Vocational/Alternative Education, and Dropout Prevention (led by an Associate Superintendent); Office of Career Preparation and Innovation Programs (led by an Associate Superintendent); the Office of Exceptional Student Education and Psychological Services (led by an Assistant Superintendent); and Office of Curriculum Support Services (led by an Assistant Superintendent). Each of these bureaus/offices provides services to the schools while working closely with the regional offices.

Division of Federal Programs and Grants Administration. The Division of Federal Programs and Grants Administration provides oversight to the District's Title One programs, to all District programs funded through federal funds, and to the grant application and monitoring processes. The Title One area is staffed with both central instructional support staff and regional instructional support staff (who report to Region Superintendents). The Associate Superintendent, who oversees this area, is also responsible for supervising the District's radio and television stations.

Title I Programs And Services

This subsection presents an overview of the District's Title I programs, describes the demographics of program participants, and summarizes the instructional programs offered by Title I schools.

Title I program overview. Title I funds are provided by the federal government to support schools in which 70% of the student body are eligible for the free/reduced-price meals program. During the 1999-2000 school year, 126

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[1] Schools with both elementary and middle school grades or middle school and high school grades

elementary schools (62% of all elementary schools) and 26 middle schools (51% of all middle schools) qualified for Title I funding in the Miami-Dade County Public Schools (MDCPS) and shared a total of $82,252,210. A total of approximately 148,000 MDCPS students are served in Title I schools or 40.2% of the total District's school population.

Title I demographics. Title I schools serve a higher percentage of black students, students who qualify for free/reduced meals, students who are Limited English Proficient, and students with special needs than non-Title I schools. As Exhibit 5-4 shows, a significantly higher percentage of black students are served in Title I schools as compared to non-Title I schools. At the elementary level, the percentage of black students enrolled in Title I schools is more than three times as great as the percentage of black students enrolled in non-Title I schools. Likewise, the percentage of black students served in Title I middle schools is more than twice as high as for non-Title I middle schools. On the other hand, the percentage of Hispanic, white and "other" students enrolled in both Title I elementary and middle schools is lower than the percentage of such students enrolled in non-Title I schools.

Exhibit 5-4

Black Students Account For A Much Higher percentage Of Students In Title I Schools Than Non-Title I Schools

	Elementary		Middle		Total	
	Title I	**Non-Title I**	**Title I**	**Non-Title I**	**Title I**	**Non-Title I**
Black	43%	12%	44%	24%	43%	15%
Hispanic	52%	63%	50%	60%	51%	62%
White	4%	22%	5%	14%	4%	22%
Other	1%	4%	1%	2%	1%	3%

Source: Miami-Dade County Public Schools.

Not surprisingly given the requirement that 70% of a school's student population must qualify for free/reduced price meals for a school to be eligible for Title I funds, a much higher percentage of the students in Title I schools are eligible for free/reduced price meals than students in non-Title I schools. As Exhibit 5-5 shows, 43% more of the student population of Title I elementary schools are eligible for free/reduced price meals than are eligible in non-Title I schools. Similarly, at the middle school level, 32% more of the student population are eligible for free/reduced price meals at Title I schools than are eligible at non-Title I schools.

Exhibit 5-5

A Much Higher percentage Of Students Are Eligible For Free/Reduced Price Meals At Title I Schools As Compared To Non-Title I Schools

	Elementary		Middle		Total	
	Title I	**Non-Title I**	**Title I**	**Non-Title I**	**Title I**	**Non-Title I**
Free/Reduced Price Meals	88%	45%	82%	54%	86%	48%
Non-Free/Reduced Price Meals	12%	55%	18%	46%	14%	52%

Source: Miami-Dade County Public Schools

The percentage of students enrolled in the Limited English Proficient (LEP) program is somewhat higher in Title I schools than in non-Title I schools. Although, as Exhibit 5-6 shows, the difference between Title I and non-Title I schools in terms of the percentage of students enrolled in LEP programs is much greater at the elementary level than at the middle school level. At the elementary level, eight percent more of the student population is enrolled in LEP

programs in Title I schools as compared to non-Title I schools while at the middle school level, the difference in the percentage of students enrolled in LEP programs between Title I and non-Title I schools is only one percent.

Exhibit 5-6

A Somewhat Higher percentage Of Students Are Enrolled In LEP Programs At Title I Schools As Compared To Non-Title I Schools

	Elementary		Middle		Total	
	Title I	**Non-Title I**	**Title I**	**Non-Title I**	**Title I**	**Non-Title I**
LEP < 2 years	20%	16%	7%	7%	17%	13%
LEP 2 or more years	8%	4%	4%	3%	7%	3%
Former LEP	23%	22%	42%	37%	28%	27%
Non-LEP	49%	57%	47%	53%	48%	56%

Source: Miami-Dade County Public Schools.

The percentage of ESE students enrolled in Title I schools is only slightly higher than the percentage of ESE students enrolled in non-Title I schools (see Exhibit 5-7). At the elementary school level the percentage of ESE students in Title I schools is only one percent higher than at non-Title I schools while at middle schools this difference is three percent.

Exhibit 5-7

The percentage Of ESE Students Served In Title I Schools Is Only Slightly Higher Than At Non-Title I Schools

	Elementary		Middle		Total	
	Title I	**Non-Title I**	**Title I**	**Non-Title I**	**Title I**	**Non-Title I**
ESE	9%	8%	14%	11%	10%	9%
Non-ESE	91%	92%	86%	89%	90%	91%

Source: Miami-Dade County Public Schools

Title I Instructional Programs. Nearly 150 different programs and projects are implemented in the District's Title I schools each year. They include school restructuring models, curriculum-based models, social/developmental models, and technological models. These programs are selected by each individual school to supplement and complement the curriculum and culture of the school. The twenty most widely implemented programs are presented in Exhibit 5-8.

Exhibit 5-8

A Wide Range of Instructional Programs Are Offered By Title I Schools

Program	Area of Emphasis	Number Of Schools
Accelerated Reader	Reading	135
Tutorials (Before and After-School)	Academic Enhancement	134
Academic Excellence Program (AEP)	Academic Enhancement	112
High Scope Educational Approach	Pre-K Enrichment	93
Urban Systemic Initiative (USI)	Mathematics and Science	83
Writing Across the Curriculum (WAC)	Writing	82
Teaching Enrichment Activities to Minorities (TEAM)	Academic Enhancement	70
Jostens Computerized Curriculum	Technology (Reading/Math)	63

Program	Area of Emphasis	Number Of Schools
Peacefully Resolving Our Unsettled Differences (PROUD)	Conflict Resolution	62
America Reads	Reading	59
Full Option Science System (FOSS)	Science	52
Acaletics	Mathematics	44
Saturday School/Academy	Academic Enhancement	43
Success For All (SFA)	Reading	42
Structured Thinking for Academic Reform (STAR)	Academic Enhancement	41
Computer Curriculum Corporation – Successmaker	Technology (Reading/Math)	39
Primary Academic Curriculum Enhancement (PACE)	Academic Enhancement	38
Junior Great Books	Reading	38
Kids and The Power of Work (KAPOW)	Career Exploration	30
Flexible Schedule Model	School Restructuring	26

Source: Miami-Dade County Public Schools.

Accelerated Reader, a program focusing on enhancing reading achievement, was the most widely offered program and was implemented in nearly 90% of all Title I schools. Programs that extended the school day and/or week, such as before and after school tutoring and Saturday sessions, were also offered in nearly 90% of all Title I funded schools. In addition to these programs, seven of the other most widely implemented programs supplemented the traditional curriculum by focusing on a particular subject area. Additionally, six of the most widely implemented programs focused on enhancing students' academic achievement by providing enrichment activities.

ESE Programs And Services

This subsection gives a brief overview of the Exceptional Student Education (ESE) programs and services provided by the District. An in-depth analysis of ESE services is provided later, in section three of this chapter.

The District offers a wide range of ESE programs and services as outlined by the federal Individuals with Disabilities Education Act (IDEA) and by State of Florida statute. Services for gifted students fall under the Florida definition of ESE but are not recognized by federal law and are not covered by IDEA. Within the District initial evaluation for students who may be gifted are conducted through the Division of ESE. The Division of Advanced Studies oversees services for gifted students.

Evaluation Process. In order to be determined eligible for ESE services, a comprehensive evaluation must be completed to determine if the student has special needs which meet the eligibility criteria laid out in federal law and state statute. IDEA specifically indicates that the evaluation must not only indicate the existence of a disability but also must indicate that the disability is the cause of educational difficulties. Parents, teachers or administrators may request an ESE eligibility evaluation for either IDEA ESE services or gifted ESE services.

ESE Membership. Currently, approximately 10% of the District's student population is identified as special needs ESE. Over the past four years this has ranged from nine to twelve percent. This is well within the national average and significantly below that of many peer districts.

ESE Services. ESE provides services to students who are diagnosed as Educable Mentally Handicapped (EMH), Trainable Mentally Handicapped (TMH), Physically Handicapped (PH), Speech/ Language Impaired, Hearing Impaired, Visually Handicapped (VH), Emotional Handicapped (EH), Specific Learning Disability (LD), Severely Emotionally Disturbed (SED), Hospitalized/Homebound, and Profoundly Handicapped. The District provides these services in a wide range of settings from the least restrictive environment, the regular classroom, to the most restrictive, a specialized center. The District is committed to providing services in the least restrictive setting possible and working towards increasing the percentage of services provided in inclusive, regular education settings and reducing the percentage of services provided in segregated, center and cluster programs.

Gifted services are provided in a range of settings, based on student evaluation recommendations and the age of the student. The District offers a range of advanced academic programs in general education settings, magnet schools and schools of choice. These programs provide for students who are gifted cognitively, academically, artistically, and physically.

ESOL Programs And Services

This subsection gives a brief overview of the English for Speakers of Other Languages (ESOL) programs and services provided by the District. An in-depth analysis of ESOL services is provided later, in section four of this chapter.

English for Speakers of Other Languages (ESOL) programs provided by the District and within the State of Florida are mandated services under provisions of the 1990 League of United Latin American Citizens (LULAC) et al v. State Board of Education Consent Decree. The Florida Department of Education Office of Multicultural Student Language Education (OMSLE) monitors the District's ESOL services. The District provides a complex array of ESOL programs to over 75,000 school-age students. During the 2000-2001 school year, 26.2% of elementary school students and 11.2% of middle and high school students participated in ESOL programs. The size and scope of the ESOL program is one of the largest in the country. Exhibit 5-9 compares the limited English-proficient (LEP) enrollment in Miami-Dade County Public Schools to benchmark Districts. As Exhibit 5-9 indicates, except for Houston, the percentage of elementary school students enrolled in ESOL programs is also much larger than in benchmark Districts.

Exhibit 5-9

The District Provides ESOL Services to 26.2% of all Elementary Students and to Over 75,000 Students, a Significantly Larger Number Than Benchmark Districts

District	# ESOL students	Percentage Elementary ESOL students
Miami-Dade, FL	75,049	26.2
Broward, FL	26,089	11.2
Clark, NV	32,886	14.2
Hillsborough, FL	17,184	12.1
Houston, TX	55,472	26.5

Source: Berkshire Advisors, Inc.

Alternative Education Programs And Services

This subsection describes the criteria used to determine whether students would benefit from alternative education programs and describes the types of programs to which they might be assigned.

Selection. The District has developed a comprehensive plan to help students in grades one through twelve who are at-risk of dropping out of school to continue their education. Students are assigned to these programs in one of two ways. The District's alternative education staff administratively assign some students to disciplinary centers. Other students, who meet two or more eligibility criteria and are recommended by their school administrator (and if their parents approve of the assignment), are assigned to the programs. Students are deemed at risk of dropping out if two or more of the following criteria apply to them:

- low test scores (reading stanine of less than 4 on the most recent Stanford Achievement Test);
- retention (retention in same grade one year or more);
- low final grades (three or more final grades of "D" or "F" in the previous year);
- low grade point average (cumulative unweighted grade point average of 2.0 or less [grades 9-12 only]);

- falling behind in earning credits (cumulative credits earned less than what is considered standard for grade level);

- not meeting the state requirements or District proficiency levels in reading, mathematics, or writing (FCAT reading scores less than 2, FCAT math score less than 2, or Florida Writes scores less than 3); and

- pattern of excessive absenteeism or identified as a habitual truant (absences of any type – excused or unexcused – totaling 15 or more during the previous semester).

Additionally, many of the dropout prevention programs have specific criteria for eligibility not included in the seven criteria listed above (e.g., pregnancy or criminal adjudication). These are determined based on the available program services and the needs of the specific student at risk of dropping out.

Alternative education programs and services. The District offers a wide range of programs to serve at-risk students who are in danger of dropping out. Many of these programs are quite unique and serve students who in most other school Districts (and in each of the benchmark Districts used for comparison in this study) would be expelled. Many of these alternative education programs are considered national models and have been replicated in several other urban school Districts. The types of programs offered may be divided into seven categories: educational alternative programs, teenage parent programs, disciplinary programs, youth services programs, in-school alternative programs, in-school disciplinary programs, and educational alternative outreach programs. A brief description of each type of program follows.

Educational alternative programs are designed for students whose academic, personal, or disciplinary circumstances necessitate that educational services be delivered, either temporarily or permanently, in smaller, non-traditional settings. A number of such programs are operated by the Miami-Dade County Public Schools including the: Academy for Community Education; Animal Companion Science Program; MDCPS Corporate Academies; and School for Applied Technology.

Teenage parent programs are designed for teenage parents and their children. They offer small, nurturing environments with services ranging from health care to transportation. Two such programs are the Continuing Opportunities for Purposeful Education (COPE) Centers [North and South] and the Teenage Parent Program.

Disciplinary programs are designed for students whose behavior has necessitated their removal from traditional school programs. The disciplinary programs include a number of unique models designed to serve students who would otherwise be on the street without educational services. These programs include the: Alternative Education Telecommunications Instructional Programs (ATC) (a program offering individual instruction to homebound students via a telephone hookup); Jan Mann Opportunity School and J.R.E. Lee Opportunity School (opportunity schools for children who have been referred temporarily, have requested voluntary placement due to disciplinary problems in their regular school, or who have been expelled from regular school programs)[2]; Miami-MacArthur North and Miami-MacArthur South (opportunity schools for students who have been referred temporarily, have requested voluntary placement due to disciplinary problems in their regular school, or who have been expelled from regular school programs). [3]

Youth services programs are designed for students placed in Florida Department of Children and Families (FDCF) care or other unique programs. These programs allow students to continue their education while in special centers. Many of these programs are contracted for privately. However, one program – the Juvenile Justice Center School - is operated by the District. This school is a residential facility on the grounds of the Juvenile Detention Center that serves students up to age eighteen. A short-term academic and behavior modification curriculum is offered to detained juveniles in grades 5 to 12.

In-school alternative programs are designed to provide educational services, within the traditional school environment, to students whose educational needs require supplementary or ancillary instructional settings. These programs offer remediation, enrichment and behavior modification. In-school alternative programs offered by the District include the: Alternative Work Experience Program; Bilingual Vocational Instructional Program; Bilingual

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[2] This program serves students in grades six through eight.

[3] This program serves students in grades nine through twelve.

Career Instructional Program; Career Opportunities Motivated Through Educational Technology; Elementary Alternative Strategies Class Program; Ombudsman Educational Services, Ltd.; Evening Alternative Senior High School; Occupational Specialists Target Potential Dropouts; School Within A School Program; Vocational Interdisciplinary Program; and Students At Risk Program.

The in-school disciplinary program is designed for students whose behavior necessitates removing them from traditional classroom settings. This program is offered at the school site and is operated by the District.

The educational alternative outreach program consists of forty-three centers across Miami-Dade County, serving children in grades 5 to 12. These sites serve students who will benefit from non-traditional classroom settings or students assigned to the centers by the court or the Florida Department of Children and Families (FDCF). These programs are operated by community-based organizations (CBOs) and agencies and are monitored by the District. Five types of educational alternative outreach programs are provided: *Youth Services Programs* (residential and nonresidential facilities for students who have been assigned by the court or FDCF); *Substance Abuse Programs* (programs designed to meet the educational needs of students with substance abuse problems)[4]. *Alternative Programs* (programs designed to offer continuing education to youths who are unable to function in traditional school settings as evidence by inappropriate behavior and low levels of interests)[5]; *Disciplinary Programs* (programs provided to accommodate students whose disruptive behavior patterns render them better served in small educational environments in which behavior modification strategies can be more easily incorporated into the MDCPS Competency-Based Curriculum); and *Temporary Shelters* (these centers provide housing accommodations and education to abused, neglected, and/or dependent children). [6]

Effective and Cost-Efficient Programs ——————

1   The District has comprehensive systems for collecting and analyzing academic and nonacademic data and uses this information to drive system wide improvement.

While continued improvement is imperative, the Miami-Dade County Public Schools do a good job of serving a significantly disadvantaged student population and, in most areas, its performance is improving

When comparing the academic performance of the Miami-Dade County Public Schools with the performance of other Districts it is important – to the extent possible – to consider the characteristics of the student population served by each District. One important measure – the percentage of the student population who are eligible for free/reduced price meals – can be used as a proxy for the economic status of the student population. As Exhibit 5-10 shows, the Miami-Dade County Public Schools serves a significantly more economically disadvantaged student population than all but one of the comparison Districts (the Houston Independent School District). Consequently, the challenge of educating students is greater for the Miami-Dade County Public Schools than for three of the four peer districts since economic status is highly correlated with educational performance.

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[4] Students receive individual and group instruction, intensive counseling (which helps them deal with social and personal problems), and positive support from program personnel).
[5] The major thrusts of these programs are to redesign the learning environment and to incorporate principles of group dynamics into instructional activities.
[6] Students are placed in temporary shelters either voluntarily or involuntarily by the FDCF or the police.

Exhibit 5-10

More Than Two-Thirds Of The Miami-Dade County Public Schools' Student Population Is Eligible For Free/Reduced Price Meals

District	Percentage of Student Population Eligible For Free/Reduced Price Meals
Houston Independent School District, TX	75.0%
Miami-Dade County Public Schools	**67.8%**
Hillsborough County Public Schools	56.0%
Broward County Public Schools	43.7%
Clark County Public Schools, NV	34.0%

Source: Berkshire Advisors, Inc.

The performance of some schools in serving disadvantaged students in Miami-Dade County is exemplary. The Washington D. C. based Education Trust, Inc. recently released a national study of schools identifying 180 high-poverty and high-minority schools nationwide that have high student performance. Of those 180, 65 are in Miami-Dade County. The report, *Dispelling The Myth Revisited, Preliminary Findings From A Nationwide Analysis Of "High Flying" Schools*, provides a preliminary look at where such "high flying" schools are and what they look like. The analysis identified a total of 4,577 schools nationwide in the year 2000 that met the following criteria:

- students' reading and/or math performance was in the top third among all schools in the state at the same grade level, and

- the percentage of low-income students in the school was at least 50% and ranked in the top third of schools at tlhat grade level *and/or* the percentage of African American and Latino students in the school was at least 50% and ranked in the top third of schools at that grade level.

Comparing Miami-Dade County Public Schools to peer districts in Florida, the District's performance is comparable on some measures. Despite the fact that the District serves a significantly more disadvantaged population than the Broward County Public Schools and the Hillsborough County Public Schools, writing FCAT scores exceed those in Broward County and match Hillsborough County's FCAT scores on the Grade 4 test. In addition, writing FCAT scores exceed average state FCAT scores for all three grades tested (see Exhibit 5-11).

Exhibit 5-11

FCAT Writing Scores For The Miami-Dade County Public Schools Exceed Average State Scores And Also Exceed The Scores For One Peer District

Writing	Grade 4	Grade 8	Grade 10
State	3.4	3.7	3.8
Miami-Dade	**3.6**	**3.8**	**3.9**
Broward	3.5	3.6	3.8
Hillsborough	3.6	4.1	4.0

Source: Department of Education. District FCAT Writing Scores, 2001.

In addition, information on what District graduates do after graduating from high school suggest that they are as employable and as ready to continue their education as graduates of the peer districts. As Exhibit 5-12 shows, the percentage of graduates who work or continue their education after graduation is comparable to the two Florida peer districts while somewhat less than the state average.

Exhibit 5-12

The percentage Of Miami-Dade County Public School Graduates Who Are Employed Or Continuing Their Education Is Comparable To The percentage Of Graduates Who Are Employed Or Continuing Their Education In Peer Districts

	Percentage Of Graduates Continuing Education Or Employed
State	63.0%
Miami-Dade	**55.2%**
Broward	56.3%
Hillsborough	55.1%

Source: Florida Department of Education.

On a number of measures, however, the performance of the Miami-Dade County Public Schools lags that of other Districts. While it is fair to consider the economic disadvantages of the student population when evaluating student performance, that does not mean that expectations for student performance should be any lower than for other, more affluent Districts. Consequently, the fact that the District's performance lags that of other Districts on a number of key measures suggests that the District needs to maintain its emphasis on improving performance. As Exhibit 5-13 shows, for example, District FCAT reading scores are lower than state averages and for the Broward County Public Schools and the Hillsborough County Public Schools.

Exhibit 5-13

FCAT Reading Scores For The Miami-Dade County Public Schools Lag Behind The Performance Of Peer Districts

Reading	Grade 4	Grade 8	Grade 10
State	298	295	304
Miami-Dade	**297**	**286**	**294**
Broward	301	297	304
Hillsborough	302	302	311

Source: Department of Education. District FCAT Reading Scores, 2001.

Likewise, MDCPS mathematics scores are lower than the average FCAT scores for the State and are also lower than scores in the peer districts (see Exhibit 5-14).

Exhibit 5-14

FCAT Mathematics Scores For The Miami-Dade County Public Schools Lag Behind The Performance Of Peer Districts

Mathematics	Grade 5	Grade 8	Grade 10
State	314	308	323
Miami-Dade	**319**	**301**	**314**
Broward	323	313	325
Hillsborough	321	319	332

Source: Department of Education. District FCAT Mathematics Scores, 2001.

In addition, District students have consistently performed below state and national averages on the College Board Scholastic Assessment Test [7] (SAT). Over the past three years, these scores have been fairly stagnant at the District, state, and national levels. As Exhibit 5-15 indicates, the District's scores for both the Mathematics and Verbal portions of the SAT for the 2000-2001 school year were much lower than state and national average. The percentage of Miami-Dade County 12th graders opting to take these sets is also below the state average, but slightly above the national average.

Exhibit 5-15

Average SAT Scores For The District Are Considerably Lower Than State And National Averages

	SAT- Math	SAT- Verbal
National	511	505
State	498	499
Miami-Dade, FL	**461**	**461**
Broward, FL	490	484
Hillsborough, FL	500	501
Houston, TX	467	469

Source: Berkshire Advisors

The District's graduation rate is also significantly lower than for both the state and the benchmark Districts. As indicated in Exhibit 5-16, the District's current graduation rate of 53.9% is well below the state average of 62.3%. Moreover, the District's graduation rate lags that of the peer districts by an even greater percentage. [8] Comparisons to other non-Florida benchmarks were not made as each state criterion for graduation differs greatly based on the state's graduation credit requirements as well as any statewide competency test that must be passed to graduate.

Exhibit 5-16

The District's Graduation Rate Is Much Lower Than The State Average And For Peer Florida Districts

District	Graduation Rate
State	62.3%
Miami-Dade	**53.9%**
Broward	63.9%
Hillsborough	71.4%

Source: Florida Department of Education

Moreover, the District's dropout rate exceeds the state rate and is significantly higher than the benchmark Districts. As Exhibit 5-17 shows, the District's dropout rate for the 2000-2001 school year is 5.4% or 0.8 percentage points higher than the average dropout rate in the State. In addition, the District's dropout rate greatly exceeds the dropout rate in peer districts. However, one must be careful and not draw too many conclusions from other states' dropout rate data. It is not uncommon for each state's application of dropout rate criteria to be flawed and for different states to interpret dropout rate standards differently.

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[7] A word of caution should be made regarding the interpretation of the SAT: Average scores are based on approximately 41% of the graduating class and therefore do not reflect the performance of the overall class of graduating seniors. In addition, the socio-economic status of the populations being compared are not similar. Minority students comprise about one-third of the nation's test takers but about 80% of the District's test takers.
[8]Comparisons of graduation rates with non-Florida benchmark school Districts were not made as the criterion for graduation among state can vary dramatically based on the state's graduation credit requirements and any statewide competency test that must be passed to graduate.

Exhibit 5-17

The District's Dropout Rate Is Much Higher Than The State Average And Dropout Rates In Peer Districts

District	Dropout Rates
State	4.6%
Miami-Dade	5.4%
Broward	2.3%
Hillsborough	2.6%
Houston, Texas	3.9%

Source: Berkshire Advisors, Inc.

The performance of Miami-Dade County Public School students on placement tests at Florida public community colleges also lags that of other Districts. Section 240.118, Florida Statutes, requires every freshman in a public community college or university in Florida to demonstrate basic skills before beginning college level courses. Students who achieve minimum scores on the Elementary Algebra, Reading Comprehension, and Sentence Skills portions of the Florida College Placement Test (CPT) are considered "ready" for college-level math, reading and writing, respectively. As illustrated in Exhibit 5-18, the percentage of District graduates who achieve minimum scores on all three tests is consistently lower than for the two peer Florida Districts and is lower than the statewide average.

Exhibit 5-18

A Lower percentage Of Miami-Dade County Public School Graduates Are Considered "Ready" For College-Level Math, Reading Or Writing Than Peer District Graduates

	Percentage Of Graduates Receiving Minimum Scores In Math, Reading And Writing
Miami-Dade	51.1%
Broward	63.5%
Hillsborough	68.0%
State	63.0%

Source: Florida Department of Education.

The District has made substantial progress in improving its performance

Over the past three years District schools have achieved substantial improvements in their state school grades. During this period 112 District schools have improved their state school grade and the improvement has been equally dramatic for both low and high performing schools. As Exhibit 5-19 shows, the over the past three years the District has improved from having 24 schools rated as "F" by the State of Florida to currently having no "F" schools. In addition, during this same period the number of "D" schools has been reduced from 116 to 93 (a reduction of 19.8%). Moreover, the total number of "D" and "F" has been reduced by more than one-third (33.6%).

The increase in the number of District schools rated "A" and "B" has been even more dramatic. As Exhibit 5-19 shows the number of "A" schools has increased by 366% over the past three years while the number of "B" schools has increased by 46.6%. Moreover, the total number of schools rated as "A" and "B" has increased by 166% over this period.

Exhibit 5-19

Over The Past Three Years, The Number Of Schools Rated "D" Or "F" Has Declined By More Than One-Third While the Number of Schools Rated "A" Or "B" Has Increased By 166%

	Number Of Schools Rated "F"	Number Of Schools Rated "D"	Total "D" and "F" Schools	Number of Schools Rated "A"	Number of Schools Rated "B"	Total "A" and "B" Schools
2000-01	0	93	93	42	22	64
1999-00	3	120	123	34	19	53
1998-99	24	116	140	9	15	24

Source: Florida Department of Education.

FCAT scores have also steadily improved over the past three years. As Exhibit 5-20 shows, during this period Grade 4 reading scores have increased most dramatically (by 6.5%) while Grade 8 and Grade 10 reading scores have shown more modest improvement (increases of .4% and .7% respectively).

Exhibit 5-20

Modest Improvements In FCAT Reading Scores Have Been Achieved Over The Past Three Years

Reading	Grade 4	Grade 8	Grade 10
2000-2001	297	286	294
1999-2000	289	286	292
1998-1999	279	285	292

Source: Miami-Dade County Public Schools.

FCAT mathematics scores have also improved. As Exhibit 5-21 shows, Grade 5 mathematics scores have increased by 8.5% over the past three years, Grade 8 mathematics scores have increased by 6.0%, and Grade 10 reading scores have increased by 6.1%.

Exhibit 5-21

Mathematics Scores Have Increased by Between 6.0% And 8.5% (Depending On Grade Level)

Mathematics	Grade 5	Grade 8	Grade 10
2000-2001	319	301	314
1999-2000	313	294	300
1998-1999	294	284	296

Source: Miami-Dade County Public Schools.

Increases in FCAT writing scores have, however, been the most dramatic. As Exhibit 5-22 shows, over the past three years, FCAT writing scores for Grade 4 have increased by 16.1%, Grade 8 writing scores have increased by 15.2% and Grade 10 writing scores have increased by 11.4%.

Exhibit 5-22

Increases In FCAT Writing Scores Have Been The Most Significant Over The Past Three Years

Writing	Grade 4	Grade 8	Grade 10
2000-2001	3.6	3.8	3.9
1999-2000	3.4	3.7	4.0
1998-1999	3.1	3.3	3.5

Source: Miami-Dade County Public Schools.

In addition, over the past three years the District has made significant progress in closing the gap with the peer districts in terms of the percentage of graduates enrolling in the community college system who receive acceptable scores on Florida community college competency tests (math, reading and writing). As Exhibit 5-23 shows, while the percentage of graduates achieving acceptable scores for the Broward County Public Schools and the Hillsborough County Public Schools has remained essentially flat, the percentage of graduates achieving acceptable scores for MDCPS has increased by 8.1% (a percentage gain of 18.8%).

Exhibit 5-23

The percentage Of Graduates Achieving Acceptable Scores On All Three Community College Competency Tests (Math, Reading And Writing) Has Increased Significantly Over The Past Three Years

	1997-1998	1998-1999	1999-2000
Miami-Dade	**43.0%**	**38.7%**	**51.1%**
Broward	65.0%	63.0%	63.5%
Hillsborough	71.9%	71.3%	68.0%
State	61.4%	58.8%	63.0%

Source: Florida Department of Education.

The District has developed systems for collecting and analyzing academic data and uses this information to drive improvement efforts

The significant improvements in academic performance the District has made over the past three years results in part from the fact that the District has developed a comprehensive system for utilizing student performance data and data trends to drive changes in instructional delivery. In each instructional area, student performance data and data trends are analyzed to determine the effectiveness of what is currently being done to improve instruction in that area (as laid out in the previous year's trend analysis), current barriers to improving student performance and changes that need to be made in instruction to promote increased student achievement. From this analysis, each curriculum division in concert with school-based and regional staff develops a plan for the upcoming school year.

The types of information on student academic performance that is used to diagnose opportunities for improvement and make decision to improvement instruction include the following:

- School Profile Data is provided by three comprehensive annual reports (Feeder Pattern Profiles, District and School Profiles and Statistical Abstract);

- Comprehensive analysis of student performance on Stanford Nine Achievement Test (Stanford-9) and Florida Comprehensive Assessment Test (FCAT) is completed each year;

- A comprehensive system of summer school pre- and post- tests is used to evaluate the effectiveness of the summer school curriculum

- The District has developed and implemented systems for comparing student academic assessments to state accountability standards and student academic assessments in peer districts;

- A systematic assessment is performed each year on the effectiveness of Title I programs; and

- Specific analyses of student performance data is provided to schools, regional offices and District departments to assist them in planning for curriculum and instructional modifications, remediation, and professional development.

A more thorough discussion of this data and how it is analyzed follows.

School Profile Data. The District and School Profiles, Feeder Pattern Profiles and Statistical Abstract provide extensive data and information about the progress of both schools and individual students in achieving eight goals established by the District. Academic and nonacademic indicators relating to student development and achievement, as well as information about faculty and staff, are reported on an annual basis. Specific faculty/staff data includes the average number of absences for the school, and the number of teachers who earned degrees and satisfactory ratings. Also, school safety and environment data is provide which includes the number of safety/security incidents and the extent of parental involvement. The educational enhancement trust fund monies allocated to the school are also provided as is information on the school's overall progress.

Comprehensive Analysis of Student Performance on Stanford-9 and FCAT. The Stanford-9 is administered annually to second grade students. The most recent annual report presented the results of several comparative analyses: (a) comparisons of the 2000 and 2001 MDCPS results; (b) comparisons of MDCPS average reading and mathematics scores with national averages on the Stanford 9; and (c) disaggregation of the data by ethnicity and gender. Additionally, the District issued a two-year comparison of the percentage of students scoring in each quartile range.

Similarly a comprehensive analysis was conducted of student performance as measured by the Florida Comprehensive Assessment Test (FCAT) in Writing, Reading, and Mathematics. The report provided 1999 and 2000 District and school level FCAT results based on all students tested. Additionally, separate analyses were presented for each of the curriculum groups – Standard Curriculum, Exceptional Student Education, and Limited English Proficient. Data were also compared State averages both in terms of the number of student tested and the results of the assessments by level in each area. In addition, performance comparisons were presented for the 1999 and 2000 accountability groups (that is, the groups used by the Florida Department of Education for school accountability). Other analyses performed using FCAT data included analyses of the number of schools by levels that increased, decreased or maintained the same achievement levels; average and scaled scores for the District and State in 1999 and 2000 and the difference; gains by grade level for each curriculum group; and the detailed report of scaled scores and percentage of students scoring at each of the five achievement levels, by curriculum group.

Summer School Pre and Post-Assessment. New pre and post-tests were developed for fourth and fifth grade mathematics and science for inclusion in the Summer School 2001 Curriculum binder. The structure of the assessment items with the multiple-choice responses is consistent with the curriculum and assessment philosophy noted in Sunshine State Standards curriculum and FCAT testing materials.

Comparison of student academic assessments to state accountability standards and peers. The District has developed and implemented systems for comparing student academic assessments to state accountability standards and to student academic assessments in peer districts. [9] In particular, information on two years of student and school performance on FCATs over two years time and on Stanford-9 over three years are compared with statewide averages. In addition, the District analyzes the performance of students on SATs, ACTs and Advanced Placement examinations and compares these results with state and national averages.

Evaluation of the effectiveness of Title I programs. Individual School Reports are completed each year for every Title I school each year to determine the effectiveness of the programs provided. The District's Office of Evaluation and Research produce these reports. Careful analysis of student academic and nonacademic data is conducted on the

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[9] The District identifies as its peers for benchmarking Broward County, Florida; Chicago, Illinois; Los Angeles, California; and Clark County, Nevada.

school level to assist the school in determining if the instructional programs and support services provided are improving the academic progress of the students. Additionally an annual District review presents a summary of the impact of the Title I program and examines the academic performance of students attending schools implementing Title I programs. The results are presented with the students grouped according to specific demographic characteristics. District-level data is also provided that compares the performance of Title I students to that of their counterparts in other schools that do not receive Title I funding. The individual school reports and District report are used to assist schools in evaluating whether or not particular programs are effective and to determine the direction of programs for the next year.

Analyses of student performance data provided to support District, region, and school-level decision-making. The Office of Educational Planning and Quality Enhancement provides specific analysis of student performance data for schools, regional offices, and District departments to assist them in planning for curriculum modification, remediation and professional development. This data is analyzed by student cohort, classroom, school, feeder pattern, or curriculum group (e.g., standard curriculum, ESE, and ESOL) and is used in the development of school improvement plans and regional and District department goals.

The information on student performance that is provided is viewed as being relevant and useful. Indeed, during focus groups and individual interviews, Educational Excellence School Advisory Council (EESAC) members, teachers and instructional leaders each indicated they receive meaningful analysis of information on student performance and to performance as it relates to meeting Sunshine State Standards. District curriculum area leaders also indicated they receive helpful analysis of student performance at the school, feeder pattern, and District level and used this information as a tool in planning department goals, curriculum modifications and professional development. Curriculum area leaders also indicated that this information helps District staff determine what schools and feeder patterns require additional support.

Employee survey results also confirm considerable satisfaction with the quality of information on student performance provided by the District. Indeed, as Exhibit 5-24 shows, the percentage of certificated staff "agreeing" or "strongly agreeing" with each survey item relating to academic performance information approached 60% and most cases exceeded 75%.

Exhibit 5-24

Certificated Staff Satisfaction Relating To The Availability And Quality Of Information On Student Academic Performance Is Quite High

Survey Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The assessment tools used by the District adequately measure student performance.	6.8%	18.4%	16.9%	40.5%	17.4%
I have ready access to the information on academic performance of individual students I need to improve instruction.	2.8%	8.2%	11.3%	49.2%	28.5%
I have ready access to information on the academic performance of groups of students (e.g., an entire class of students) I need to improve instruction.	2.8%	9.8%	13.7%	45.9%	27.9%
I have ready access to information on the academic performance of may school.	1.8%	6.3%	11.0%	49.2%	31.6%

Survey Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The information I receive on the academic performance of my school is accurate.	1.8%	5.0%	17.2%	49.2%	26.7%
The information I receive on student academic performance is timely.	2.7%	13.5%	20.0%	42.9%	20.9%
The information I receive on student academic performance is useful in diagnosing student needs.	2.4%	6.5%	13.9%	51.4%	25.8%

Source: Berkshire Advisors Employee Survey.

The District also makes effective use of information from nonacademic data to improve performance

The District uses a range of performance measures and benchmarks other than student academic assessments to assess and improve the effectiveness of instruction. For example, the District developed and administered a School Climate survey that examines school climate and school effectiveness. School-based employees, students, and parents completed this survey in 1999-2000 and 2000-2001 and the results were evaluated both at the individual school level as well as at the feeder pattern level. Schools used the results to develop goals for their School Improvement Plans. Likewise, regions and District level staff have used the results to help develop the District's overall strategic plan. Other benchmarks used as part of the annual District, school, and feeder pattern reports include student attendance, promotion rates, graduation rates, disciplinary statistics, and the percentage of 12th graders taking the SAT or ACT.

In addition, the District conducted a survey of schools in Miami-Dade County that improved their performance on the FCAT and earned higher marks on the Governor's A+ plan. The assessment compared schools that had improved with schools in that had not improved. The purpose of this review was to identify the strategies and approaches that proved successful in improving school performance. A number of instructional programs/approaches were identified including: elementary reading; elementary writing; elementary mathematics; middle school reading; middle school writing; middle school mathematics; senior high school reading; senior high school writing; and senior high school mathematics.

During focus groups and individual interviews, EESAC members, teachers and instructional leaders indicated they receive useful nonacademic performance data for their schools and use this data in developing school improvement plans. Individuals interviewed, particularly building administrators and parents, indicated that the school climate survey was the most useful piece of nonacademic data and was integral in the development of school improvement plans and professional development plans. Principals also indicated that the school climate survey assisted them in setting personal and professional development goals.

The results of the employee survey also support the finding that the non-academic information provided to schools is helpful, reliable, and timely. Indeed, as Exhibit 5-25 shows, for each of the five survey items relating to non-academic performance information the percentage of certificated staff "agreeing" or "strongly agreeing" with the item exceed 60%.

Exhibit 5-25

Employee Satisfaction Relating To The Availability And Quality Of Information On Non-Academic Performance Is High

Survey Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I have ready access to the information on the nonacademic performance of individual students (e.g., student attendance, promotion rates, graduation rates, disciplinary statistics, etc.) I need to improve instruction.	4.7%	10.6%	15.3%	41.7%	27.7%
The information I receive on student nonacademic performance is accurate.	3.0%	4.8%	24.1%	42.0%	26.0%
The information I receive on student nonacademic performance is timely.	4.4%	7.8%	24.4%	40.1%	23.3%
The information I receive on student nonacademic performance is useful in diagnosing student needs.	3.5%	5.4%	21.1%	45.1%	24.9%

Source: Berkshire Advisors Employee Survey.

2 District administrators facilitate sharing effective instructional practices to improve student performance.

The District has developed a wide range of strategies to share instructional practices and assist teachers in improving their performance

The District places a high priority on providing high quality professional development for teachers and on encouraging teachers and school based administrators to share effective instructional practices. Among the notable features of the District's approach to professional development and dissemination of best practices are the following:

- a comprehensive pre-service orientation and training program is provided for new teachers.
- comprehensive professional development plans are developed at all school sites for teachers and instructional leaders.
- a broad range of staff development programs are offered;
- systematic approaches to providing follow-up support once training has been completed have been established
- opportunities to reinforce the importance of collaboration within schools are exploited;
- instructional staff have numerous incentives and opportunities to participate in opportunities for professional growth; and
- a variety of approaches to identifying and sharing best practices (based on student performance data and research) have been established.

New teacher orientation and training. The District provides a comprehensive pre-service orientation program for new teachers and additional training is provided to new teachers throughout their first year in specific curriculum and specialty areas (e.g., Mathematics, Reading, Science, Social Studies, Foreign Language, ESE, ESOL, Performing and Visual Arts, Physical Education, and Alternative Education). An example of the depth and breath of these orientation programs is the New Teacher Orientation- Secondary Mathematics – 2000-2001. Informed by the standards of the National Council of Teachers of Mathematics, this orientation summarizes changes in content and emphasis in evaluation standards and identifies areas requiring increased attention or decreased attention. The orientation guide for this program also presents the Florida Sunshine Standards, The Miami-Dade County School District Competency Based Curriculum Standards, middle and high school activities, discussion of the FCAT and Florida high school test, a classroom environment checklist, lesson planning guides, and a list of professional associations.

Professional development plans. Comprehensive professional development plans are developed at all school sites for teachers and instructional leaders. These plans, which are developed collaboratively by the employee, their supervisor and if appropriate, their mentor or support team, are linked both to specific objectives in the school improvement plan and to the individual's personal professional development aspirations. In focus groups and individual interviews, teachers consistently indicated they were actively involved in the development of these plans and had received the training needed to meet both personal and school objectives. These findings are also supported by employee survey results. More than two-thirds of the survey respondents (68.3%) "agree" or "strongly agree" with the statement, "Instructional staff received needed support and guidance on issues related to their subject area (or other area of expertise)."

Staff development programs. During individual interviews and focus groups, teachers indicated they received significant opportunities for professional development and these findings are confirmed by the results of the employee survey. As Exhibit 5-26 shows, for each of three survey items related to instruction related staff development, more than two-thirds of the survey respondents "agree" or "strongly agree" that they have received training in the specified area.

Exhibit 5-26

Employee Survey Results Suggest District Staff Have Participated In A Broach Range Of Staff Development Programs

Survey Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I have received training in how to use research-based teaching strategies that increase student learning and development.	5.0%	12.3%	16.5%	38.8%	27.4%
I have received training related to developing and implementing strategies for assessing student performance.	2.9%	5.4%	12.2%	43.3%	36.3%
I receive needed assistance and training in designing improved instruction and in meeting Sunshine State Standards.	4.1%	9.5%	13.1%	41.3%	32.1%

Source: Berkshire Advisors Employee Survey.

Follow-up support after training. Most schools and many departments have developed systematic approaches to providing follow-up support once training has been completed. Particularly noteworthy programs of professional

development and on-site follow up have been developed in reading and elementary mathematics. For example, The Best Practices in Reading Seminar, a staff development program that has been offered (with curriculum modifications each year) since 1994 to assist teachers in developing a balanced literacy program, is supported by a Best Practices In Elementary Reading document. This research-based document is organized around ten modules that include the learning environment, modes of reading, phonics, responses to literature, elements of effective writing and literacy assessment. The document supports lesson planning, preparation and evaluation and presents best practices for meeting the needs of students with special needs. Following the seminar, after teachers have returned to their classrooms and have begun using the document, regional instructional supervisors at the school site provide follow up support.

The District's effectiveness in providing follow-up support after training is confirmed by the results of the employee survey. More than three out of five certificated staff who expressed an opinion (60.7%) "agree" or "strongly agree" with the statement, "What I learn in staff development programs is reinforced by my administrators and supervisors."

Fostering collaborative school cultures. The District seeks opportunities to reinforce the importance of a collaborative school culture in which teachers share effective instructional practices and work together to address student needs. For example, the District's approach to supporting implementation of the new performance evaluation system (PACES) [10] was not to provide training in evaluation processes and procedures but, where possible, to provide training that reinforced the importance of collaborative school cultures. To this end, one of the criterion the District used to determine what schools could participate in last summer's five day Professional Growth Team (PGT) Coaches Institute (at which training in the PACES process was to be provided) was the demonstration of a plan for whole-faculty involvement in a collaborative school culture. In this instance, the District is using the PACES implementation process to train school faculty to regularly reflect and critically review classroom and school practice, to participate in national, regional or local school reform networks, and to use a coherent set of reform principles to guide their ongoing work at the school.

Incentives and opportunities for professional growth. Like most school Districts, the Miami-Dade County Public Schools encourage staff to invest in their professional growth by providing increased compensation based on the years of relevant graduate school education they have completed. The District provides stipends to cover books and materials, release time and professional recognition to staff who participate in these programs. Unlike some Districts, however, Miami-Dade provides numerous opportunities for professional growth through the many continuing education opportunities available to staff that are provided in collaboration with local colleges and universities. These programs include

- raduate Program in Library and Information Science - a collaborative effort of the University of South Florida and the United Teachers of Dade which is provided at no cost to participants; [11]
- Advanced Degree Program In Mathematics and Science - a comprehensive mathematics and science Florida State University Program designed for Miami-Dade County elementary and middle school teachers;
- Distance Learning Program for Masters or Educational Specialist Degree In Science and Mathematics Education - a distance learning program offered in collaboration with Florida State University that provides participants the opportunity to complete a masters or educational specialist degree while continuing to teach on a full-time basis;
- Graduate Teacher Education Program (Master's Program in Spanish Language Education) - a program offered in collaboration with Nova Southeastern University aimed at providing teachers an opportunity to acquire proficiency in Spanish and competency in bilingual instruction at the elementary school level; and [12]
- Florida International University and Miami-Dade County School District Mathematics and Science Professional Development Summer Institute – applicants were requested to present a summary of their best instructional practices that included introduction, goals, objectives, resources, lesson activities, assessment and curriculum connections

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[10] PACES is an acronym for Professional Assessment and Comprehensive Evaluation System.

[11] While this program is free participants are required to purchase their own textbooks and instructional materials.

[12] This program targets teachers already employed by the Miami-Dade County Public Schools.

Disseminating best practices. The District focuses significant attention on identifying and disseminating information on best instructional practices. To this end, a wide range of publications have been prepared that are used in teacher orientation and training. Example of theses materials include:

- Best Practice of Effective Mathematics and Science Classrooms;
- Competency-Based Curriculum Training; and
- Middle School Science Best Practices

In addition, the District provides training on selected best practices. For example, Alliance Facilitation Training is provided to provided to share information on best practices related to using the Internet to link up around the world, developing strategies for searching for information on the web, creating a website, and improving classroom management and training. These workshop activities are "hands on" and application-based which facilitates a teacher's transfer of the workshop experience a to a classroom setting.

The District's success in disseminating information on best practices is supported by the results of the employee survey. As Exhibit 5-27 shows, for each survey item for relating to best practices the percentage of certificated staff who "agree" or "strongly agree" with the statement approaches or exceeds 60%.

Exhibit 5-27

Employee Survey Results Suggest The District Is Effective At Disseminating Information On Best Practices

Survey Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I have access to the results of useful research on effective instructional practices.	4.3%	11.8%	16.8%	39.5%	27.6%
I am aware of exemplary instructional programs and practices employed outside the Miami-Dade County Public Schools.	5.4%	19.3%	17.0%	35.3%	23.0%
I am aware of exemplary instructional programs and practices employed in other schools within the Miami-Dade County Public Schools.	4.6%	15.7%	17.7%	40.0%	22.1%
I am aware of exemplary instructional programs and practices employed by others in the school building(s) within which I work.	3.5%	10.8%	14.7%	43.3%	27.8%

Source: Berkshire Advisors Employee Survey.

3 The District's performance in serving students with exceptional needs and meeting associated regulatory requirements, while excellent in many areas, is inconsistent.

Many features of the District's exceptional student education (ESE) programs are quite good

Although the District's overall performance in serving students with exceptional needs and meeting associated regulatory requirements is inconsistent, some aspects of the program are quite good. Notable features of the current programs include the following:

- In many parts of the school District children with special needs are receiving high quality educational services in an inclusive environment;

- Only a small number of schools or centers that serve ESE students exclusively exist;

- Procedures for serving ESE students are well defined, appropriate, and are updated on a regular basis;

- Instructional and professional staff are well versed on federal and state ESE laws;

- Standards for serving ESE students are effectively integrated into the regular education curriculum; and

- Efforts to increase Medicaid reimbursement for eligible ESE services have met with considerable success.

Quality of ESE services provided in individual schools. In many District schools, students with special needs are receiving high quality educational services in an inclusive environment. Indeed, of the 28 schools at which a focused review of ESE programs was performed as part of this study, outstanding ESE programs and services were observed at seven schools. A number of positive features characterize the ESE programs at these schools including: co-teaching models, inclusionary programs for all levels of ESE students, strong support systems for general education teachers serving ESE students, vertical teaming and planning, principal and parental support for innovative models, strong EESACs and a high percentage of ESE students receiving standard diplomas upon graduation. Employee survey results also suggest that overall, the District provides quality educational services to ESE students. Approximately 65% of the survey respondents "agree" or "strongly agree" with the statement, "The Miami-Dade Public Schools does an effective job of providing appropriate instruction to exceptional student education students."

Number of specialized centers serving ESE students. Consistent with federal mandates that students with exceptional needs be served in the least restrictive educational environment possible, the Miami-Dade Public Schools operates a very small number of centers that serve ESE students exclusively. Indeed, the number of specialized centers operated by the Miami-Dade Public Schools (four) is less than half the average of the number of specialized centers operated in the benchmark Districts for which comparative information was gathered as part of this study (nine). This finding holds despite the fact the student population in these benchmark Districts ranged from 40 to 60% of the student population of the Miami-Dade Public Schools[13] and the number of ESE students served in the Miami-Dade is significantly higher than for the comparison Districts (See Exhibit 5-28).

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[13] Information on the number of segregated special education centers operating was gathered from the following school Districts: Broward County, Hillsborough County, Clark County, Nevada; and Houston, Texas.

Exhibit 5-28

Miami-Dade County Public Schools Serve About the Same percentage of ESE Students As The Comparison Districts

District	Number Of ESE Students Served	Percentage of District Students In ESE
Miami-Dade County Public Schools	40,270	10.2
Clark County (Nevada) Schools	32,340	15.4
Broward County Public Schools	27,008	10.7
Hillsborough County Public Schools	23,845	14.6

Source: Berkshire Advisors, Inc.

It is also worth noting that each of the District's specialized centers serves a relatively small number of students that have intensive medical and/or emotional needs and therefore are extremely difficult to serve in a more inclusionary setting (See Exhibit 5-29). Nonetheless, the District continues to focus on moving students from these centers and reserving these centers only for students with the most complex needs who would place others at-risk or be at-risk in a general education setting.

Exhibit 5-29

The Students Served In ESE Centers Have Intensive Needs

Center	Number Of Students Served	Types Of Students Served
Neva King Cooper	99	Profoundly mentally handicapped
Ruth Owens Kruse	235	Emotionally handicapped and severely emotionally disturbed
Merrick	315	Profoundly mentally handicapped and homebound/hospitalized
Robert Rennick	229	Emotionally handicapped and severely emotionally disturbed

Source: Miami-Dade Public Schools.

Procedures. District procedures for serving ESE students are well defined, appropriate, and are updated on a regular basis. A review of District procedures manuals relating to ESE students conducted as part of this engagement reveals that they are comprehensive and are well aligned with federal and state law. In addition, the results of interviews and focus group discussions indicate that staff are well versed on District procedures and federal law. The District also focuses significant attention on ensuring that the procedures remain current in an environment in which mandates can change rapidly. Central office staff indicate, and school level staff confirm, that District procedures relating to special education are reviewed and modified annually.

Understanding of state and federal ESE laws. As noted, Exceptional Student Education is a field in which laws and mandates, some of which have a significant effect on how services should be provided, can change rapidly. Both to ensure compliance with these laws and mandates, and to ensure students receive needed services, it is important that the school-based administrators and instructional staff responsible for implementing these mandates understand them. The Miami-Dade Public Schools has done an excellent job of ensuring school-level staff are well versed in state and federal law relating to ESE students. Documentation provided by the District as well as interviews with school level administrators and staff confirm that instructional and professional staff (including first year teachers) have received comprehensive training on federal and state ESE laws. This finding is also confirmed by the results of the employee survey conducted as part of this engagement. Sixty three percent of the survey respondents "agree" or "strongly agree" with the statement "I receive needed support in ensuring compliance with state and federal exceptional student education rules and regulations."

Integrated curriculum. A comprehensive review of District curriculum manuals and materials indicates that the District has effectively integrated standards for serving ESE students into the regular education curriculum. This analysis is confirmed by the results of the employee survey. Seventy five percent of the survey respondents "agree"

or "strongly" agree" with the statement "the District has incorporated the state's student performance standards for exceptional student education into its curriculum." Likewise, in interviews and focus groups, teachers indicated that they have access to curriculum manuals and other manuals designed specifically to provide guidance on how to modify and remediate the general education curriculum for ESE students.

Medicaid reimbursement. Because many ESE students come from low-income families and are therefore eligible to have medical and other related services reimbursed by Medicaid, significant revenues can be generated simply by taking steps to ensure Medicaid is billed for these services. The District has taken appropriate steps to increase net Medicaid reimbursement. In particular, the District has established new contracts with providers who process Medicaid claims on behalf of the District. As a result of this effort, the fees paid to these providers has been reduced from 20% of claims processed to a flat monthly fee in each service area regardless of the number of claims. In addition, staff has been trained on Medicaid procedures and how to complete paperwork for eligible students to ensure services are reimbursed. Ensuring adequate training in how to complete required paperwork is extremely important because no Medicaid reimbursement can be received if services are not accurately documented. The District has also established a "bubble card" system for recording time spent on activities eligible for reimbursement. Both field staff and central staff report this system to be effective and that minimal time is required to use the system.

The exceptional student education program needs to be strengthened in a number of important areas

Despite the many good features of the District's ESE program, and the fact that ESE students are receiving excellent services in many schools, a number of serious shortcomings exist which, if not addressed, will have grave implications. Areas of deficiency that need focused management attention can be grouped into three primary categories:

- Managing the referral, evaluation, and placement process;
- Ensuring students are served in an inclusionary setting; and
- Managing student behavior.

Referrals, evaluations and placements. A high percentage of the initial assessments and placements of ESE students do not meet federal guidelines for timeliness. Indeed, the ESE Timeline Exception Report indicates that in more than 35% of the District's schools 90 days or more is required to assess and, as appropriate, place a student who has been referred for an ESE evaluation. [14] Federal guidelines, by contrast, recommend that the initial evaluation and placement of students be completed within 60 to 90 days. [15] Non-compliance with federal guidelines in this regard is not a trivial matter. A federal audit, class action suit or withdrawal of federal IDEA funding could result unless steps are taken to improve the timeliness of the referral and placement process.

The timeliness of assessments has an impact on the District receiving additional funding for ESE students. Districts receive additional state and federal funding for special education students. Gifted students receive no additional funding. The guaranteed ESE student allocation that Districts receive from the state for special education students is based on the number of ESE students reported in the prior October and February. If the referred students' assessments are not completed by October the District loses one-half of the additional state funding for the following year. In addition, the amount of federal special education funding is based on the number of eligible special education students from the prior school year. Based on the number of pending referrals, the District did not receive approximately $274,000 in additional ESE funding for 2001-02.

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[14] The District's relatively poor performance in evaluating and placing students in a timely manner is also reinforced by the results of the employee survey. Fifty-one percent of the survey respondents "disagree" or "strongly disagree" that the assessment and placement of ESE students is timely.

[15] It should be noted that the quality of the placement decisions that are made as a result of the evaluations does not appear to be a problem in the Miami-Dade Public Schools. Indeed, 61% of the respondents to the employee survey "agree" or "strongly agree" that "students with exceptional student education needs are appropriately classified.

Part of the reason recommended guidelines for completing the initial evaluation and placement of students who are referred for exceptional student education services are not adhered to stems from the fact that such a large number of students are referred for evaluation. During the 1998-99 school year, for example, more than 7650 students were referred for an exceptional student education evaluation. However, in just over one out of two cases (52%) was the student found to be in need of special services and placed in an ESE program.

The high percentage of inappropriate referrals of students who did not need ESE services appears to stem from two factors. First, teachers often confuse students with behavioral problems with students who have special needs. Second, interviews and focus group findings suggest that low performing schools have an incentive to refer a high number of students to ESE programs because if these students are classified as having special needs their test scores will not have an adverse effect on the school's overall test scores. (The scores of ESE students are currently excluded when calculating District FCAT scores and ranking school performance.)

Referring students who do not need ESE services not only makes it difficult for the District to meet federal guidelines for the timely evaluation and placement of students, it is also quite costly. District staff estimate that a typical evaluation of an ESE student costs $500. In 2000-01 inappropriate referrals cost the District an estimated $1.7 million. If the number of inappropriate referrals were reduced by 40% over the next five years, the savings to the District would be $670,000 (assumes no growth in student enrollments). [16]

Please note that the District understands that the excessive number of students who are being referred for ESE evaluations is excessive and is piloting a new process for managing referrals. Under this pilot program, School Study Teams have been established to assist teachers in supporting students who required academic and/or behavioral supports in their classrooms rather than considering referral to ESE as the first option. This pilot project has been successful and is being expanded to more schools this year.

Simultaneously during the 1999-2000 and 2000-2001 school years, the District's ESE Office, in conjunction with Regional Offices provided a range of workshops and training programs aimed at educating staff around the ESE evaluation process and the other service options available for students who are experiencing educational difficulties. During the 1999-2000 school year the number of referrals decreased to 7583, with an increase in the percentage of students found eligible to 59%. During the 2000-2001 school year, the number of student referred for evaluation rose to 8174, with 59% being found eligible (see Exhibit 5-30). Continued improvement in reducing the number of referrals and increasing the percentage of students found eligible needs to occur.

Exhibit 5-30

The District Needs to Continue to Increase the Percentage of ESE Referrals That Qualify for Services

School Year	Number of Students Referred for an ESE Assessment	Percentage of Referrals Qualifying for ESE Services
1998-1999	7,650	52
1999-2000	7,583	59
2000-2001	8,174	59

Source: Miami-Dade County Public Schools.

Inclusion and mainstreaming. It should be stressed from the outset of this discussion that inclusion and mainstreaming is important not olely because research suggests that serving ESE students in an inclusionary setting is cost-effective and beneficial for both ESE and regular education students. Such a discussion would be relevant only if the District had an option about whether or not ESE students should be served in an inclusionary environment. The District does not have such an option, however. Federal law requires that ESE students be served

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[16] As discussed in the next paragraph, the District has already reduced the number of inappropriate referrals by seven%.

in the least restrictive educational environment possible and if the District does not comply with these mandates it puts the IDEA federal funding it receives for serving special education children at risk. [17]

As previously discussed, and to its credit, the District has done an effective job of limiting the number of specialized schools that have been established that exclusively serve students with special needs. The benefits of having a limited number of segregated schools, however, is offset somewhat by the fact that a number of specialized programs are currently provided at the "cluster" or "school-based center" level. [18] Examples of programs and services provided at the cluster level include Riviera Middle School, Miami Beach Senior High School, Kensington Park Elementary School, and Citrus Grove Elementary Schools. With the exception of Kensington Park these cluster programs, however, are not well integrated with general education programs and, in some cases, services are not provided in age appropriate settings. For example, Riviera, Jefferson and Brownsville Middle Schools currently operate Occupational Training Centers that include students up to age 22. Clearly, serving young adults in a middle school setting is inappropriate. Moreover, students who participate in cluster programs often have no more opportunity to be included in settings with their non-handicapped peers than they would have if they were served in a segregated setting. [19]

Problems relating to the inclusion of ESE students into regular education settings are not limited to the existence of cluster programs, however. School visits, focus groups, and interviews with individual parents, instructional staff and administrators indicate that in many settings even students with mild disabilities are not served through inclusion models. Indeed, many schools operate elaborate systems of ESE classes with little thought to developing inclusive or mainstreamed models. [20]

Differences in the approach to serving ESE students seem to be driven primarily by the perspectives of school level administrators. Where principals embrace the concept of inclusion, inclusive and mainstreamed models are in place. Where principals do not embrace these concepts, ESE students are served in a segregated setting albeit within the same school building where regular education students are served.

District and Regional Administrators and the Superintendent's ESE Advisory Committee have targeted the areas of increased mainstreaming and inclusion and movement of students from center and cluster programs to age-appropriate, neighborhood schools as high priorities. Parents interviewed in focus groups and at public forums also view this as a high priority need for the District to address.

Student behavior management. As previously noted, one likely reason that referrals to special education programs are so high is that teachers confuse students with behavior problems with students who have special needs. A corollary problem is that the behavior of students who do have special needs are not consistently dealt with effectively at the school level. Focus group and individual interview results suggest, and District records confirm, that many middle and senior high schools suspend and expel ESE students at higher rates than non-ESE students. Indeed, as the Exhibit 5-31 shows, the percentage of ESE students suspended and expelled is more than two times as high as for non-ESE students.

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[17] While the District is not formally out of compliance, staff within the District acknowledge the Districts lag in compliance with least restrictive mandates and the need to move many students to age-appropriate and/or inclusionary settings

[18] District schools are currently organized into cluster or center programs which are specialized centers located within general education schools. Students are grouped within these centers by disability and the majority of students in the program are not mainstreamed or included within the general education programs.

[19] It should be noted that the District recognizes this problem and has been working to downsize these cluster programs.

[20] This problem is particularly pervasive at the middle and high school levels.

Exhibit 5-31

The percentage Of ESE Students Suspended Or Expelled Is More Than Twice As High Than The Non-ESE Students

Category	Percentage Of Student Population	Percentage Of Students Expelled Or Suspended
Regular Education	89	13
Exceptional Student Education	11	29

Source: Miami-Dade County Public Schools.

Likewise, ESE students make up a disproportionately high percentage of the students served in Alternative school settings. While ESE students comprise 11% of the District's total population, they comprise 23% of the students in Alternative Schools. Clearly, therefore, referral rates of students to alternative schools are much higher for ESE students than for other students.

Interviews with school administrators, ESE teachers, and parents suggest that the core problem that creates this situation is that many general education teachers are not trained on or refuse to implement Behavior Intervention Programs for students. In addition, interview and focus group findings suggest that general education teachers, particularly in middle and high schools, are not provided with copies of Individual Education Plans (IEPs) for students and/or refuse to implement IEP modifications and strategies in their classrooms. [21] As previously discussed, the extent to which these problems exist likely varies depending on the background, attitudes, and experience of school-based administrators.

Systems and processes for evaluating and improving ESE services can be strengthened

Discussions with central and school-based staff suggest that some worthwhile systems are currently in place to assess the effectiveness of ESE instruction. For example, regional and school administrators and staffing specialists monitor the progress of ESE students in relation to the Sunshine State Standards, FCAT performance standards, standard and special diploma standards and District benchmarks.

Despite these worthwhile initiatives, enhancements to these systems and processes will be needed to ensure the effective evaluation of ESE services on an ongoing basis. For example, while the School Improvement Plans that are in place in each school focus significant attention on identifying strategies for improving the academic performance of students who will take the FCAT, these plans do not include strategies for improving the performance of students who do not participate take the FCATs and whose performance is measured by alternative assessments (i.e., students with special needs). Performance indicators that assess the schools success at serving ESE students are, therefore, needed and should serve as a basis for developing plans and strategies for improving the academic performance of ESE students. Likewise, no systems are currently in place to monitor the implementation of IEP objectives and to determine the effectiveness of IEP interventions. Finally, current systems do not provide the information needed to evaluate the cost-effectiveness of ESE services. Indeed, in part because performance in this regard is not measured, very few managers appear to focus any attention on this issue. Indeed, of the more than 97 persons who participated in interviews and/or focus groups to discuss ESE issues, only two discussed the cost-effectiveness of these services.

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[21] An individual education plan (IEP) is a document that summarizes the services a student with special needs is required to receive. Federal law mandates that an IEP be prepared, and updated every year, for all special needs students.

Recommendations

- *We recommend the District develop a system for completing the initial evaluation and placement process within 60 to 90 days of referral.*

Action plan 5-1 provides the steps needed to implement this recommendation.

Action Plan 5-1

Initial Evaluation and Placement Process	
Strategy	Develop a system for completing the initial evaluation and placement process within 60-90 days of referral and to reduce the number of inappropriate referrals.
Action Needed	Step 1: Assistant Superintendent for ESE and Executive Director of Psychology review current data on evaluation and placement timelines to determine where delays in the process are occurring and the source of the greatest number of inappropriate referrals
	Step 2: Assistant Superintendent for ESE, Executive Director of Psychology and Regional ESE Directors modify evaluation process to address activities causing delays and inappropriate referrals
	Step 3: Executive Director of Psychology and Regional ESE Director provide training to regional and school staff in the modified process
	Step 4: Regional ESE Directors and Assistant Superintendent for ESE ensure accountability systems are used to address schools where the process is not being followed and timelines are not being met
	Step 5: On a quarterly basis, Assistant Superintendent for ESE, Executive Director of Psychology and Regional Directors review accountability data and make modifications as needed
Who is Responsible	Assistant Superintendent for ESE and Support Services
Time Frame	July 2004
Fiscal Impact	The fiscal impact of this recommendation comes from improvement in two aspects of the referral and placement process, reducing delays/pending referrals and reducing inappropriate referrals for ESE evaluations.
	Fiscal Impact of Reducing Delays/Pending Referrals
	Reducing the time between referrals and assessments will reduce the number of pending referrals. Pending referrals at the time of the October FTE survey represent potential lost funding for ESE students for the District. Special education students in Florida are provided additional state funding and federal funding through the Individuals with Disabilities Education Act (IDEA). The amount of lost revenue over the next five years will depend on annual legislative and federal appropriations per ESE student.
	State Funding
	According to the current formula for Districts' ESE guaranteed allocation, the Miami-Dade County Public Schools received $130,694,373 for 2001-02. Assuming the District had approximately 380 pending referrals at the prior October FTE survey count, 59% of these referrals would have qualified for ESE services, and all the pending referrals would have been assessed prior to the February FTE survey count (the District reported 387 pending referrals for December 2001 and a 59% qualification rate), the District's guaranteed ESE allocation for 2001-02 would have been $130,814,465, an increase of $120,092.

Federal Funding
According to the Florida Department of Education the federal entitlement per special education student for the Miami-Dade County Public Schools was $686. The District would have received an additional $153,664 in federal funds (380 pending referrals X 59% qualifying X $686 federal funding).

Total District funding for ESE students (Levels 1-3) would have been approximately $274,000 in 2001-02 if all pending referrals had been assessed. Actual revenue increases due to reducing delays and pending referrals will depend on annual legislative appropriations and federal funding.

Fiscal Impact for Reducing Inappropriate Referrals
Inappropriate referrals cost the District approximately $1,600,000 in 2000-01 ($500 per assessment X 3,350 inappropriate referrals). If the District reduces its inappropriate referrals by 40% over the next five years, the District could save as much as $670,000.

Source: Berkshire Advisors, Inc.

- *We recommend the District increase inclusion models available and transition appropriate students from cluster and center programs to programs located in age-appropriate, neighborhood schools.*

Action plan 5-2 provides the steps needed to implement this recommendation.

Action Plan 5-2

Return ESE students to their neighborhood schools		
Strategy	Increase inclusion models available and transition appropriate students from cluster and center programs to age-appropriate neighborhood schools	
Action Needed	Step 1:	Assistant Superintendent, Regional ESE Directors, and staff from the Florida Inclusion Network develop a five-year plan which includes targets for each region for new inclusion models for each school year.
	Step 2:	Assistant Superintendent and Regional ESE Directors review data related to placement of ESE students in center and cluster programs and identify settings which are not age-appropriate and settings where, based on students' level of functioning, IEPs and/or educational/social needs they are not being served in the least restrictive environment.
	Step 3:	Assistant Superintendent and Regional ESE Directors develop a three-year plan to transition students in need of less restrictive settings and programs that are inappropriately sited into age-appropriate, neighborhood schools.
	Step 4:	Identify exemplary inclusion programs that currently exist with the District, determines what components of those models are responsible for success, and uses these models to develop new programs.
	Step 5:	Assistant Superintendent for ESE and Support Services and Regional ESE Directors develop a five-year plan to increase the number of schools utilizing an inclusion model of service delivery.
Who is Responsible	Assistant Superintendent for ESE and Support Services, Regional Superintendents, Regional ESE Directors, Principals	
Time Frame	January 2003	
Fiscal Impact	To be determined based on the number of students returned each year, reduced transportation costs and any start-up/transition costs	

Source; Berkshire Advisors, Inc.

- *We recommend the District develop ESE performance indicators that evaluate the cost-efficiency and programmatic effectiveness of services.*

Action plan 5-3 provides the steps needed to implement this recommendation.

Action Plan 5-3

Cost-efficiency and programmatic effectiveness indicators		
Strategy	Develop ESE performance indicators that evaluate the cost-efficiency and programmatic effectiveness of services	
Action Needed	Step 1:	Assistant Superintendent for ESE oversees a review of all current systems and databases to evaluate the effectiveness and cost-efficiency of ESE programs
	Step 2:	Assistant Superintendent works with central, regional and school-based staff to develop measurable objectives by which ESE programs and initiatives can be evaluated
	Step 3:	Assistant Superintendent, in conjunction with ESE staff determines additional data requirements and works with the Office of Information Technology to develop systems to collect that data
	Step 4:	Assistant Superintendent and Regional ESE Directors develop performance indicators for ESE
	Step 5:	Regional and school-based staff develop performance indicators for ESE programs in coordination with central ESE performance indicators
Who is Responsible	Assistant Superintendent for ESE and Support Services	
Time Frame	December 2003	
Fiscal Impact	None	

Source: Berkshire Advisors, Inc

- *We recommend the District review the rates of suspension and expulsion of ESE students from middle and high schools and systems be developed to reduce this rate.*

Action plan 5-4 provides the steps needed to implement this recommendation.

Action Plan 5-4

Suspension and Expulsion Rates of ESE Students	
Strategy	Review the rates of suspension and expulsion of ESE students from middle and high schools and develop systems to reduce this rate.

Action Needed	Step 1:	Assistant Superintendent for ESE assembles a work group to review data on suspension and expulsion rates for ESE students
	Step 2:	Assistant Superintendent for ESE and Regional ESE Directors ensure District policies related to FAB (Functional Assessment of Behavior) and BIP (Behavior Intervention Plans) are consistently implemented in all schools
	Step 3:	Workgroup review suspension and expulsion data to identify patterns and trends.
	Step 4:	Based on patterns and trends, the work group determines causes of suspensions and expulsions of ESE students
	Step 5:	Work group develops strategies to address these causes
	Step 6:	Central and regional administration ensure that training is provided to principals and school based staff in these strategies
	Step 7:	Work group determines if additional data collection and/or analysis systems are needed to effectively manage and monitor ESE student suspension and expulsion
	Step 8:	Quarterly review and modification of strategies based on student data takes place
Who is Responsible	Assistant Superintendent for ESE and Support Services	
Time Frame	July 2004	
Fiscal Impact	No immediate impact	

Source: Berkshire Advisors, Inc

4   The District's English for Speakers of Other Languages (ESOL) program, while having many excellent features, needs stronger systems for evaluating and improving services.

The District's English For Speakers Of Other Languages program serves more than 20% of the Miami-Dade County Public Schools student population

In Florida, English for Speakers of Other Languages (ESOL) programs are mandated services under provisions of the 1990 League of United Latin American Citizens *et al v.* State Board of Education Consent Decree. The Florida Department of Education Office of Multicultural Student Language Education monitors compliance with the consent decree.

Miami-Dade's ESOL program is one of the largest in the country. The program serves over 75,000 school-age students. During the 2000-2001 school year 26.2% of all elementary school students and 11.2% of all middle and high school students participated in ESOL programs. As Exhibit 5-32 shows, the number of students receiving ESOL services is much higher than in any of the urban Districts used for comparison in this study. Indeed, when compared to the two Florida peer districts, Miami-Dade serves more than four times as many ESOL students as Hillsborough County and more than two and one half times as many ESOL students as Broward County. The percentage of all elementary students served by ESOL programs is also much greater in MDCPS than any of the benchmark Districts except Houston (see Exhibit 5-32).

Exhibit 5-32

The Number Of ESOL Students Served By MDCPS Is Significantly Higher Than The Number Of ESOL Students Served In Peer Districts

District	Number Of ESOL Students	Percentage Of All Elementary Students Who Are ESOL Students
Miami-Dade County Public Schools	75,049	26.2%
Houston Independent School District	55,473	26.5%
Clark County (Nevada) Public Schools	32,886	14.2%
Broward	26,089	11.2%
Hillsborough	17,184	12.1%

Source: Berkshire Advisors, Inc.

Performance measures for LEP students generally lag those of non-LEP students but the District's LEP students are showing improvement

The District focuses on five objectives when evaluating the effectiveness of its ESOL programs:

- the acquisition of English language skills;
- the completion of curriculum requirements;
- a review of the indices of academic progress;
- test performance results; and
- time required to identify students who need ESOL services.

While the performance of LEP students is comparable to non-LEP students on some indicators of performance in completing curriculum requirements and progressing academically, LEP students generally lag non-LEP students on the FCAT academic assessments. Further, with the exception of fourth grade FCAT mathematics scores, the gap between LEP and non-LEP on FCAT assessments has not decreased over three years. However, LEP and non-LEP student performance on FCAT mathematics assessments has generally improved.

Acquisition of English Language skills. The District measures the success of students in acquiring English Language Skills by determining the average length of time (in years) Limited English Proficient (LEP) students spend in ESOL programs before meeting exit criteria. As Exhibit 5-33 shows, over the past three years the average time LEP students receive ESOL services has increased, but still remains below the state average.

Exhibit 5-33

The Time Students Spend In ESOL Programs Is Below the State Average

| School Year | Years In Program | |
	Miami-Dade	State Average
1999-2000	2.65	2.97
1998-1999	2.55	2.78
1997-1998	2.55	2.75

Source: Miami-Dade County Public Schools.

A review of curriculum information suggests that the reason that students are now spending more time in the ESOL program is not because program performance has deteriorated but rather that curriculum standards have increased.

LEP students are now being provided the same Language Arts Sunshine State Standards curriculum as non-LEP students, thus the academic requirements that they must fulfill before exiting the program has increased. In addition the instrument used to assess the students' oral/aural proficiency was revised during the 1998-1999 school year. The revised instrument, the Miami-Dade County Oral Language Proficiency Scale-Revised, is a more rigorous instrument than the one previously used and therefore it is harder now for students to exit the program.

Completion of curriculum requirements. The District measures completion of curriculum requirements by comparing the performance of LEP students against the performance of non-LEP students. The specific areas that are measured when making these comparisons are retention rates, High School Competency Test (HSCT) passing rates in Communication subtests, and HSCT passing rates in Mathematics subtest.

Exhibit 5-34 shows the District's performance on these indicators over the three years. Retention rates for LEP and non-LEP students are comparable and passing rates for the HSCT mathematics subtest differ by only seven percentage points in 1999-2000. [22] However, the passing rate for LEP students on the HSCT communications subtest is considerably lower than non-LEP students, almost 40 percentage points lower.

Exhibit 5-34

While Retention Rates Are Comparable, LEP Students' Passing Rates For HSCT Communication and Mathematics Lag Those Of Non-LEP Students

Performance Indicator	School Year	LEP Students	Non-LEP Students
Retention Rate	1999-2000	5.3%	5.2%
	1998-1999	4.6%	4.5%
	1997-1998	4.6%	4.5%
High School Competency Test Communication Subtest Passing Rate	1999-2000	26%	58%
	1998-1999	27%	66%
	1997-1998	25%	69%
High School Competency Test Mathematics Subtest Passing Rate	1999-2000	36%	43%
	1998-1999	41%	58%
	1997-1998	35%	49%

Source: Miami-Dade County Public Schools

Review of indices of Academic Progress. The District reviews indices of academic progress by comparing the graduation rates, dropout rates, and grade point averages (GPA) in senior high school of LEP students against the same indices of academic performance for non-LEP students (see Exhibit 5-35).

- **Graduation rates.** The percentage of LEP students graduating has increased slightly over the past two years while the percentage of non-LEP students graduating has decreased slightly. The overall gap between the graduation rate for LEP and non-LEP students is nearly 30 percentage points.
- **Dropout rates.** Dropout rates for LEP and non-LEP students were comparable during the 1999-2000 school year. The dropout rates of both LEP and non-LEP students improved during the period reviewed.

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[22] Criteria for retention are clearly stated in the District's pupil progression plan. In determining whether an LEP student should be retained progress in the student's native language is assessed and the recommendation of an LEP committee is considered.

- **Grade Point Averages (GPA) In Senior High School.** From 1998-1999 to 1999-2000, the grade point averages of both LEP and non-LEP students decreased slightly. The difference in grade point average between the two groups was negligible. [23]

Exhibit 5-35

Despite Comparable Grade Point Averages, Graduation Rates of LEP Students Lag Those Of Non-LEP Students

	School Year	LEP Students	Non-LEP Students
Graduation rates	1999-2000	28%	57%
	1998-1999	26%	60%
	1997-1998	22%	60%
Dropout rates	1999-2000	9.3%	8.4%
	1998-1999	13.5%	9.0%
	1997-1998	14.4%	8.6%
Grade point average	1999-2000	2.2	2.3
	1998-1999	2.4	2.4
	1997-1998	2.4	2.4

Source: Miami-Dade County Public Schools.

Test Performance Results. The District compares assessment test scores between LEP and non-LEP students to determine if the gap between LEP and non-LEP students is narrowing. Except for fourth grade mathematics the gap is not decreasing. Test scores compared are: FCAT Reading- Grade Four, FCAT Mathematics- Grade Five, FCAT Reading - Grade Eight, FCAT Mathematics- Grade Eight, FCAT Reading - Grade Ten, FCAT Mathematics- Grade 10. [24] In addition, performance results in the Expository and Narrative Subtests of the Florida Writes Test for Grade Four and the Expository and Persuasive Subtests of the Florida Writes Test for Grades Eight and Ten are compared. While the performance of LEP students lags that of non-LEP students, the percentage of LEP and non-LEP students scoring a level 3 on the FCAT mathematics tests has generally improved over three years.

- **FCAT Reading- Grade Four.** The pecentage of students scoring at or above level three in reading on the FCAT increased for both LEP and non-LEP students from 1998-1999 to 1999-2000, but the gap between LEP and non-LEP has not improved (see Exhibit 5-36).

Exhibit 5-36

The Gap Between Fourth Grade LEP And Non-LEP Reading Scores Has Not Improved Over Three Years

School Year	LEP Students	Non-LEP Students
1999-2000	21%	51%
1998-1999	20%	45%
1997-1998	18%	48%

Source: Miami-Dade County Public Schools.

- **FCAT Mathematics - Grade Four.** In the three years reviewed, the percentage of students scoring at or above level three in mathematics on the FCAT increased by 11 percentage points for LEP students while generally remaining the same for non-LEP students (see Exhibit 5-37).

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[23] Implementation of grading guidelines for LEP students is monitored as part of school site compliance review activities.

[24] (FCAT scores are compared based on the% of students scoring at or above Level Three).

Exhibit 5-37

The Gap Between Fourth Grade LEP and Non-LEP Math Scores Narrowed Over Three Years

School Year	LEP Students	Non-LEP Students
1999-2000	20%	28%
1998-1999	11%	29%
1997-1998	9%	28%

Source: Miami-Dade County Public Schools.

- **FCAT Reading - Grade Eight.** The gap on the grade eight FCAT reading assessment between LEP and non-LEP students is considerable. Only seven percent of LEP students scored a level 3 or above in 1999-2000. This represents a five percentage point decrease from the prior year (see Exhibit 5-38).

Exhibit 5-38

Only Seven Percent Of Grade Eight LEP Students Scored At Level 3 On The Grade Eight FCAT Reading Test

School Year	LEP Students	Non-LEP Students
1999-2000	7%	36%
1998-1999	12%	38%
1997-1998	10%	38%

Source: Miami-Dade County Public Schools.

- **FCAT Mathematics- Grade Eight.** While the gap between LEP and non-LEP students did not improve, the percentage of students scoring at or above level three in mathematics on the FCAT grade eight test increased for both LEP and non-LEP students from 1998-1999 to 1999-2000. The increase for LEP students was 3 percentage points as compared to an increase of eight percentage points for non-LEP students (see Exhibit 5-39).

Exhibit 5-39

The Gap Between Grade Eight FCAT Mathematics Scores For LEP And Non-LEP Students Increased

School Year	LEP Students	Non-LEP Students
1999-2000	19%	44%
1998-1999	18%	36%
1997-1998	16%	36%

Source: Miami-Dade County Public Schools.

- **FCAT Reading - Grade Ten.** The percentage of students scoring at or above level three on the FCAT for grade ten is quite low for LEP students (3% in 1999-2000). For both LEP and non-LEP students the percentage of students passing decreased during this period (see Exhibit 5-40).

Exhibit 5-40

The Percentage Of LEP Students Scoring At Or Above Level Three On the FCAT For Grade Ten Is Quite Low

School Year	LEP Students	Non-LEP Students
1999-2000	3%	26%
1998-1999	4%	36%
1997-1998	2%	35%

Source: Miami-Dade County Public Schools.

- **FCAT Mathematics- Grade Ten.** The percentage of students scoring at or above level three for grade ten increased for both LEP and non-LEP students from 1998-1999 to 1999-2000. The increase for LEP students was three percentage points while the increase for non-LEP students was six percentage points (see Exhibit 5-41).

Exhibit 5-41

The Percentage Of Students Scoring At Or Above Level Three For Grade Ten Increased For Both LEP and Non-LEP Students

School Year	LEP Students	Non-LEP Students
1999-2000	19%	43%
1998-1999	16%	37%
1997-1998	12%	36%

Source: Miami-Dade County Public Schools.

- **Expository Subtest of Florida Writes Test- Grade Four.** On the expository subtest both LEP and non-LEP students showed slight gains, with LEP students showing an increase of 0.4 and non-LEP students showing an increase of 0.6 (see Exhibit 5-42).

Exhibit 5-42

Slight Gains On the Expository Subtest Were Achieved By Both LEP And Non-LEP Students

School Year	LEP Students	Non-LEP Students
1999-2000	2.8	3.5
1998-1999	2.6	3.0
1997-1998	2.4	2.9

Source: Miami-Dade County Public Schools

- **Narrative Subtest of Florida Writes Test- Grade Four.** On the narrative subtest of Florida Writes for grade four, the performance of LEP students remained the same from 1997-1998 to 1999-2000, while non-LEP students showed a gain of 0.2 for the same time period (see Exhibit 5-43).

Exhibit 5-43

LEP Students Scored Slightly Lower On The Narrative Subtest Of Florida Writes For Grade Four

School Year	LEP Students	Non-LEP Students
1999-2000	2.8	3.4
1998-1999	2.9	3.3
1997-1998	2.8	3.2

Source: Miami-Dade County Public Schools

- **Expository Subtest of Florida Writes Test- Grade Eight.** On the expository subtest of Florida Writes for grade eight, both LEP and non-LEP students registered an increase. LEP student scores increased by 0.2 and non-LEP student scores increased by 0.6 (see Exhibit 5-44)

Exhibit 5-44

The Gap Between LEP Student Scores And Non-LEP Student Scores Increased On the Expository Subtest of Florida Writes

School Year	LEP Students	Non-LEP Students
1999-2000	2.9	3.9
1998-1999	2.8	3.5
1997-1998	2.7	3.3

Source: Miami-Dade County Public Schools.

- **Persuasive Subtest of Florida Writes Test- Grade Eight.** On the persuasive subtest of Florida Writes for grade eight, both LEP and non-LEP students registered an increase between 1997-1998 and 1999-2000. Scores for LEP students increased from 2.2 to 2.6 and scores for non-LEP students increased from 3.2 to 3.6 (see Exhibit 5-45).

Exhibit 5-45

Scores For Both LEP And Non-LEP Students Increased On the Persuasive Subtest Of Florida Writes Grade 8

School Year	LEP Students	Non-LEP Students
1999-2000	2.6	3.6
1998-1999	2.5	3.3
1997-1998	2.2	3.2

Source: Miami-Dade County Public Schools.

- **Expository Subtest of Florida Writes Test- Grade Ten.** On the expository subtest of Florida Writes for grade ten, both the LEP and non-LEP students registered gains from 1997-1998 to 1999-2000. However LEP students only showed an improvement of 0.3, where non-LEP students' scores improved by 1.0 (see Exhibit 5-46).

Exhibit 5-46

The Gap Between LEP And Non-LEP Scores On The Expository Subtest Of Florida Writes Grade 10 Increased

School Year	LEP Students	Non-LEP Students
1999-2000	2.6	4.2
1998-1999	2.5	3.6
1997-1998	2.3	3.2

Source: Miami-Dade County Public Schools.

Time required identifying students who need ESOL services. This objective is measured by calculating the average number of days a student is in a District school before he or she is identified as an LEP student. School site personnel have been provided extensive information on the requirements for initial registration of foreign-born students, including assessment and placement procedures. The average time for ESOL identification improved from 3.59 days in 1998-1999 to 3.09 days in 1999-2000.

Most features of the District's English for Speakers of Other Languages programs are quite good

A number of components are required for an effective ESOL program. These include the following:

- screening, assessment and placement;
- curriculum; and
- school-based program coordination.

In each of these areas the District's ESOL program is quite good. A discussion of these key components follows.

Screening, Assessment and Placement. The District has a strong system of checks and balances in place to monitor the District's compliance related to ESOL screening and assessment requirements. A comprehensive system for the screening and assessment of Limited English Proficient Students, including the completion of home language surveys and parental consent forms, is consistently implemented across the District. This system also includes the use of District-developed assessment tools that meet the requirements of federal and state law as well as the Multicultural Education Training and Advocacy (META) agreement. Typically students are placed in an ESOL program with three days of being referred for assessment.

The finding that effective screening, assessment, and placement systems have been established was supported by principals and teachers in interviews and focus groups. Likewise, this finding is supported by the results of the employee survey. Seventy-one percent of the survey respondents "agree" or "strongly agree" with the statement, "The Miami-Dade County Public Schools does an effective job of evaluating the needs of students who are not proficient in English." Likewise, more than three-fourths of the survey respondents (76.5%) "agree" or "strongly agree" with the statement "The District placement of students in ESOL programs is timely."

Curriculum. ESOL strategies are integrated in all aspects of the District's curriculum and across all subject areas. Within lesson plans, specific strategies and instructional modifications are specified to meet the unique needs of ESOL students. In addition, the District's ESOL curriculum includes specific standards for mastery of listening, reading, speaking and writing English and is linked to Sunshine State Standards as well as to the District's Reading, Writing and Language Arts curricula.

School-based program coordination. At the school-level, instructional leaders facilitate the coordination of educational services between general education, ESOL and ESE teachers. In individual interviews and focus groups staff indicated that planning occurs to ensure consistency across classrooms. ESOL teachers also provide ongoing consultation to regular education teachers in ESOL strategies and on how to address the needs of individual LEP

student needs. It should be noted, however, that the ability of ESOL teachers to work collaboratively with their "regular" education counterparts is sometimes limited by the large caseloads carried by many ESOL teachers.

In most settings, students receive instruction in ESOL classes for reading and language arts periods and receive instruction in other academic areas in regular education settings by teachers who have been trained in LEP strategies. Several schools offer unique bilingual programs or self-contained ESOL programs for level one and two LEP students. In addition, some schools utilize highly successful co-teaching models, where a general education and ESOL teacher co-teach for particular periods of the day.

During individual interviews and in focus groups, teachers and instructional leaders indicated there are systems in place to coordinate and develop instructional programs collaboratively for ESOL and English proficient students. In response to the question, "Teachers of ESOL and English proficient students coordinate and develop programs collaboratively" 60.5% of survey respondents indicate they "agree" or "strongly agree".

The English for Speakers of Other Languages (ESOL) program can be strengthened in the areas of data-driven decision-making and program evaluation

There are two primary shortcomings with the way ESOL program data is currently used and analyzed. First, central office administrators monitor performance primarily by using the indicators mandated by state law and the consent decree. However, because these indicators are established without any specific criteria, so there is no objective way to determine whether or not an objective has been met. Especially where objectives focus on narrowing the gap between LEP and non-LEP students, any change, however small, is considered attaining the objective. In addition, while ESOL data is careful analyzed at a District level nonacademic data for ESOL students is not broken down to the individual school level. Moreover, during interviews and focus groups with central office and school-based staff, teachers and instructional leaders indicated that central administrators do not consistently share data with schools on ESOL performance. In fact, District administrators admit that they do not carefully analyze school-site specific data to make program or policy decisions based on data trends and performance results.

With regard to program evaluation, the ESOL Self-Assessment and Annual Report provides a comprehensive review of ESOL services at the District level. However, schools and regions would benefit from a more careful analysis of non-academic data which could be used set a direction and goals for regions, feeder patterns and individual schools. The District also needs to evaluate its ESOL programs from the perspective of cost-efficiency to determine if it utilizing its resources in a manner which maximizes student performance. As with other areas in Educational Service Delivery, cost-efficiency is almost never a consideration in determining program effectiveness.

Recommendations

- *We recommend the District develop a system to evaluate the effectiveness and cost efficiency of ESOL programs at school, feeder pattern and regional levels*

    Action plan 5-5 provides the steps needed to implement this recommendation.

Action Plan 5-5

Conduct ESOL Program Evaluation		
Strategy	Develop a system to evaluate the effectiveness and cost-efficiency of ESOL programs at the school, feeder pattern and regional levels	
Action Needed	Step 1:	Review existing goals and objectives set for ESOL programs to determine if appropriate general targets have been established
	Step 2:	Review data collection systems to determine if specific data is available to support each goal

Action Needed	Step 3:	Develop necessary additional data collection systems to support ESOL goals
	Step 4:	Establish central and regional criterion based objectives from these goals to be used to measure progress and evaluate the effectiveness of programs
	Step 5:	Establish school-specific criterion based objectives linked to regional and central objective to measure progress and evaluate the effectiveness of programs at each school site.
	Step 6:	Establish a baseline of current cost for each ESOL program at each grade level
	Step 7:	Compare program costs with performance on specific criterion based objectives
	Step 8:	Identify the most effective, cost efficient program models and make program adjustments based on this data
Who is Responsible	Director- Division of Bilingual Education and World Languages	
Time Frame	July 2004	
Fiscal Impact	No immediate impact	

Source: Berkshire Advisors, Inc.

5 The District provides effective and cost-efficient secondary vocational and adult/technical education programs.

The District's vocational and adult/technical programs reflect the needs of the Miami-Dade County community. The District has demonstrated through their extensive English As a Second Language (ESOL) Programs, career orientation programs and General Education Development (GED) courses in English and Spanish that they can adapt their curriculum to meet the changing needs of the community. The vocational and technical education programs work collaboratively through a range of affiliations with community businesses to modify and expand their curriculum to meet the needs of industry in the area. Stakeholders are actively involved in the evaluation of programs and adjustments to vocational and adult/technical education programs. Vocational and Adult/Technical Education are the only areas within the Education Service Delivery Divisions where cost-efficiency is continuously evaluated and used as a major criteria in determining the effectiveness of programs. The District has done an admirable job of including the business community in the development and evaluation of its programs.

The District provides effective and cost-efficient vocational and adult/technical programs

The District offers a range of vocational and adult/technical education programs. These programs allow adult students and high school age-students to work towards completing a high school diploma, to earn a General Educational Development (GED) certificate or to receive vocational preparatory instruction. Additionally programs are provided in English for Limited English Proficient Adults, Workplace Readiness Skills, Citizenship, Adult General Education for Adults with Disabilities, and Education for Senior Learners. These programs are operated at 26 primary sites and many satellite sites in locations which allow all residents of the District to have easy access to the range of programs. In additional to traditional academic classes, ESOL, and GED Preparation, vocational training is provided in the areas of: Agribusiness, Business Technology, Family and Consumer Science, Health Science, Industrial Education, Marketing, and Public Service.

Adult students participating in these programs generally enroll in two courses per trimester. High school students involved in the adult program take additional courses through these programs in order to either supplement their regular schedule or to make up missing or failed classes and credits.

The numbers of adults who received their high school diploma at an Adult Center has decreased each year over the previous three years, from 804 to 717. The number of GEDs granted at Adult Centers has increased over the same time period from 3,136 to 3,284.

The District tracks programs by both enrollment and by completion rate. Additionally for students involved in vocational preparatory instruction, the District tracks the placement rate for completers, students who complete all components of the program and for whom the District receives Occupational Completion Points (OCP) from the state and thus reimbursement, and leavers, students who leave the program before meeting all the state requirements for OCPs but with sufficient skills to gain employment in that area. Exhibit 5-47 shows the one-year placement rate for both completers and leavers from each of the vocational program areas.

Exhibit 5- 47

The majority of students participating in vocational preparation programs are obtaining employment in the field in which they were trained

Postsecondary Educational Program	Percentage of Completers Employed in Field	Percentage of Leavers Employed In Field
Agribusiness	54%	N/A
Business Technology	76%	54%
Family and Consumer Science	42%	43%
Health Science	77%	92%
Industrial Education	72%	46%
Marketing	69%	71%
Public Service	58%	N/A

Source: Miami-Dade County Public Schools.

Partnership With Business Community In Development and Evaluation of Programs. The District's formal vocational and adult/technical curriculum is reviewed on an annual basis and modified based on current industry standards. Adjustments in course offering are made based on changes in the field and supply/demand in the local work force. The curriculum includes strategies for working with ESE and ESOL students as well as adults with varying ESOL needs and disabilities. Interviews with District administrators, school administrators and teachers indicated that as curriculum is adjusted based on changing industry standards, equipment and instructional materials are also updated. Review of District curricula indicates an evolving curricula, continuously being reviewed and revised. The District, in collaboration with a range of business partners, has ensured programs have strong support from the local community**.**

The division solicits information from individuals in the field by conducting monthly meetings with its programs' Advisory Committee. The Advisory Committee includes graduates of the programs, parents, individuals from the industry, and educators. Part of the agenda is to solicit advice on course and program content and to discuss curriculum and technology needs. The division also collaborates with the area Chamber of Commerce.

Scheduling. In order to maximize the participation of both secondary vocational students and working adults, vocational centers have developed a variety of creative scheduling options. Many centers visited operated seven days a week, some from as early as 5:30 a.m. (to offer classes before 1st shift workers began their day) to 1 a.m. (offering ESL for workers at a neighboring plant during their 3rd shift lunch break). During interviews, District administrators indicated that schedules are adjusted when the local community or local industry can demonstrate a need. This was confirmed by program evaluations completed during the past two years.

Program Options for Secondary Students. The District has developed a comprehensive program for secondary students with a wide range of offerings in a variety of vocational, technical and academic settings. The academies developed at many District senior high schools provide students on a traditional academic track the opportunity to also develop competency and receive a certificate of completion in a technical/career area. Curriculum for these academies has been developed in conjunction with business and industry partners through the community to ensure students are being taught relevant vocational/career skills. Technical centers also provide a rich academic focus with a strong technical program in specific academies. Schools Of Choice provide specialized technical training along with a strong academic program. Additionally the District provides a strong, diverse vocational curriculum in many high demand areas.

Program Effectiveness and Cost-Efficiency. The adult and vocational programs are continuously evaluated to ensure cost-efficiency. Cost-effectiveness and performance evaluation are hallmarks of the adult and technical education programs. The state-funding formula requires the District to be continuously monitoring the performance of particular programs and make adjustment to the content and focus. The state standards for literacy completion points (LCPs) and occupational completion points (OCPs) instill a focus not seen in the District in other educational service delivery areas. Because funding is only provided to the District for LCPs and OCPs, the District has developed systems for insuring customer satisfaction with the programs and good evaluation procedures for each program. Money is carefully allocated and interviews with District and school administration and budgets shared by them indicate dollars are closely followed. To ensure maximum utilization of staff and dollars 90% of adult education instructors are part-time employees, most of whom work in their field of instruction.

The District closely tracks students who have completed the vocational and adult/technical education programs. Data was provided at specific centers on the performance of their graduates over the past five years. Additionally at the adult centers, many individuals who completed state-funded programs in ESOL, for a GED or obtain initial employment, are still involved in taking courses in their current field of employment to expand their skills and increase their employment potential.

District and state data indicate significant losses in state funds have occurred due to adult learners exiting programs before meeting the criteria for OCPs and LCPs. The April 2001 Workforce Development Education Fund Allocation report indicates the District had a loss of $2,749,649 for the 2000-2001 school year. This accounts for approximately 2% of the District's Adult Education budget and is a far greater amount and percentage than benchmark Districts. Exhibit 5-48 illustrates loss and gain comparisons for Miami-Dade and Florida benchmark Districts.

The District has performed careful analysis of completion data for all adult vocational and literacy programs and identified where early exit and monetary losses are occurring. This analysis has resulted in the elimination and/or consolidation of a number of programs and strong advocacy by the District at the state level to address specific program areas where early exit is prompted by state criteria established for program completion and the ability of students to take state credentialing examinations in Spanish, rather than English, thus providing no incentive for ESOL program completion.

Exhibit 5-48

Workforce Development Education Fund Final WDEF Allocation provided to the District in April 2001 Indicates the District's Adult Education Programs Lost Over $2.5

School District	2000-2001 Total	Starting Performance	Vocational Performance	Adult General Education Performance	Total	Gain/Loss
Broward	$72,459,887	$3,144,345	$83,949	$4,898,734	$70,794,468	-$1,665,419
Hillsborough	$31,191,469	$2,343,661	$62,572	$2,967,807	$32,671,397	$1,479,928
Miami-Dade	**$107,122,464**	**$4,084,543**	**$109,050**	**$8,603,581**	**$104,372,815**	**-$2,749,649**
Orange	$35,700,508	$2,854,473	$76,210	$2,195,849	$36,116,677	$416,169

Source: 2001-2002 Workforce Development Education Fund Final WDEF Allocation April 2002.

6 The District's curricular framework is linked to Florida's accountability standards and to the Sunshine State standards.

The curriculum framework developed by the District are linked to Florida's accountability standards and to Sunshine State Standards

Curriculum guides and supplementary instructional materials developed by the District incorporate the instructional needs of all students (standard curriculum, ESE, ESOL, and gifted) across all academic areas. In addition, these curriculum frameworks present linkages to Florida's accountability system and Sunshine State Standards and provide information on the alignment of instruction, assessment, and student progress. [25] Moreover, in many of its curriculum guides the District specifies the pertinent textbook adoptions. The District's policies for the purchase of textbooks and instructional materials are also linked to Florida's accountability and Sunshine State Standards and the District's curriculum framework.

The following paragraphs present specific information on the reading curriculum, the language arts curriculum and the mathematics/science curriculum. In addition, the types of information provided for curricula in other disciplines are summarized.

Reading Curriculum. Miami-Dade County Public Schools' reading program is well developed and could serve as a model for other school Districts. The reading plan and assessment guides present a comprehensive and coherent master plan for developmental, accelerated and preventative reading programs. The documents describe diagnostic assessments for determining reading levels and effective pedagogical practices - including the grouping of students for instruction. They also clearly indicate the alignment among other elements of the teaching/learning process including District and state benchmarks and standards, District and state testing programs, student promotion/progression policies, and state and District-wide programs and materials adoptions. Additionally the master plan describes strategies for reading instruction that meet various special needs (e.g., English proficiency, reading levels and ESE).

The companion documents (K-6 Assessment Guide and 6-12 Assessment Guide) are aligned with the Sunshine State Standards, Grade Level Expectations, Competency-Based Curriculum, and Comprehensive Reading Program benchmarks and provide data sources for measuring and tracking student performance. Performance standards include reading level, State and District levels of performance on the FCAT – Reading, Stanford Assessment Test in Reading, the FCAT norm-referenced test, and a declaration of reading proficiency by the classroom or reading teacher.

Language Arts Curriculum. The District's Competency-Based Language Arts Curriculum outlines sixteen principles that guide the development and support of the language arts program. Aligned with the Sunshine State Standards and Grade Level Expectations, the guide also presents procedures for responding to FCAT questions. In addition, the guide describes selected theories and practices, suggests time frames for each component/practice, presents scoring rubrics for selected activities, and outlines instructional activity lesson plans with ESOL lesson modifications. Recipe for Success – Ingredients for Model Classrooms presents activities that focus on teacher-directed interactive instruction in language arts, structured independent reading, strategies for creating interactive learning environments, and FCAT question task cards based on Sunshine State Standards.

Mathematics/Science Curriculum. The District has developed a number of curriculum materials aligned with Sunshine State Standards and based on Grade Level Expectations for mathematics/science instruction. Comprehensive curriculum documents have been developed for all grade levels. These documents specifically outline the links to Florida Curriculum Framework, Standards and Instructional Practices. These guides also reflect a

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[25] The benchmarks established in the curriculum framework are directly linked to Sunshine State Standards and are used by teachers to track student performance.

common set of competencies across grade levels and in a number of cases include FCAT resource sections. A range of specialized programs and materials has also been developed with the support of national foundations and grants.

The rich detail provided in these curriculum frameworks is represented by the <u>Awesome Activities Aimed At Achieving The Sunshine State Standards For Mathematics</u>. This curriculum was developed for grades one through eight to assist teachers in facilitating student achievement in the Sunshine State Standards. The materials for each competency presented in this curriculum guide are preceded with an indicator of the curriculum component, a statement of the competency, the pertinent Competency-Based Curriculum objectives, and a statement of the Sunshine State Standards correlations (e.g., benchmarks, level and code). Moreover, to facilitate use by teachers, the materials needed for each instructional activity and worksheet are listed.

Curricula in other disciplines. The District has developed comprehensive Competency-Based Curricula with the components, objectives and competencies described across all disciplines and levels including: Speech and Debate, ESOL, Social Science, Foreign Languages, Modern Languages, Health Education, Library Media, Dance, Physical Education, Theatre, and Visual Arts. The curriculum guides for each area outline the philosophy underlying the course content and articulate the correlation with the Sunshine State Standards. Linkages to specific Sunshine State Standards and FCAT benchmarks in Reading, Mathematics, and Writing are also tied to each competency.

Teachers and instructional leaders receive training and ongoing assistance in designing instruction to meet Sunshine State Standards

A review of School Improvement Plans and Professional Development Plans indicate a strong emphasis on providing teaching staff and instructional leaders with both training and ongoing on-site support in designing instruction to meet Sunshine State Standards. In individual interviews and focus groups, teachers indicated they have access to training in all curricular areas and receive follow-up on-site support by mentor teachers, school-based instructional leaders, and regional instructional specialists. This finding was supported by the results of the employee survey. Almost three-fourths of the certificated staff expressing an opinion (73.4%) "agree" or "strongly agree" with the statement "I receive needed assistance and training in designing improved instruction and in meeting Sunshine State Standards."

7 The District has adopted a plan for the progression of students from kindergarten through grade 12 that maximizes student mastery of Sunshine State Standards.

The District has developed a comprehensive Pupil Progression Plan

The District's goal that "students will be prepared for graduation, employment, postsecondary education, and to become responsible citizens and lifelong learners" provides a context for the promotion policies, intervention strategies, and retention processes incorporated into its Pupil Progression Plan. This plan details specific policies and procedures for maximizing the progress of K-12 students in mastering the Sunshine State Standards. The plan reflects student performance standards based on the Sunshine State Standards and documents such as "What Work Requires Of Schools" published by the U.S. Department of Labor's Secretary's Commission on Achieving Necessary Skills (SCANS). Additionally, standards and expectations for exceptional children are clearly delineated in this plan.

The Pupil Progression Plan has eight key components:

- well developed enrollment/registration processes for all students from other states, non-public schools, home school programs, and for foreign born students;
- specific promotion plans and policies for each grade level, from kindergarten through adult education;

- specific linkages to the District's Comprehensive Reading Plan at the primary level to ensure intensive early intervention and retention with intense reading remediation if necessary;

- an outline of the admission and graduation requirements for students with disabilities at post-secondary technical centers;

- documentation of specific levels of performance for each grade in reading, writing, math, and science in accordance with Sunshine State Standards and District benchmarks;

- processes for grading limited English proficient and exceptional students;

- specific graduation requirements and diploma options; and

- plans for dual enrollment at Miami-Dade Community College.

The following paragraphs present additional information on the District's Pupil Progression Plan relating to performance in relation to Sunshine State Standards, the prohibition against "social promotion," opportunities for intensive remedial assistance provided through the plan, high school progression and graduation requirements, and communication with parents.

Performance in relation to Sunshine State Standards. The District's Pupil Progression Plan articulates the requirement that students master the Sunshine State Standards by demonstrating mastery of curriculum linked to each standard. Indeed, the plan defines specific policies and procedures related to grading and measuring student performance against Florida standards. These policies and procedures are articulated for initial placement in Kindergarten and for promotion through each grade level, as well as during the transition from elementary school to middle school and then to high school. In addition, the plan describes policies and procedures for assessing the performance of Limited English Proficient students (including age and grade-based eligibility requirements for specialized programs such as New Beginnings) and ESE students. Criteria for promotion are based on mastery of the curriculum for all grade levels. The plan also requires that students be evaluated on a regular basis and provides a schedule for completing student evaluations.

Prohibition against social promotion. The District's Pupil Progression Plan complies with the Florida requirement that pupil progression plans ensure maximum progress toward mastery of the state's standards. These requirements are complied with for all instructional levels from Kindergarten through Grade 12. In addition, the District's plan clearly indicates that there are no conditions that allow for social promotion.

Intensive remedial assistance. The District's Pupil Progression Plan clearly articulates the procedures to be followed when a student is not meeting performance standards and is in danger of being retained. Under such circumstances, an intervention plan must be developed by a school team which utilize resources available at the school such as drop out prevention and at-risk student programs, tutorial programs, alternative schools and a range of non-traditional programs. Summer school and extended school year programs are also available to students. Specific policies and procedures have also been developed to assist schools in developing alternative intensive remediation programs for students who have been retained.

High School progression and graduation requirements. The District's Pupil Progression Plan delineates specific requirements for conferring standard diplomas, special diplomas, and Certificates of Completion. The Plan also provides for dual enrollment at Miami-Dade Community College in conjunction with several high school programs and allows for accelerated graduation for eligible students. [26] In addition, the District's Curriculum Bulletin-Authorized Courses For Secondary Schools describes in detail all secondary course requirements for high school graduation and discusses college preparation and admissions to Florida's State University System. Additionally this document provides information concerning career planning and college entrance examinations and discusses pertinent policies such as student progress, homework and attendance. Also detailed is information concerning eligibility for participation in interscholastic athletics and activities, student's rights and responsibilities and the responsibilities of parents/guardians.

Communication with parents. The District's Pupil Progression Plan also includes specific guidelines for communicating information on student performance in all curriculum areas to parents/guardians. Specific

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[26] The collaborative agreements with the community college are comprehensive and specific.

guidelines have been delineated for the preparation and distribution of progress reports and distribution of FCAT results. Systems have also been developed to ensure reports and FCAT results are translated into home languages for all ESOL students and any other student with parents who are not proficient in English. Likewise, report cards are distributed in the student's home language. Additionally the parents of ESE student receive progress reports in accordance with their child's Individual Education Plan. For ESE students who do not participate in the FCAT, the results of the District's Alternative Assessment program are provided when FCAT results are distributed.

8 The District ensures that school improvement plans effectively translate identified needs into activities with measurable objectives and that school advisory councils meet statutory membership requirements.

The District has developed a well-articulated comprehensive system for developing and monitoring School Improvement Plans

The District's school improvement plans effectively specify needs, and then delineate goals, objectives, activities, and responsibilities related to those needs. The plan for each school is unique, but all District plans share a common format and meet prescribed requirements.[27] In particular, the State requires that all staff participate in implementing the plan and that the plan be structured to address the needs of all students (e.g., regular education, Limited English Proficient, ESE, and students in at-risk programs). Title I plans (for schools receiving Title I monies) are included as a component of a school's overall school improvement plan both to ensure consistency in the school's instructional improvement efforts and to ensure that the use of available resources is coordinated.

Interviews with principals, teachers, and Educational Excellence School Advisory Council (EESAC) members indicated that the process of developing the plans is more than obligatory and that expected results (i.e., plan goals) should, in fact, be accomplished. EESACs and school personnel also indicated their understanding that they will be held accountable for whether or not plan goals are achieved. In addition, the results of the employee survey (presented in Exhibit 5-49) overwhelmingly suggest that school based staff are familiar with the school improvement plans for their schools, were involved in developing these plans, that the plans are developed based on an analysis of student outcomes, that the plans include measurable objectives, that the plan contain an implementation strategy, and that the plans reflect the strategies used in the schools to improve student performance. For all but one of these survey items "I was involved in developing the school improvement plan for the school in which I work" the number of school-based certificated staff who "agree" or strongly "agree" with the item approaches or exceeds 90% and almost two-thirds (63.9%) "agree" or "strongly agree" that they were involved in developing the school improvement plan at their school.

Exhibit 5-49

Employee Survey Results Suggest The School Improvement Process Is Quite Effective

Survey Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The school within which I work has a school improvement plan	2.1%	3.9%	3.5%	32.3%	58.1%
I am familiar with the school improvement plan for the school in which I work	1.7%	3.1%	5.7%	36.0%	53.5%

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[27] Prescribed requirements for School Improvement Plans for the 2000-2001 school year have been modified to reflect the District's participation in the Sterling Process.

Survey Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I was involved in developing the school improvement plan for the school in which I work	7.8%	14.8%	13.5%	25.6%	38.3%
The school improvement plan for my school is based on analyses of student outcomes	1.1%	1.4%	9.8%	36.7%	51.0%
The school improvement plan for my school contains measurable objectives	0.6%	0.6%	4.6%	38.9%	55.3%
The school improvement plan for my school contains a clear implementation strategy	1.1%	2.4%	7.7%	39.7%	49.1%
The school improvement plan for my school is consistent with and includes the main strategies used in the school to improve student performance.	1.1%	1.5%	7.3%	40.0%	50.1%

Source: Berkshire Advisors Employee Survey.

The following subsections present additional background information on school improvement plans, a description of the process the District uses to oversee the development and implementation of school improvement plans, the role of stakeholders in developing and implementing the plans and the results of a detailed review of a sample of school improvement plans for District schools.

Board Approved School Improvement Plans. School improvement plans are required by Florida law as part of a 1991 state initiative to ensure greater local-level accountability. This initiative was designed to provide high standards of student performance and to decentralize public education so that school Districts and schools would be better able to design learning environments and activities to meet the needs of each student. The Legislature established state education goals in eight areas (shown in Exhibit 5-50) as a framework for the school improvement initiatives of individual schools.

Exhibit 5-50

State Education Goal Areas Are Clearly Defined

- Readiness to Start School
- Graduation Rate and Readiness for Postsecondary Education and Employment
- Student Performance
- Learning Environment
- School Safety and Environment
- Teachers and Staff
- Adult Literacy
- Parental Involvement

Source: Florida Department of Education.

While all schools are required to develop an annual plan that includes improvement initiatives, the specific goals should reflect the school's particular needs. The District also requires that each school's goals be linked to the goals articulated in the District's strategic plan.

District oversight of the school improvement planning process. The Office Of Educational Planning and Quality Enhancement plays the dual role of ensuring plans are completed by each school each year and of providing training on how to develop useful plans. For the 2000-2001 and 2001-2002 school years, all of the District's schools completed board-approved school improvement plans. Extensive annual training was also provided to EESACs and school administrators in the development of these plans. Office of Educational Planning and Quality Enhancement staff provided feedback to schools regarding the quality and content of their plans and reviewed plans to ensure compliance with both state and District-specific mandates. In addition, staff provided extensive additional training for the additional plan components that were included as part of the Sterling Process for the 2001-2002 year plans. These staff were also available to work with specific school EESACs as requested to provide on-site technical assistance. The efforts of the Office, in addition to the training provided to District principals as part of their Executive Training, has resulted in the development of high quality, comprehensive school improvement plans.

Stakeholder involvement. The District is committed to including a wide range of stakeholders in the plan development and implementation process. Principals ensure the active involvement of required stakeholders[28] through school advisory councils. In addition, the Office of Education Planning and Quality Enhancement reviews council membership to validate appropriate stakeholder membership. [29]

Interviews with EESAC members during school focus groups and individual interviews indicated that at all but one school the EESAC members were actively involved in the school improvement plan development process. Notably, parents indicated they considered themselves active, valued participants in the councils. Moreover, at the one school where concerns with the process were raised, concerns related to the 2000-01 school year and council members indicated that the school's new principal had actively involved them in the development of the 2001-2002 plans. Citizens and stakeholders who are not members of the EESAC can also access school board-approved school improvement plans for the 2001-02 year through individual schools or on the District's website.

Plan review. During interviews, principals and teachers emphasized that Office for Educational Planning and Quality Enhancement oversight and the school board approval processes heightened responsibility for the thoughtful development and implementation of the plans, both because of the accountability implied by Board approval and the legitimization of the plans after receiving this approval. This commitment to developing productive plans was reflected in the review of 45 plans for the 2000-2001 school year and 45 plans for the 2001-2002 school year that was conducted for this study. The results of this review (presented in Exhibit 5-51) reveal that the plans meet state and District requirements. With one exception – the extent to which plan objectives are measurable – required plan components were reflected in almost all of the 90 plans reviewed. Moreover, with regard to whether plan objectives are measurable, while about half of the 45 plans reviewed (22 out of 45) did not have measurable objectives in 2000-2001 only four of the 45 plans reviewed for the following year (the 2001-2002 school year) did not have measurable objectives.

Exhibit 5-51

Required Plan Components Are Reflected In Most School Improvement Plans

Plan Component	2000-2001 Plans Plans For Which Component Is In Place/Total Plans Evaluated	2001-2002 Plans Plans For Which Component Is In Place/Total Plans Evaluated
Executive Summary	45/45	45/45
Site-specific Mission Statement	45/45	45/45
Needs Assessment Demographic Profiles	45/45	45/45
Student Performance Status-FCAT Results	43/45 (a)	45/45

[28] By law, the following stakeholders must be involved in the school improvement planning process: principal, teachers, parents, community stakeholders

[29] Membership rosters for 45 school advisory councils (EESACs) were reviewed as part of this study and each of these councils met or exceed state and District stakeholder participation requirements.

Plan Component	2000-2001 Plans Plans For Which Component Is In Place/Total Plans Evaluated	2001-2002Plans Plans For Which Component Is In Place/Total Plans Evaluated
Major programs/initiatives addressing student achievement	45/45	45/45
Staff Development Provided or In Process	44/45	45/45
Overall analysis of school in areas of budget, training, instructional materials, technology, staffing students services, benchmarking	45/45	45/45
Title One Assessment Issues (if Title One School)	27/27	31/31
Objectives linked to Florida State Educational Accountability Goals	45/45	45/45
Objectives linked to one or more District Strategic Plan goals	45/45	45/45
Objective are measurable improvement objective	23/45	41/45
List specific school improvement plan strategies for each improvement objective	45/45	45/45
Plan signed by representatives of all stakeholder groups	44/45	45/45

(a) FCAT results were not included for two ESE centers where students typically do not take FCAT tests.

Source: Berkshire Advisors, Inc.

Instructional Materials ————————————

9 The District's process for selecting instructional materials ensures that instructional materials meet the needs of teachers and students.

The District purchases instructional materials in accordance with Florida law and in a manner that is consistent with the State adoption schedule

The District's Instructional Materials Handbook (Revised April 1998) has detailed guidelines for selecting, ordering, maintaining, and disposing of textbooks and ancillary instructional materials. These guidelines, which are aligned with Florida law and the state adoption schedule, include critical dates for requisitioning textbooks/instructional materials, payment of lost and damaged textbooks, and submission of the school inventory. In addition, the guidelines establish procedures for parent/guardian purchase of instructional materials from the school if they wish to do so, how to manage funds collected for lost materials, and how to account for textbooks, records and reports. Guidelines for the fees that should be charged for lost and damaged textbooks are also delineated. Additionally, the handbook includes a process for handling complaints relating to the use of particular curriculum materials, textbooks and ancillary items, library books, and non-print media. The Board of Education textbook/materials adoption process is also described, the current adoptions are listed, and the process for ordering textbooks/instructional materials on-line is outlined.

The District also issues supplementary information/memoranda to assist schools in ordering new adoptions. For example, on January 31, 2001, the District issued a bulletin (BAS/2000-01/263) listing materials approved for the District in the areas of Visual Arts, English for Speakers of Other Languages (ESOL), Exceptional Student Education (ESE), Health Sciences, Language Arts, and Composition, and Social Studies, effective April 1, 2001.

Additionally, the memorandum lists certain subject areas in which schools are required to purchase one textbook per student.

In interviews and focus groups, many school and District administrators indicated that adhering to the state adoption schedule was a hardship, as often the school was satisfied with the text they were currently using and felt their resources could have been better spent in another area. For example the area for new textbook adoption in 2000-2001 was Grammar yet many schools felt the texts they had were still appropriate. Because of the state adoption cycle, however, they were required to spend the preponderance of their textbook funds purchasing new grammar books which they did not feel were needed.

The District's process for reviewing and selecting state and District adopted instructional materials includes teachers

The District convenes committees comprised of teachers, instructional leaders, curriculum specialists and regional and District leaders to select textbooks and instructional materials for District use from the list of state approved materials. The committee then identifies three choices from which District schools can select materials.

At the school level, teachers and administrators select state approved textbooks and instructional materials from the District approved list. In addition, teachers can purchase other materials (including non-state adopted texts and instructional materials). The District has done an excellent job of ensuring that teachers and administrators understand their authority in selecting instructional materials. Indeed, 92.4% of the employee survey respondents "agree" or "strongly agree" with the statement, "I have a clear understanding of the authority I have been granted to select instruction materials."

While schools have adequate budgets for replenishing consumable supplies they do not have adequate budgets to purchase supplemental instructional materials and books

Based on individual interviews, focus groups and visits to classrooms, all schools indicated they have consistently had sufficient funds for consumable supplies. In addition, each of the schools visited by the consultants had up-to-date texts, instructional materials and supplies. Moreover during visits to classrooms, teachers identified textbooks and instructional materials that had been purchased over the past two years to meet Sunshine State Standards as well as supplemental materials which had been selected to address the needs of students and the school/teacher-specific curriculum focus.

Notwithstanding the fact that basic classroom requirements for instructional materials appear to be being met, in interviews and focus groups concerns about the adequacy of funds to purchase supplemental materials were consistently voiced. The perspective of the school-based staff interviewed is that due to budget cuts and the cost of required purchases of state-adopted texts little money remains to purchase other instructional materials and books. Teachers and instructional leaders indicated they were assuming tremendous photocopying expenses to ensure all students had sufficient instructional materials.

10 Each student has current and appropriate instructional materials in core courses that are aligned with the Sunshine State Standards and the District's pupil progression plan.

All students have current state-adopted textbooks and most students have appropriate current instructional materials

As indicated previously in this chapter all District curriculum is aligned with the Sunshine State Standards and incorporates the use of state adopted textbooks. The District has rigorously complied with the state adoption cycle. However, in many high schools which are above capacity, principals and teachers (and confirmed by District curriculum leaders in interviews) have an insufficient allocation of funds to purchase texts in subject areas that were not adoption areas in the past two years. Because the vast majority of District and school funds have gone to provide the state adopted texts and instructional materials, there have not been sufficient funds allocated at the beginning of the school year to provide extra texts in those over-enrolled schools.

Beginning with the 2000-2001 instructional materials ordering cycle, the state legislature mandated that the purchase of core subject area instructional materials be made within a two-year time period. For this reason, the District established an instructional materials implementation plan, which indicates the subjects/courses for which schools must order materials. Following this implementation plan effectively requires the upgrading of existing instructional materials for the following core subject areas: language arts, reading, mathematics, science, and social studies.

This legislative mandate therefore requires the majority of the District's instructional materials allocation to be used for newly adopted core materials. The District realizes that until the full six-year implementation cycle is completed a shortage of instructional materials might occur.

Schools are allocated funds based on their projected Full Time Equivalent (FTE) to purchase the newly adopted core materials and given additional money for any needs the schools determine. Additionally, 10% of the District's instructional materials allocation is held until after the final FTE in October. This money is allocated based on the schools' actual FTE count. The purpose of this final allocation is to provide assistance to school that have larger than expected growth. Also, the District allocates a contingency fund of approximately $700,000 each year, which is allocated to schools on a needs basis. Schools that need additional funding may indicate those needs through a memorandum written by the principal and approved by the Regional Superintendent. During the 2001-2002-school ear, but prior to the present budgetary constraints, twenty schools had requested and received additional instructional materials funds. These allocations provided sufficient funds to purchase needed texts to schools that indicated a shortage of materials in September.

Information about the use of instructional materials is shared with parents during open houses and in curriculum bulletins, as well as on school-specific website

Schools make information available to parents through open houses, parent/teacher conferences and curriculum bulletins on the use of instructional materials and how specific texts and instructional materials are aligned with the curriculum. Schools have translated curriculum bulletins and other pertinent information into student's home languages so they can be shared with parents.

Instructional leaders and teachers provide Parents Advisory Committees and EESAC parents additional training in specific curriculum. Additionally many schools sponsor curriculum nights where staff make formally presentations on specific grade level curricula providing parents the opportunity for hands-on participation.

11 While the District's procedures for acquiring textbooks are cost-efficient, the District's procedures for maintaining and dispensing of instructional materials are not cost-effective.

The District has processes in place to ensure textbooks and instructional materials are purchased in a cost-effective manner

State adopted texts purchased by the District come directly from the Florida Book Depository. This allows for reduced costs for purchasing textbooks. This mechanism safeguards the same price for all schools if the books are state-adopted. The District has purchased the vast majority of their texts in all curriculum areas through this book depository. The District frugally manages other instructional material monies, as these are limited, and works to make group purchases and to order from vendors that have negotiated bulk discounts.

Because they have no central book depository, the District allows schools tremendous discretion in how they discard used books

Individual schools have the option of selling or recycling used books. The District has provided schools with a list of used book dealers who will purchase used texts directly from the schools. The District sets no criteria related to the market value of used books. District policy then allows the school to keep the funds received from the sale of the texts and use as supplementary instructional materials funds. However in many schools used books are neither recycled nor sold. Several schools reported that the school has chosen to donate the texts to Caribbean countries. Ironically many of the schools that reported being short of funds for instructional materials and textbooks also had no system in place for selling used texts.

Though the District has set policies regarding the charges for instructional materials that are lost, damaged or not returned, these policies are not consistently implemented in most schools

In all but two schools visited, teachers and instructional leaders indicated they did not consistently implement the District's policy regarding payment for lost, damaged or unreturned books. At the high school level, it was indicated that the policy was most often implemented before graduation when a student would be told he/she could not participate in "Senior Night" if he/she did not pay for outstanding book charges. It was reported that most students chose to skip senior night. It was also indicated by both school and District staff that it was "board policy" not to hold a diploma or prohibit participation in graduation if book fees were outstanding.

Throughout the District, a variety of reasons were given for the lack of implementation of the current policy. One was that the high mobility rate makes it impossible to track books; another was that students are free to move from school to school within the District without turning in books; and yet another was that due to the high poverty rate in the District most students could not afford to pay for the cost of lost materials.

The District needs to revise its policies regarding the sale of used books and payment for books that are lost, damaged and unreturned

Given all schools report they would benefit from additional funds for instructional materials and given the shortfalls the District is facing, it is essential that a used book sale policy be developed to ensure consistency across the District. The District should explore options for a District-wide system of selling used books to approved vendors. Most principals indicated that in many cases they had just not had the time to negotiate contracts with vendors but that if a system were in place they would utilize it.

The District should review its policy regarding payment for lost, damaged and unreturned books. Other large school Districts, such as Houston, Los Angeles, Detroit and Clark County, faced with similar mobility issues ensure that returning books is part of the procedure for transferring to another school. Students are not permitted to enroll in another school until books (or payment for books) is provided.

Recommendations

- *We recommend the District revise its policies regarding the sale of used books and payment for books which are lost, damaged and unreturned*

Action plan 5-6 provides the steps needed to implement this recommendation.

Action Plan 5-6

Used and lost/damaged/unreturned books policies		
Strategy	Revise District policies regarding the sale of used books and payment for books which are lost, damaged, and unreturned	
Action Needed	Step 1:	Review current District policies regarding the sale of used books and payment for books which are lost, damaged, and unreturned
	Step 2:	Determine where current policies do not comply with state regulation and/or best practices
	Step 3:	Revise District policies and present to school board for approval
	Step 4:	Distribute revised policies to schools
	Step 5:	Provide training to principals, curriculum staff and District leaders on new policies
	Step 6:	Monitor schools to ensure revised policies are being implemented
Who is Responsible	Assistant Superintendent for Curriculum Services	
Time Frame	Three to Twelve Months	
Fiscal Impact	Potential additional revenue available upon implementation	

Source: Berkshire Advisors, Inc.

Accountability

12 While the District uses performance information to strengthen educational programs and services, current efforts suffer from a lack of cohesive focus and devote insufficient attention to costs.

The District uses performance information to strengthen educational programs and services

For any performance management system to be effective a number of key components must be in place:

- performance objectives must be clearly established and linked to the organization's strategic objectives;
- strategies for achieving performance goals must be in place;
- performance against objectives must be tracked; and
- analysis of performance information must be performed to be used to develop strategies to support ongoing improvement efforts.

Each of these elements of an effective performance management system is currently in place for each of the District's major education programs: regular education, ESOL, ESE, vocational education, adult education and alternative education.

Program Objectives Linked To Strategic Goals. Goals and objectives have been established for each major education program. Moreover for the most part these objectives have been linked to the District's overall strategic plan.. Only a handful of objective in each major program area are not explicitly linked to the strategic plan. Examples are illustrated on Exhibit 5-52.

Exhibit 5-52

Program Objectives Stated In School Improvement Plans Are Linked To District Strategic Plan Goals

Program	Program Goal or Objective	Strategic Plan Goal(s)
Specific School Improvement Plans	To increase student performance on FCATs in each area by defined percentage over current baseline	School To Career
K-12 Educational Service Delivery	To improve student achievement emphasizing reading, writing skills, mathematics and science	School To Career
	Decrease the number of schools receiving "D" and "F" grades and increase the number of schools receiving "A" and B" grades on the State's School Accountability Report	School to Career
Exceptional Student Education	Improve graduation rates of students with disabilities, including the number of students who graduate with a standard diploma	School To Career
English for Speakers of Other Languages	Increase the number of students and adults who are bilingual and biliterate	School To Career
Adult Education	Enhance vocational/technical programs and adult education programs to meet the demands of business and industry	School To Career
Alternative Education	Strengthen counseling and academic programs for all at-risk students located at alternative schools and juvenile justice centers	Effective Learning Environments

Source: Berkshire Advisors, Inc.

Program goals, by themselves, are of little value, unless performance against these goals can be objectively evaluated. As Exhibit 5-53 shows, the District has done a credible job of ensuring that for each program goal or objective a quantifiable measure has been established.

Exhibit 5-53

The District Has Done A Credible Job Of Ensuring That For Each Program Goal Or Objective A Quantifiable Measure Has Been Established

Program	Program Goal or Objective	Performance Measure
Specific School Improvement Plans	To increase student performance on FCATs in each area by defined percentage over current baseline	FCAT scores
K-12 Educational Service Delivery	To improve student achievement emphasizing reading, writing skills, mathematics and science	FCAT scores SAT I scores
	Decrease the number of schools receiving "D" and "F" grades and increase the number of schools receiving "A" and B" grades on the State's School Accountability Report	Number of students enrolled and the percentage completing Level III courses in Math and Science Number and percentage of schools receiving each grade on the state's School Accountability Report Comparison of current year grades to those received in previous years
Exceptional Student Education	Improve graduation rates of students with disabilities, including the number of students who graduate with a standard diploma	Graduation rate percentage of ESE students obtaining standard vs. special diploma
English for Speakers of Other Languages	Increase the number of students and adults who are bilingual and biliterate	Percentage of LEP students scoring at or above Level 2 on the FCAT Reading and Writing Number of schools participating in Extended Foreign Language Programs
Adult Education	Enhance vocational/technical programs and adult education programs to meet the demands of business and industry	Survey of critical equipment, curriculum and facility needs as to whether or not meeting industry standards Percentage of applied technology students employed Number and percentage of applied technology students who complete job preparation vocational programs
Alternative Education	Strengthen counseling and academic programs for all at-risk students located at alternative schools and juvenile justice centers	Number of plans addressing transition issues submitted by schools to the Division of Student Services Number of "school-within-school" academies at middle and senior high schools

Source: Berkshire Advisors, Inc.

Certainly, as discussed in Chapter 4, these performance measures could be more specific for example, by being specific about how many schools should improve their performance on FCAT tests or by what percentage the District should increase the rate of ESE students receiving standard diplomas. However, the existing goals provide an excellent foundation for developing more specific performance measures.

Strategies for achieving performance goals. For each educational service delivery area District managers have developed overall strategies for improving District performance. In some cases, the strategies are reflected in the District's strategic plan. As discussed in Chapter 3, where programmatic strategies are reflected in the strategic plan linkages between specific program initiatives and program goals are often insufficiently explicit. In other cases these strategies are reflected in other planning documents prepared by educational service delivery staff. For example in the Office of Exceptional Student Education and Psychological Services Strategic Plan for 2001-2006 a range of goals and objectives are defined, some of which link to the District's strategic plan. Action steps are defined but again these steps are written very broadly making it nearly impossible to make a determination of success or lack of success.

The primary tool that is used to document and develop plans for achieving performance goals is in the school improvement plans developed at individual schools. A review of 45 plans for 2000-2001 school year and 45 plans for 2001-2002 school year indicates a clear focus on developing plans to strengthen performance against pre-established performance goals.

Tracking performance against goals. The District also does an effective job of tracking performance against goals. As Exhibit 5-54 shows, performance against goals is tracked on an annual basis and in some cases more frequent assessment of performance is performed. In only a small number of cases are no mechanisms in place to track performance against goals.

Exhibit 5-54

Performance Against Goals Is Tracked On An Annual Basis And In Some Cases More Frequent Assessment Of Performance Is Performed

Program	Program Goal or Objective	Performance Measure	Frequency
Specific School Improvement Plans	To increase student performance on FCATs in each area by defined percentage over current baseline	FCAT scores	Annual
K-12 Educational Service Delivery	To improve student achievement emphasizing reading, writing skills, mathematics and science	FCAT scores	Annual
		SAT I scores	3 times per yr.
		Number of students enrolled and the percentage completing Level III courses in Math and Science	Each semester
			Annual
	Decrease the number of schools receiving "D" and "F" grades and increase the number of schools receiving "A" and B" grades on the State's School Accountability Report	Number and percemtage of schools receiving each grade on the state's School Accountability Report	Annual
		Comparison of current year grades to those received in previous years	Annual

Program	Program Goal or Objective	Performance Measure	Frequency
Exceptional Student Education	Improve graduation rates of students with disabilities, including the number of students who graduate with a standard diploma	Graduation rate	Annual
		Percentage of ESE students obtaining standard vs. special diploma	Annual
English for Speakers of Other Languages	Increase the number of students and adults who are bilingual and biliterate	Percentage of LEP students scoring at or above Level 2 on the FCAT Reading and Writing	Annual
		# of schools participating in Extended Foreign Language Programs	Annual
Exceptional Student Education	Improve timeliness of initial evaluations	Timelines report	Monthly
Alternative Education	Strengthen counseling and academic programs for all at-risk students located at alternative schools and juvenile justice centers	# of plans addressing transition issues submitted by schools to the Division of Student Services	Annual
		# of "school-within-school" academies at middle and senior high schools	Annual

Source: Berkshire Advisors, Inc.

Modifying program strategies based on performance results. Staff within each major program area can demonstrate that information on program performance is used to assess programs and develop strategies for improvement. As discussed in Chapter 3, the District may not undertake rigorous program evaluations for all major programs, this finding does not detract from the overall finding that information in the educational service delivery area is used to improve performance. A discussion of steps that are currently taken to strengthen program performance in each major educational service delivery area follows.

Exceptional Student Education. Many steps are taken to strengthen ESE programs at the school regional and District levels due to the many regulations and agencies which influence the delivery of these services and the ever-changing expectations of service delivery in this program area. At the school level, EESACs address ESE programs through the School Improvement Plan level. At the District and region level many structures are in place to monitor compliance with federal and state regulations regarding evaluation, IEP completion, least restrictive environment, participation in standard and alternative assessments. Some of specific steps taken to strengthen program performance at the region and District levels include:

- providing training to principals and assistant principals related to their responsibilities in insuring "least restrictive environments" are provided for ESE students within their school;

- designing a "boot camp" program to provide pre-service training to new non-certified teaching staff;

- working to convert "Child Study Teams" to "School Study Teams" to reduce inappropriate referrals to ESE as well as increase timeliness of initial evaluations; and

- providing training to ESE and general education staff related to state and federal criteria for student participation in standard vs. alternative assessment.

Vocational Education. The steps taken to strengthen vocational education programming occur primarily at the school level as part of the School Improvement Planning process. However at the District level, leadership in setting direction for vocational initiatives and ongoing evaluation of the effectiveness and marketability of

vocational training program occurs in cooperation with Miami-Dade business partners. A comprehensive system of determining community employment needs through the One Community-One Goal program has developed to ensure that the District is preparing students to meet the vocational demands and needs of their community. A structured evaluation process for vocational programs has been developed which includes stakeholders with expertise in their given vocational/career areas. Based on feedback provided through this process, the District has been working to shift the focus of many of its senior high school academies and vocational training programs.

English For Speakers of Other Languages. The steps taken to strengthen ESOL performance occur at both the school and District level. At the school level, ESOL program performance is addressed as part of the School Improvement Plan through the EESAC process. At the District level, an annual report and self-assessment (as required by both Florida law and the LULAC Consent Decree) on the District-wide performance of ESOL programs is completed each year. This report addresses the five major objective of the ESOL program:

- the acquisition of English language skills;

- the completion of curriculum requirements;

- a review of indices of academic progress;

- test performance results; and

- the identification and exiting of LEP students.

The data contrasts students' performance across two school years and compares LEP student performance to that of non-LEP students. The self-assessment data is used to set new baselines and determine where programmatic adjustments must be made for the next school year.

Individual Schools. The School Improvement Plan defines specific objectives with clear criteria upon which to measure performance. EESACs are responsible for determining performance on these objectives throughout the year and where appropriate redesigning intervention strategies where objectives are not being reached or setting higher targets where objectives are reached early in the school year. As each subsequent School Improvement Plan is developed, the EESAC first measures their progress on the previous year's objectives before setting new targets.

Current efforts to use performance information to strengthen education programs and services suffer from a lack of cohesive focus

Within the District's strategic plan and individual work unit's strategic plan there is a lack of cohesive focus towards common goals and objectives. Beyond the school level, little connection is seen between initiatives developed across varying units. One exception to this lack of cohesiveness was seen in the areas of curriculum and ESE, where strong linkages and integration occurred across all curriculum areas and ESE/ESOL strategies and needs are addressed.

During individual interviews and focus groups at schools, teachers, parents, and building administrators consistently discussed their frustration at the many different departments and units at the central level issuing directives, establishing programs, requesting new and differing kinds of data and pressuring schools to participate in new initiatives. Within every focus group there was considerable discussion about the need for initiatives and programs to be better coordinated at the central level with a common focus and mission and for programs and initiatives to be required to work through the region rather than directly with regions. A common theme was that the leaders within the many separate divisions and units responsible for educational service delivery at the District level work in isolation from each other and that because of the separate divisions there is no coordination, which contributes to the lack of cohesiveness in setting priorities, goals and objectives.

Systematic efforts to improve educational service delivery focus little attention on costs

While the District does collect information on program cost and clearly collects a great deal of information on program performance, little if any attention appears to be focused on linking this information and evaluating the

cost-effectiveness of program operations. Moreover, the fact that little attention is focused on controlling costs associated with educational service delivery is reflected in the program objectives that have been established for educational service delivery programs (presented earlier in this section). Not one performance objective is related to cost.

Additionally the lack of cohesive focus discussed above contributes to the lack of focus on cost-efficiency. Many examples of duplication of effort were seen throughout the organization. Because each office or division was so focused on their own particular mission or area of interest, they often developed initiatives which were duplicative of those already in place. Some examples of the lack of cohesive focus and the operation of two parallel units where one could more efficiently and effectively meet the District's goals follow.

Bureau of Elementary and Secondary Education and Workforce Development and Office of Curriculum Support Services. It is difficult to determine why the functions of this office are not incorporated into the other services of the bureau. One instance where this duplication creates confusion about roles and responsibilities is seen in the reading curriculum. While The Office of Reading and Language Arts has developed a comprehensive reading plan for the District, which data collected thus far indicates has had positive results, the Office of Curriculum Support Services has written and received a grant to implement a direct instruction reading program in a number of schools. Throughout the District schools praised the current reading program and the strong integration of ESE and ESOL strategies in the current program. One would assume the Office of Reading and Language Arts would be responsible for all District reading initiatives in concert with Title I.

Bureau of Adult/Vocational/Alternative Education and Office of Career Preparation and Innovation Programs. Based on interviews with the staff in these two units, there appears to be tremendous overlap in responsibilities and duplication of efforts. Based on interviews and focus groups at schools, most particularly at secondary schools, the duplication of efforts results in several parallel initiatives and schools being asked to balance competing demands. Additionally schools do not feel anyone at the District level is looking at all aspects of secondary education and career preparation.

Recommendations

- *We recommend the District modify its approach to strategic planning so that the strategic plan can be more useful as both an accountability document and for setting District priorities.*

Action Plan 3-16 (in Chapter 3) provides the steps needed to implement this recommendation.

- *We recommend the District establish quantifiable goals and objectives for each educational program and services and that these goals and objectives be linked to the overall goals and priorities articulated in the District's strategic plan and other operational plans.*

Action plan 5-7, which is linked to Action Plan 4-1 (in Chapter 4), provides the steps needed to implement this recommendation.

Action Plan 5-7

Establish Quantifiable Goals And Objectives For Each School And Educational Program and Service		
Strategy	Establish quantifiable goals and objectives for each educational program and service and link these goals and objectives to the strategic plan.	
Action Needed	Step 1:	Articulate the role of each educational program and service in achieving overall District goals and objectives
	Step 2:	Establish performance measures that can be used to assess the extent to which each educational program and service is achieving its goals

	Step 3:	Assess the strengths and shortcomings of each educational program and service in achieving its goals
	Step 4:	Set priorities based on an systematic assessment of where improvement is needed most
Who Is Responsible	Deputy Superintendent – Management and Accountability	
Time Frame	July 2003	
Fiscal Impact	No immediate impact.	

Source: Berkshire Advisors, Inc.

13The District's educational service delivery organizational structure and the staffing of the central office has multiple administrative layers and processes, which result in considerable duplication of effort as well as confusion.

The current organizational structure of the District is multi-layered and results in considerable duplication of effort as well as confusion related to District and Regional directives at the school level

Management of the education, school operations, and federal programs and grants administration functions are currently assigned to separate units reporting directly to the superintendent. Because these activities are so inextricably linked this organizational separation complicates efforts to provide coordinated services and support to the schools. In addition, the Education Department itself is divided into a complicated array of discrete programs and services. Organizing around individual programs and services rather than organizing around school support generalists, who can access individuals programs and services to help address the needs of individuals schools, limits the effectiveness of these programs. Examples of this in the current organization structure follow.

Office of Curriculum Support Services. It is difficult to determine why the functions of this office are not incorporated into the other services of the bureau. Although this office provides critical services to the Division, these services should be integrated into other curriculum services. The scope of this office does not warrant separation under its own Assistant Superintendent. One instance where this duplication creates confusion about roles and responsibilities is seen related to the reading curriculum. While the Office of Reading and Language Arts has developed a comprehensive reading plan for the District, which has had positive results, the Office of Curriculum Support Services has written and received a grant to implement a direct instruction reading program in a number of schools. Throughout the District, schools praised the current reading program and the strong integration of ESE and ESOL strategies in the current program. One would assume the Office of Reading and Language Arts would be responsible for all District reading initiatives in concert with Title I.

Bureau of Adult/Vocational/Alternative Education and Office of Career Preparation and Innovation Programs. Based on interviews with the staff in these two units, there appears to be tremendous overlap in responsibilities and duplication of efforts. Based on interviews and focus groups at schools, most particularly at secondary schools, the duplication of efforts results in several parallel initiatives and schools being asked to balance competing demands. Additionally schools do not feel anyone at the District level is looking at all aspects of secondary education and career preparation.

Moreover, the resources devoted to the Education Department, responsible for curricula and a wide range of programs, appears disproportionate to the resources devoted to implementing programs assigned to the region offices. Finally, in some cases, the organization placement of selected functions makes little sense. For example,

assigning the person responsible for coordinating the 21st Century Schools Program, a program that provides before and after care services to students to the Office of Adult Education has no justification.

During focus groups and individual interviews, regional administrators, school administrators, teachers and parents discussed the impact of the District's current organization in the area of educational service delivery on schools. Because of the current organizational structure, with a focus on discrete programs and services, regional offices and schools receive directives and requests from multiple offices. Principals report feeling as if they answer to many master each with their own agenda and priorities.

Teachers and parents report that the structure within the District has no direct impact on the level of support schools receive. It is consistently reported that regions are the main vehicles of support for the schools. However, the current organizational structure focuses the majority of the resources for support at the District level.

Exceptional Student Education. Exceptional Student Education services are overseen by the Assistant Superintendent –ESE and Support Services who reports to the Deputy Superintendent for Education and by Regional ESE Directors who report to each Regional Superintendent. Although the District and state and federal oversight agencies consider the Assistant Superintendent, and ultimately the Superintendent, responsible for insuring ESE services are provided in compliance with federal and state law, the District's current organizational structure provide the Assistant Superintendent no line authority over regional services. The District clearly wants to hold regions responsible for insuring ESE services are provided locally, however it is essential there also be a supervisory linkage of Regional Directors to the Assistant Superintendent. As part of the Division of Education's reorganization, the Assistant Superintendent should be assigned supervision of Regional ESE Directors jointly with the Regional Superintendents and play a critical role in the hiring and evaluation of ESE Directors.

Recommendations

- *Revise the overall organization of the three divisions responsible for educational service delivery to reduce costs and facilitate more effective operations*

Action plan 5-8 provides the steps needed to implement this recommendation.

Action Plan 5-8

Revise the overall organization of the three divisions responsible for educational service delivery	
Strategy	Revise the overall organization of the three divisions responsible for educational service delivery to reduce costs and facilitate more effective operations
Action Needed	Step 1: Create a Senior Deputy Superintendent position to oversee all aspects of educational service delivery
	Step 2: Survey principals and regional administrators regarding the level of service and support provided to them through current structure
	Step 3: Evaluate current structure of each of the three divisions supporting schools to determine functions provided by each and areas of duplication
	Step 4: Develop a new organizational structure which streamlines support and services to schools and region
Who is Responsible	Superintendent
Time Frame	January 2003
Fiscal Impact	Potential impact depends on the new structure

Source: Berkshire Advisors, Inc.

14 While the District informs the public and taxpayers about the performance of its major educational programs, it does not provide the public and taxpayers a report or analysis of the cost-efficiency of these programs.

The District has many systems and methods in place to report on the performance of its major educational programs

There are a range of documents reporting on the performance of major educational programs. The critical question is how did the District use the data and findings of the evaluations to modify or eliminate programs that did not meet performance expectations. A number District and local school accountability reports are available to the public.

Statistical Highlights 2000-2001. While this does not report students' academic performance as measured by District-wide assessments, critical information necessary for budget considerations is detailed. Data for a five or ten-year period included: student enrollment, number of teachers, average teacher salary, summer school membership, number of high school graduates, and taxable property and revenue. Data for SY 2000-01 included student membership by grade level, summary of top ten languages other than English used as primary language by students, ethnic composition of students by Board Member District, enrollment in magnet schools, number of students served in exceptional student education programs, enrollment in advanced level courses, enrollment in vocational courses, total personnel, ethnic classification of full-time staff, teachers' base salary -- both minimum and maximum, and the annual budget for all funds.

Highlights of Educational Success (Winter 2001). This document presented a synopsis of the results of student achievement as measured by the 2000 Stanford Achievement Test (second grade), 2000 Florida Comprehensive assessment Test (Writing), 2000 Florida Comprehensive assessment Test, Sunshine State Standards Component Reading and mathematics, and 2000 Advanced Placement (AP) Program. Additionally, the report summarized twenty-six (26) awards, recognitions, and grants, and presented highlights of a number of programs. [30] The report also indicated that a total of 239 teachers pursued National Board Certification.

Title I Evaluation Summary Report 1999-2000. In SY 1999-2000, 152 schools received supplementary funding through the federal Title I program (123 elementary schools, 26 middle schools, 1 public-private partnership school, and 2 charter schools). The evaluation report, in addition to describing the Title I programs, revealed positive results relative to school performance as well as the need for improvement in the area of parent involvement. It also reported an increase from one to nine in the number of Title I schools assigned a performance grade of A, a decrease from 25 to two in the number of Title I schools assigned a performance grade of F; and an increase in the average number of parents attending activities but, however, a decrease in the number of parent activities. The report concluded, "There is still a need for more effort to involve parents in school activities. The report revealed that the barriers have been removed; however parents remain unaware of policies and uninvolved."

Evaluation of the Edison Project School (April 2001). The District had a five-year contract (August 1996 through June 2001) with Edison Schools, Inc. to manage the Henry E. S Reeves Elementary School. The evaluation report issued in April 2001 encompassed the first four years of the program through 1999-2000 and the report revealed that the model on the whole was implemented in year four. The report also revealed that the program failed to achieve two of the three objectives.

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[30] Comprehensive Reading Program, reading tutorials or intervention program, Project Citizen Mentor Program, Magnet School Program, approval of one charter school, the new mathematics and science plan, the Division of Social Sciences/Special Programs, the Office of Workforce Development Education, the Miami-Dade County Jobs for Florida's Graduates Program, High Schools That Works Program, and the development of the Miami Virtual Campus developed with the assistance of an Annenburg Challenge Gant.

The report indicated that, "… despite overcoming a disappointing performance in year one, the project's student performance in years 2 through 4 remained relatively unchanged, and that, at best, their test scores in both reading and mathematics were only comparable to those of their counterparts in the regular M-DCPS program. Thus the program failed to comparatively improve the students' academic achievement which is the first and most important of its stated objectives."

On a positive note, findings of the evaluation revealed that, "Parents were more involved and satisfied with their children's education…the project accomplished the second objective."

Thirdly, the evaluation reported, "The project school's climate in year four did not compare favorably with that of comparable MDCOPS schools, and that the climate of the project school appeared to have waned after year two…therefore, the project failed to attain its third stated objective."

Although program costs may be reported, the cost-efficiency of educational programs is never analyzed.

As stated through this chapter, cost-efficiency is not analyzed as part of the review of programs' effectiveness in any areas of education service delivery. Recommendations throughout the chapter suggest developing systems to evaluate cost-efficiency as part of all systematic program evaluations.

Recommendations ─────────────

- *Develop an overall framework to guide the District's approach to evaluating the performance and cost-effectiveness of major educational programs*

Action plan 5-9 provides the steps needed to implement this recommendation.

Action Plan 5-9

Develop An Overall Framework To Guide Its Approach To Evaluating The Performance And Cost-Effectiveness Of Major Educational Programs		
Strategy	Develop and implement an overall framework to guide the District's overall approach to evaluating the performance and cost-effectiveness of major educational programs.	
Action Needed	Step 1:	Identify the types of factors that should be considered when evaluating the performance of a major educational and/or operational program
	Step 2:	Identify the types of factors that should be considered when determining whether a program is cost-effective
	Step 3:	Identify the factors that should be considered when making tradeoffs between program costs and program effectiveness
	Step 4:	Use the factors developed in Steps 1, 2 and 3 to develop a framework and guidelines that all managers can use when evaluating program performance and effectiveness
	Step 5:	Charge the leadership of each organizational unit to use this framework to develop guidelines for evaluating the performance and cost effectiveness of their operations
	Step 6:	Develop a schedule for completing program evaluations for each organizational unit
	Step 7:	Assign responsibility for completing these evaluations to appropriate units
	Step 8:	Evaluate the performance and cost-effectiveness of each major educational and operational program

	Step 9: Develop improvement initiatives based on this evaluation
	Step 10: Develop plans to implement needed improvements
	Step 11: Implement plans
	Step 12: Re-evaluate program performance and cost-effectiveness every two to three years
Who is Responsible	Deputy Superintendent for Education
Time Frame	July 2003
Fiscal Impact	No immediate impact

Source: Berkshire Advisors, Inc.

Library/Media And Support Services

15 **The District has sufficient library or media centers to support instruction.**

The District's media centers are well equipped with both online and computer based reference material as well as large, well-stocked collections

Review of Appendices 91A and 91B, in addition to a review of the District's media center inventory at www.sunlink.ucf.edu website, indicates that libraries/media centers have sufficient up-to-date resources. During visits to general education, alternative education centers and ESE centers, well stocked, automated media centers were visited. Most impressive was the wide array of up-to date references materials, fiction and nonfiction literature and literature and reference materials in student home languages.

The District maintains elaborate data systems to track the inventories and use of its libraries and media centers, as well as to ensure parity across regions

In the document Library Media Services – Annual Statistics, the District presented the Annual Inventory for 1999-2000. As in many of its reports, the District cited related research such as How School Librarians Help Kids Achieve Standards and The Second Colorado Study. (1998-1999) by Keith Curry Lance, Marcia J. Rodney, and Christine Hamilton-Pennell, Colorado Department of Education. The District's report revealed that the total circulation of library media materials in SY 1999-2000 was 8,669,477 items, an increase of 1,042,278 items over 1998-1999. Attendance by students also increased by 7,326 persons. The report recommended a budget of not less than $13.31 per student for library media materials and revealed that the mean expenditure across levels in that year was ES ($10.41); MS ($11.04; and SHS ($13.85). The SY 2000-2001 report was not provided; therefore, there is no indication of the per pupil expenditure for library/media services in that year.

Spending Per Pupil Varies By Region But Number of Books Per Student Is Comparable. The report also revealed variations in per pupil funding across the six regions: Region I ($11.12); Region II ($11.62); Region III ($13.10); Region IV ($15.73); Region V ($12.92); and Region VI ($13.02). It should be noted here that in a separate report on technology availability and access, the data revealed that Region IV has more resources.

The number of books per pupil across the six regions were more comparable: Regions I, II, III, IV, and VI (10 per student) while Region V has 12 per student. Collections included Spanish, Creole, French, Italian, Latin, Hebrew, Portuguese, Japanese, German, and other foreign language books. The number of Spanish books per pupil,

however, ranged from a low of .24 for Region V senior high schools to a high of 1.44 for Region IV elementary schools, which includes the greatest number of Spanish ESOL students.

Region V had the highest rate of library attendance per senior high school pupil with 111 visits compared to 32, 22, 18, 23, and 17 in Regions I, II, III, IV, and VI senior high schools, respectively.   The overall average across levels was 55 visits per student in Region V compared to 30, 24, 24, 30, and 28 in Regions I, II, III, IV, and VI, respectively.

Also, the Division of Language Arts downloaded October 28, 1999 from the Internet and made available to all schools The Lexile Book List – K-12; however, the Division indicated, "The Division of Language Arts/Reading does not endorse all of the titles contained in the book. It is the responsibility of the Media Specialist and teachers to determine the appropriateness for books." Additionally, the Library Media Services provides information relative to Online Research Connections such as: Spotlight of the Month: e-Book collection.

Schools may get the login and password for the database from the school library media specialist so that they may also access the databases from home. The on-line collection includes: ProQuest, eLibrary Classic, eLibrary Elementary, Facts on File; GaleNet, Groiler On-line, Maps 101.com, NewsBank, SIRS Knowledge Source, etc.

The District provides students with good access to instructional technology

With respect to technology, the school District conducted a survey of technology resources and utilization and presented findings in the 2000-2001 Instructional Technology Statistics report. The document detailed information on the technology resources by school, region and the District as a whole, and presented an analysis of the percentage of teachers at states of technology proficiency (Stage I – Entry; State II –Adaptation; State III-Transformation).   The document presented other data such as specific hardware and peripherals, Internet access/network, actual Internet usage by students, and the number of technology staff and technical support in each school. Exhibit 5-55 shows that the District has one computer for every five students.

Exhibit 5-55

The District Provides One Computer For Every Five Students

Student Population	358,894
Number of Computers	68,273
Ratio of Students To Computers	5:1

Source: Miami-Dade County Public Schools.

In order to determine computer needs for each budget year and to distribute new resources, the District carefully tracks the number and percentage of obsolete computers in each school site and each region. The District currently has 12,544 obsolete computers in schools. These 12,544 computers constitute 18% of the instructional technology computers. The highest percentage of obsolete computers is in the alternative/ESE centers with 28%, followed by Region I with 23%. The lowest percentage of obsolete computers is Region III with 12% followed by Region IV with 14%. The ratio of students to computers is low for the vocational/ESE Centers (2:1). The ratio of students to computers is lower in Regions III and IV (5:1) than in other regions. The percentage of teachers in Stage III Technology Implementation– Transformation – is higher in Regions III and IV and the vocational centers.

When compared across regions, Regions III and IV have fewer obsolete computers, lower pupil to computer ratio, and more teachers in the transformation stage of implementation. Moreover, Region IV has assured more overall access to computers through the take-home program than other regions in the District. Region V has the least amount of access for students through the take-home program. The number of schools with take home computers for students ranges from 4 in Region V to 16 in Region IV; however, the pattern differs when examining for the number of schools with take-home computers for faculty and staff with a range from 28 in Region III to 44 in Region I for teachers and from 28 in Region II to 37 in Region V for administrators. Region IV remained high in

those areas with 37 schools with take-home computers for teachers and 36 schools with take-home computers for administrators. With respect to after-school access to computers in the school, Regions IV and V have 46 and 47 schools, respectively, that make computers available for students after school hours. Region III has 31 schools and Regions V and VI each have 28 schools that make computers accessible to parents after the regular school hours.

While recognizing that the regions vary in terms of the number of the District and Regional Superintendents are working to ensure equity across the regions in availability of instructional technology. In the 2001-2002 school year, resources have been targeted to regions with the greatest needs.

16The District provides most support services (guidance counseling, psychological, and health) in a cost-efficient manner.

The Miami-Dade County School District provides quality support services to its students in guidance counseling, social work, and health services. Guidance counselors are assigned to schools based on a specific FTE ratio and/or allocation. Additional support services are allocated to secondary schools as follows: one specialized counseling professional for substance abuse prevention and intervention, one career specialist for career and postsecondary planning, and, in senior high schools, one college advisor. Social work services are assigned to each region based on FTE and then allocated to schools based on need. Nursing staff are allocated to schools by the region based on students' IEPs (Individual Education Plans) or 504 accommodation plans American with Disability Act Plans). Psychological services are provided through a dual regional and central system. Most psychological services are provided by staff assigned to the regions based on FTEs. However, a pool of psychologists is based at the District level to perform specialized evaluations and special projects.

Support services works closely with other agencies in the community to provide services to its students. The District has a wide array of collaborative agreements with medical, mental health, social services, and family support agencies. The District has a strong system in place to work with the juvenile justice and court system in addressing the needs of at-risk and adjudicated youth.

Guidance counselors are allocated to schools based on a specific FTE ratio in a cost-efficient manner

The District's ratio of guidance counselors to students is closely aligned with the ratio in benchmark Districts. The District has analyzed both state and nationally accepted ratio of counselor to student and established their formula based on this analysis. Principals, however, do have the ability to increase guidance counselor staffing using their discretionary funds based on their schools individual priorities.

Exhibit 5-56 indicates the ratio of counselor to students in the benchmark Districts and shows that the District's ratio of one counselor to 471 students is comparable to benchmark Districts and close to the national median of one counselor to 492 students.

Exhibit 5-56

The District Ratio Of Counselor to Students Is Comparable To Benchmark Districts and Close To The National Median Of One Counselor To 492 Students

District	Ratio of Counselors to Students
Miami-Dade	1:471
National	1:492
Broward	1:515

District	Ratio of Counselors to Students
Clark County, Nevada	1:532
Hillsborough	1:458
Houston, Texas	1:917

Source: Berkshire Advisors, Inc.

The District has specific formulas for allocating health service staff that is implemented in a cost-efficient manner

The District has developed a comprehensive system for allocating nursing services to schools based on students' individual needs as documented by doctor's order. Nursing services are provided based on the doctor's order and an Individual Education Plan or 504 plan that clearly indicates the need for the service and the specific level of intervention required. The District has performed a careful analysis of the delivery of nursing services and developed a contract for services that insures services are provided as required in a cost-efficient and effective manner. Further, to ensure consistency in the delivery of services and to provide advocacy and review at the District level, the District employs a part-time physician who reviews and approves all initial orders and acts as a liaison to community physicians related to questionable or complicated orders.

The District has specific formulas for allocating specialty counselors, social workers and psychologists to regions based on FTE

There are specific formulas developed by the District to allocate social workers and psychologists to the regions based on the total FTE. This formula does not take into account the number of ESE students, average number of evaluation requests per year, ESOL, at-risk or alternative students enrolled in that region. Regions then assign staff to caseloads within their area, making adjustments throughout the year based on need and volume. There is a structured system in place to review the deployment of psychological services staff and monitor their performance related to federal and state ESE timeline mandates. A pool of psychologists is assigned to the District office to provide specialty evaluations and perform special projects. The District's pool of 12 psychologists not only provides specialty evaluations, but also staff a mobile evaluation unit which is sent out to specific schools that have a backlog of evaluations due. District psychologists have also been providing training and oversight to the pilot launched by ESE to gain a better handle on the initial evaluation process.

The District utilizes social workers to verify student addresses. Principals interviewed indicate they would like to see this responsibility assigned to a non-professional staff person given the many therapeutic services social workers could be provided within the District. In benchmark Districts address verification services are provided by both professional and nonprofessional staff. Most Districts employ attendance agents and/or attendance officers to verify student's residence and then provide follow-up for truancy or attendance issues. Utilizing master's level clinicians does not appear to be the most efficient way to investigating students' residences.

The effectiveness and cost-efficiency of the current structure for providing social work services needs to be reviewed

The District needs to analyze the job duties of social workers and determine which duties should be performed by social workers and which duties should be assigned to non-clinical staff. Staff formulas for social workers should then be adjusted to ensure appropriate ratios for clinical services and provide resources for funding nonprofessional staff to perform non-clinical duties.

Recommendations

- *Analyze the job duties of social workers and determine the needed mix of social workers and non-clinical staff*

Action plan 5-10 provides the steps needed to implement this recommendation.

Action Plan 5-10

Analyze social worker duties		
Strategy	Analyze the job duties of social workers and determine the needed mix of social workers and non-clinical staff	
Action Needed	Step 1:	Develop an activity analysis for social workers to complete to determine how they are currently spending their time
	Step 2:	Evaluate data gathered in the activity analysis to determine which activities require the clinical expertise of a social worker and the time necessary to complete those tasks
	Step 3:	Evaluate data gathered in the activity analysis to determine which activities could be completed by a non-clinical staff and determine what job classification would be essential to complete those tasks
	Step 4:	Determine number of social workers necessary to complete social work duties
	Step 5:	Determine number and type of non-clinical staff needed to perform other duties
Who is Responsible	Assistant Superintendent- Office of Exceptional Student Education and Student Services	
Time Frame	January 2003	
Fiscal Impact	Potential impact once analysis complete	

Source: Berkshire Advisors, Inc.

6 Administrative and Instructional Technology

Miami-Dade County Public School's Administrative and Instructional Technology Departments have performed admirably within the framework of their operating organizations. However, a comprehensive District-wide strategic technology plan has not been developed for the School Board's approval.

Conclusion

The two organizational units that are responsible for Administrative and Instructional Technology in the District – the Office of Information Technology (OIT) and the Division of Instructional and Media Support Services (Instructional Technology) – are each doing a commendable job of delivering a myriad of products and services to the District. The Office of Information Technology has been proactive in tailoring its services and products to stay abreast of District requirements and, when possible, achieve savings. Among other accomplishments, OIT has established a comprehensive training program for school-based technicians, decentralized network support, established a schedule of weekly visits to schools to track progress on projects, and aggressively participated in the E-rate program to facilitate the District's expansion of its computer network. Likewise, the Division of Instructional Technology and Media Support Services has provided leadership in developing and implementing integration strategies for both schools and District curriculum units and has articulated a vision for how technology can transform teaching and learning in the Miami-Dade County Public Schools. The Division offers a broad range of staff development opportunities, which are tailored to school needs. In addition, the Division has been proactive in acquiring District licenses for digital contents and resources; has aggressively sought funds to replace obsolete classroom computers and enhance classroom infrastructure; and is leading the move to distance learning by acquiring distance learning software, workshops, consultant services, and technical support. In short, both OIT and Instructional Technology make a positive contribution to the District's goal of providing a quality education for students.

During the course of this review, Berkshire Advisors identified a number of District accomplishments in the areas of Administrative and Instructional Technology, some of which are included in Exhibit 6- 1 below.

Exhibit 6-1

The District Has Had a Number of Notable Accomplishments in Administrative and Instructional Technology in the Last Three Years

- Instructional Technology developed an Instructional Internet portal, Virtual Campus, for teachers, which includes an instructional management tool based on state standards, an assessment tool, software for grades 4-10 in mathematics and science, online databases for research and lesson planning, and communication tools.

- Instructional Technology brought to the District a number of quality information technology programs (e.g.,

CISCO in 22 senior high schools, Oracle in eight senior high schools, and Apple Web academies in 12 senior high schools [1]) and managed, trained, and supported teachers and students using these programs.

- Instructional Technology has striven to bring innovative yet practical technology applications to the classroom by, for example, piloting the use of handheld devices in two classrooms and developing plans to pilot the use of electronic textbooks using laptop computers and handheld devices.

- The Office of Information Technology has worked to foster a philosophy of "Client First" with the customers it serves. This is exhibited by the department's proactive approach in engaging users and user departments at a number of levels. This includes participation of Senior OIT staff at principal meetings, solicitation of site participation in OIT projects early in a projects lifecycle and at least annual meetings with departments to coordinate developments for the upcoming year.

- OIT has implemented a network infrastructure that facilitates the District's efforts to provide essential information and services to students, teachers, principals, and parents.

- OIT provides free email for all employees, website hosting for schools, free email to students (through a partnership with aol@school), online forms, online technical support and extensive parent resources.

- A web applications group was formed in February 2000 to develop applications that can be hosted on the network thereby "moving data closer to the client."

- Through the efforts of the web applications group OIT has developed an online Procurement Bid and Quote system.

Source: Miami-Dade County Public Schools

Overview of Chapter Findings

Berkshire Advisors reviewed the District's Administrative and Instructional Technology organizations using the Best Practices adopted by the Commissioner of Education. The Berkshire Advisor's consulting team employed several methodologies to develop chapter conclusions and action plans. For instance, Berkshire Advisors conducted on-site interviews with department managers and gathered information on the organizational structure and departmental policies and procedures. In addition, visits were made to over 30 schools where interviews were conducted with administrators, teachers, parents, and School Advisory Council members. Moreover, four community forums were held at locations throughout the District where community members could "drop in" to provide input on the District. Likewise, an e-mail address and 800 numbers were established so District stakeholders could provide input in the study process. A survey was administered to a representative sample of employees throughout the District. (Approximately 13,000 surveys were sent to employees of which 3,919 were returned.) To receive additional input, Berkshire Advisors surveyed other departments, school districts, relevant local governments and private industry. Questions varied depending on the groups surveyed and the results have been validated and incorporated into this chapter where applicable.

An overview of chapter findings is presented below.

Planning

1. The District has solicited and used stakeholder input in developing an integrated learning system and in setting priorities for technology decisions. However, because there is no single point of responsibility, the Office of Information and Technology (OIT) and the Instructional Technology Division have developed separate departmental plans. (Page 6-10)
2. The District has not developed a comprehensive technology plan that provides for administrative and instructional technology collaborative decision making. Technology plans were developed independently of each other while sharing many of the same objectives. (Page 6-14)

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[1] Cisco, Oracle and Apple academies are programs sponsored by corporations that provide a curriculum and in some cases hardware and software whereby the student taking the course leaves with an understanding of networks and component hardware, programming languages (e.g., HTML, Java) and/or multimedia and web programming.

Effective Support

3. The District provides formal and informal support to assist educators in incorporating technology into the curriculum. However, the assignment of staff is skewed when comparing secondary schools vs. elementary schools. (Page 6-18)
4. The District provides technical support for educational and administrative systems in the District. However, it can leverage its purchasing power and reduce the total cost of ownership by streamlining technical support. (Page 6-20)
5. The District provides technical support for hardware, software, and infrastructure in a timely and cost-effective manner. However, given the proliferation of technology, the District should consider alternative methods of technical support. (Page 6-22)

Professional Development

6. The District has a professional development plan that reflects the District's vision of integrating technology to enhance and enrich the learning environment, as well as to improve administrative support. However, to fully take advantage of the efficiency gains that can be realized by technology, we recommend that the District mandate certificated staff attend scheduled technology training. (Page 6-24)
7. The District provides professional development for the instructional technologies. (Page 6-26)

Appropriate Technologies

8. The District bases technology acquisitions on instructional needs and makes technology acquisitions based on those needs. (Page 6-26)
9. The District bases technology acquisitions on the results of research, planning, and evaluations of previous technology decisions to ensure technology decisions are cost-effective. (Page 6-27)
10. The District has established standards for acquiring new programs and digital content that promote the integration of technology into everyday curricular needs. (Page 6-29)
11. The District has a stable and efficient infrastructure; however, as part of the District-wide technology planning process, the District should assess future infrastructure needs and develop cost effective strategies to maximize service delivery (Page 6-31)

Use of Technologies

12. The District has established and communicated a policy stating appropriate uses of all types of technology resources, including computers, video equipment, software, and the Internet. (Page 6-36)
13. The District supports compliance with the established policy on safe and legal use of technology resources. (Page 6-37)

Business Systems

14. Segregation of Duties: While the District generally segregates duties to reduce the risk that unauthorized transactions will be entered and not discovered quickly, the current assignment of the OIT function to the Chief Financial Officer is inappropriate. (Page 6-38)
15. User Controls: The District's user controls ensure authorization prior to processing transactions and ensure all output represents authorized and valid transactions. (Page 6-39)
16. Application Controls: The District's applications are designed to provide users with reliable data. (Page 6-40)
17. The District has established general controls in the areas of access, systems development and maintenance, documentation, operations, and physical security to promote the proper functioning of the information systems department. (Page 6-40)
18. The District's management information systems provide data needed by administrative and instructional personnel in a reliable and timely manner. (Page 6-41)
19. The District should take steps to minimize the number of databases that are independent of its centralized computer systems.   (Page 6-41)

20. The District has established appropriate controls related to electronic data exchange transactions processed through electronic media and image processing systems. (Page 6-42)

Fiscal Impact of Recommendations

Some of the recommendations in this chapter have a direct fiscal impact while others can be accomplished with existing resources. In summary, we believe that in developing a comprehensive District-wide strategic technology plan the District can identify areas of significant savings. The recommendations with fiscal impact are listed in Exhibit 6-2.

Exhibit 6-2

Recommendation	Five Year Fiscal Impact
• Action Plan 6-2: Develop a District-wide Strategic Technology Plan to be adopted by the Miami-Dade County Public Schools Board of Education. [2]	• We recommend that a qualified 3rd party vendor be hired to assist the District in developing a District-wide Strategic Technology Plan. We estimate that the one-time cost to the District for a 3rd party vendor to assist in developing the Strategic Technology Plan is $1.3 million. In developing the plan, we believe the District can identify areas of significant savings. We estimate that depending on the approach taken by the District, at least $29 million of savings over a five-year period can be identified. [3]
• Action Plan 6-12: Conduct a network performance baseline assessment on the backbone and all WAN links every two to three years.	• We estimate the one-time cost to the District to be no more than $150,000.
• Action Plan 6-13: Implement a firewall strategy with an isolated demilitarized zone (DMZ) segment to make hacking into host servers that reside in a DMZ strategy more difficult.	• The District estimates the one-time cost for this recommendation to be no more than $75,000.

Source: Berkshire Advisors, Inc.

Background

This section is divided into three subsections. The first subsection provides a brief summary of the services provided by the two units that are responsible for the District's Administrative and Instructional Technology functions. The second subsection discusses the organizational structure of each unit. The final subsection presents

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[2] As part of this recommendation the District also should implement Action Plans 6-4, 6-5, 6-6, 6-8 and 6-10.

[3] Currently, there are 25 qualified pre-approved vendors that provide desktop computers to the District. The $27.7 million in savings is largely due to the District substantially reducing the overall number of hardware vendors, and have a few vendors responsible for acquiring, setting up and installing desktops and peripherals, and being responsible for technical support on these desktops (i.e., a seat management strategy). This strategy would enable the District to reduce technical support staff positions; that is, the District can realize economies of scale by changing its acquisition, maintenance, and technical support methods.

the results of selected benchmark comparisons of the District's Administrative and Instructional function with those of other large school districts.

Functions And Services

Two units – the Office of Information Technology (OIT) and the Division of Instructional Technology and Media Support Services (Instructional Technology) – share responsibility for the District's Administrative and Instructional Technology functions. A brief discussion of the functions and services performed by each of these units follows.

Exhibit 6-3

Administrative and Instructional Technology Reporting Relationships
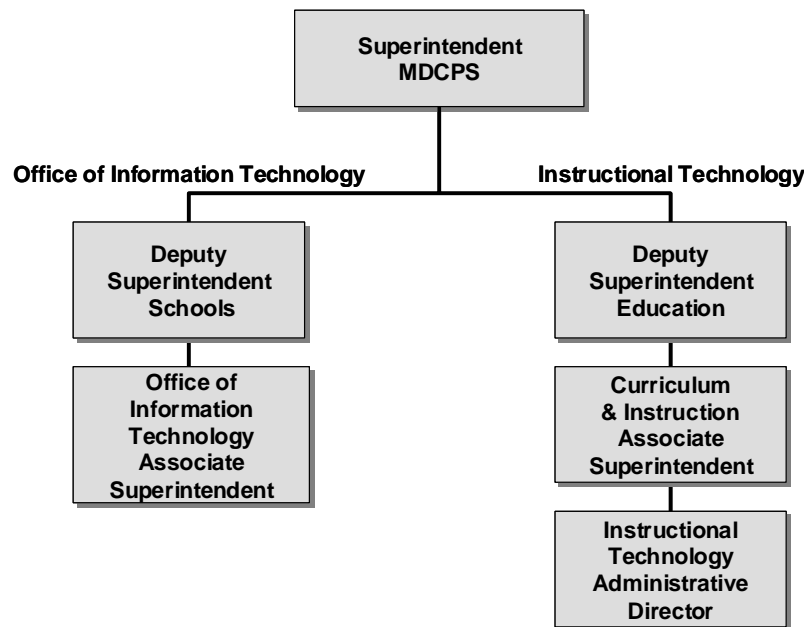
Source: Miami-Dade County Public Schools.

Office of Information Technology. OIT provides services and information to the many users of the systems it supports while also maintaining legacy systems, some of which were purchased and installed more than 20 years past. In addition, OIT provides training for more than 134 school-based technicians, provides decentralized network support, manages projects and coordinates the District's participation in the E-rate program. [4] OIT has also developed and implemented an Internet Portal that provides teachers access to a myriad of helpful information to use in their teaching responsibilities. Moreover, by establishing various academies (e.g., Oracle, Cisco and Apple Web) OIT supports the efforts of students to build upon the knowledge and skills gained in the classroom

Instructional Technology. Instructional Technology provides leadership in developing technology integration strategies for both schools and District curriculum departments and has articulated a vision for how technology can transform teaching and learning. The Division offers a broad range of staff development opportunities, which are tailored to meet the needs of individual schools. In addition, a "train the trainer" model has been instituted to ensure that all schools have staff on site who are able to provide support in integrating technology and instruction. The Division has also been proactive in acquiring District licenses for digital content and resources. It has also aggressively sought funds to replace obsolete classroom computers and enhance classroom infrastructure. (Over

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[4] E-rate is a Federal program that provides funds to school districts for connecting students to the Information Highway.

$23 million in bond and capital funding has been obtained for this purpose since July 2000.) The Division is also leading the move to providing online staff development and is supporting curriculum departments in their efforts to expand distance learning by acquiring distance learning software, holding workshops, providing consultant services and providing technical support.

Organization

At the time Berkshire Advisors, Inc. conducted its onsite visits (August through October 2000) the Associate Superintendent who leads the Office of Information Technology reported to the Deputy Superintendent of Schools. Since that time the Deputy Superintendent of Schools has retired and the Associate Superintendent now reports to the Chief Financial Officer. The Director of Instructional Technology, on the other hand, is assigned to the Education unit. She reports directly to the Associate Superintendent for Curriculum and Instruction who, in turn, reports to the Deputy Superintendent Education.

Exhibit 6-4

Division of Instructional Technology and Media Support Services

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              ┌──────────────────┐
              │      Deputy      │
              │  Superintendent  │
              │    Education     │
              └──────────────────┘
                        │
              ┌──────────────────┐
              │    Curriculum    │
              │  & Instruction   │
              │    Associate     │
              │  Superintendent  │
              └──────────────────┘
                        │
              ┌──────────────────┐
              │   Instructional  │
              │    Technology    │
              │  Administrative  │
              │     Director     │
              └──────────────────┘
         ┌──────────────┼──────────────┐
┌─────────────────┐ ┌──────────────┐ ┌─────────────────┐
│  Instructional  │ │  Text Book   │ │  Library Media  │
│   Technology    │ │  Services    │ │    Services     │
│Instructional    │ │ Supervisor II│ │  Instructional  │
│Support Specialist│ │              │ │    Director     │
└─────────────────┘ └──────────────┘ └─────────────────┘
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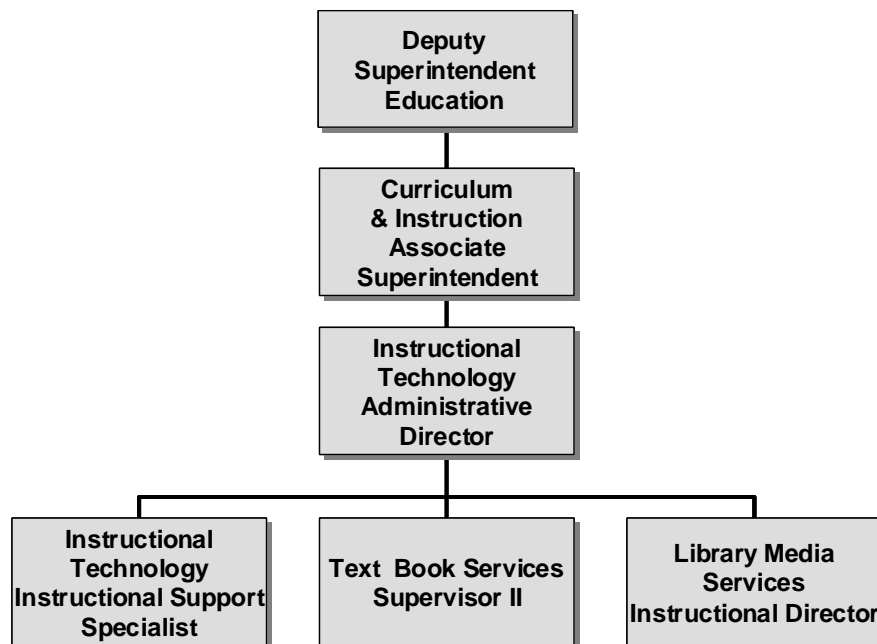
Source: Miami-Dade County Public Schools

Division of Instructional Technology and Media Support Services. The Administrative Director who leads the Division of Instructional Technology and Media Support Services oversees three units – Instructional Technology, Textbook Services, and Library Media Services. The Instructional Technology unit oversees the integration of technology into the curriculum. The Textbook Services unit is responsible for ordering and distributing textbooks to the schools. Finally, the Library Media Services unit – which is led by an Instructional Support Supervisor – has primary responsibility for providing an array of services to its users.

These services include:

- Providing professional resources in a variety of formats;
- Offering professional growth opportunities;
- Networking with community connections offering diverse resources; and

- Providing leadership in evaluating and improving school library media programs.

Exhibit 6-5

Office of Information Technology
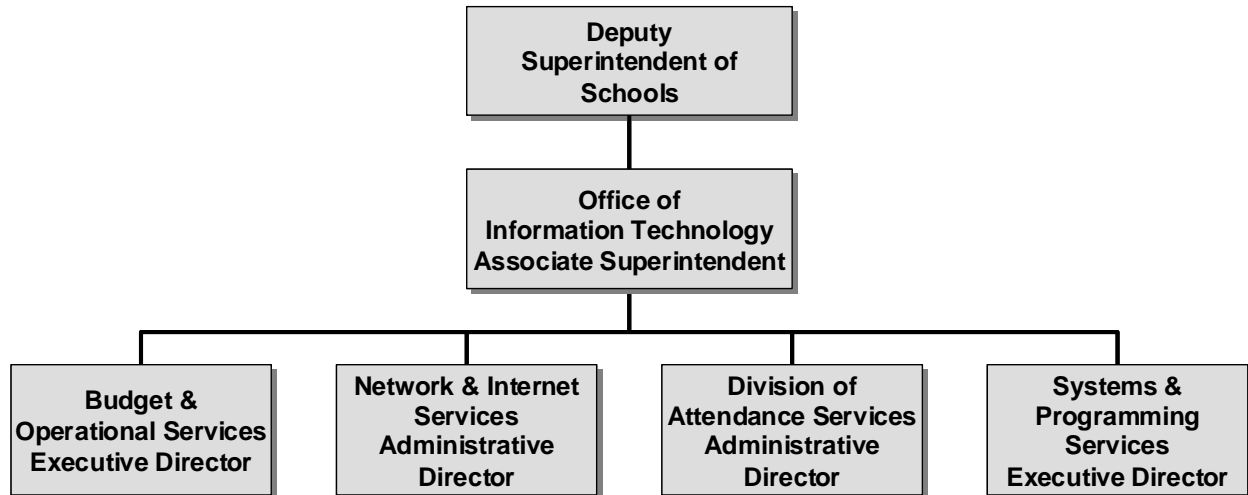
Source: Miami-Dade County Public Schools.

Office of Information Technology. The Associate Superintendent who leads the Office of Information Technology oversees four units – Budget and Operational Services, Network and Internet Services, Attendance Services, and System and Programming Services. The Budget and Operational Services is responsible for management and operation of the District's computer systems. This includes long-term planning and responsibility for developing the department's budget. The Network and Internet Services unit provides technical guidance and support to schools and administrative offices. This guidance and support includes the areas of Local Area Networks, connecting to the District's Wide Area Network and developing web sites. The Division of Attendance Services' responsibilities include posting student attendance information, truancy referrals and student transfers. The System and Programming Services' responsibilities include supporting legacy systems.

Benchmark Comparisons [5]

Comparisons of the staffing and costs of technology operations in the Miami-Dade County Public Schools (MDCPS) technology departments with the staffing and costs of technology operations in other large Districts suggest that the quality technology services the District receives are being provided at a very reasonable cost.   For the purpose of this analysis MDCPS staffing and costs were compared with staffing and cost in five large Districts[6] (Palm Beach County, Hillsborough County, Dallas Independent School District, Houston Independent School District, and Clark County [Nevada]) ranging in size from approximately 154,000 students served (Palm Beach County) to approximately 245,000 students (Clark County). [7] The average number of students served by these Districts is approximately 219,000 students. By comparison, the MDCPS serves approximately 360,000 students. (A summary of these benchmark comparisons is presented in Exhibit 6-3.)

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[5] Information is the result of an email survey and a fax response. All information is for school year 2000 – 2001 with the exception of Clark County, Nevada, where it is for school year 1999–2000.

[6] The selection of these Districts was suggested by the consultants and approved by both OPPAGA and the District.

[7] While MDCPS is larger than the Districts used for comparison it is closer in size to these Districts than to larger Districts (e.g., Los Angeles, Chicago, and New York).

Exhibit 6-6

MDCPS Provides Information Technology Services for Fewer Dollars Than Most Benchmark Districts
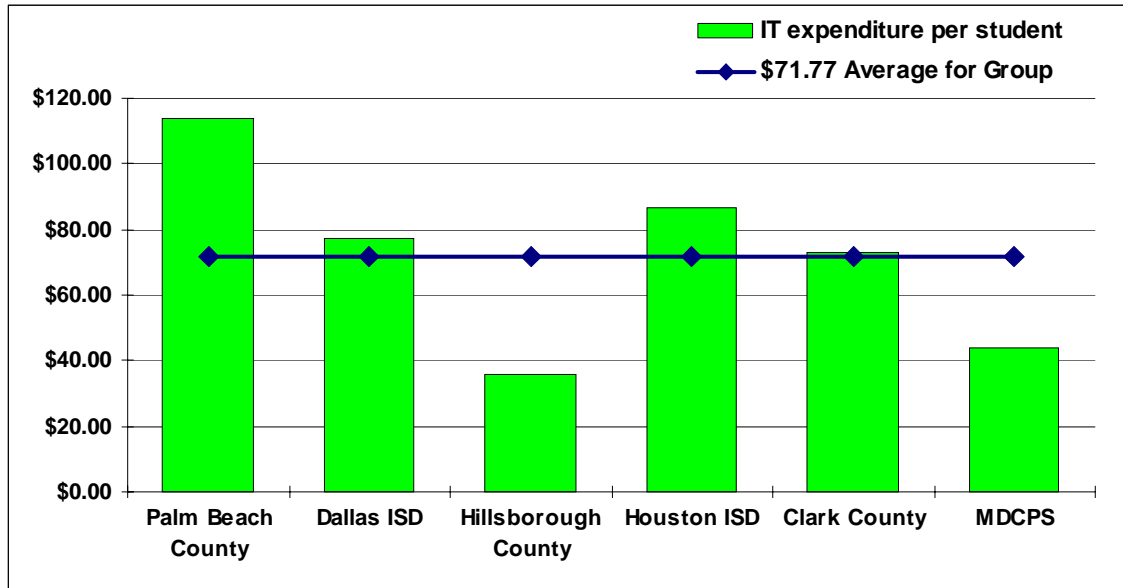
Source: Berkshire Advisors, Inc., based on information from an email survey and a fax response

Exhibit 6-7

MDCPS Instructional Technology Budget Per Student is Comparable to Most Benchmark Districts
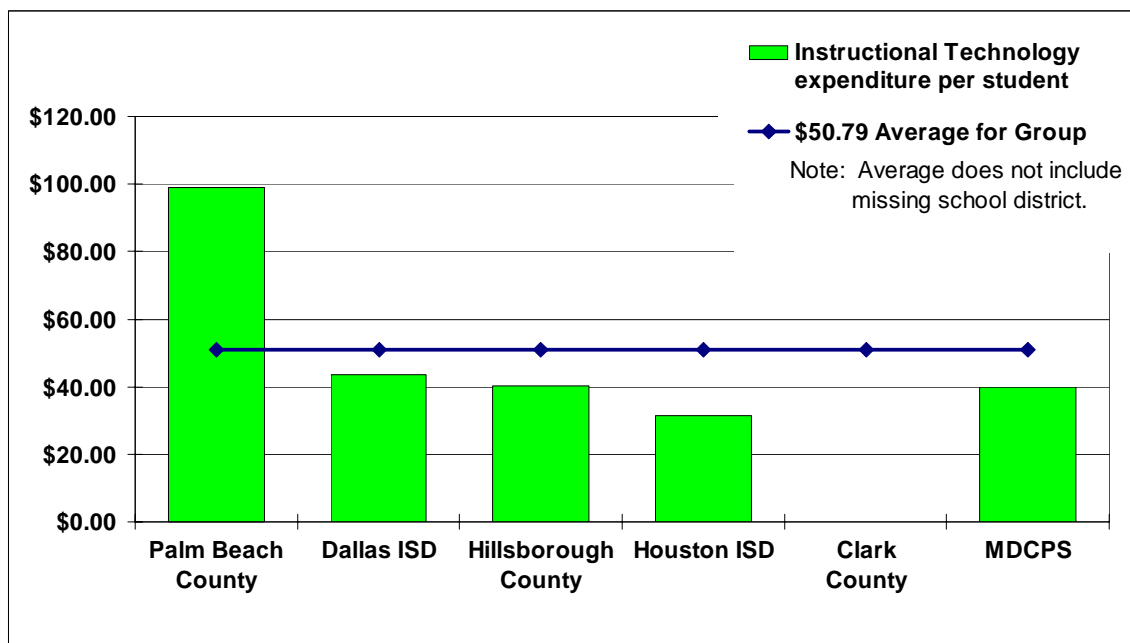
Source: Berkshire Advisors, Inc., based on information from an email survey and a fax response.

Berkshire Advisors, Inc.

A key comparison is the ratio of students to information technology (IT) staff[8]. MDCPS serves more students per IT employee than three of the benchmark Districts (Palm Beach County, Dallas, and Houston) but fewer than two of the Districts (Hillsborough County and Clark County). It should be noted, however, that Clark County – like MDCPS – is growing at an extremely rapid pace and consequently its IT staff is in constant "catch up" mode. Benchmark comparisons of IT expenditures for administrative support (i.e., support for business systems such as finance and payroll and the related infrastructure) indicate that MDCPS is providing a comparable level of products and services (in some cases more) for fewer dollars than all but one school district. Indeed, the benchmark comparisons reveal that what MDCPS is doing for $43.65 per student, the benchmark Districts are doing for an average of $77.40 (excluding MDCPS) per student.

Exhibit 6-8 [9]

Comparisons With Benchmark Districts Suggest the Costs of Administrative and Instructional Technology Services Provided by MDCPS Are Reasonable

General Information	Palm Beach County	Dallas ISD	Hillsborough County	Houston ISD (*)	Clark County	Miami-Dade School District
Students	154,391	161,593	178,269	208,000	245,600	368,453
Teachers	9,511	10,012	11,451	11,674	13,451	19,181
Non-Teachers	18,127	8,666	9,375	11,491	12,372	17,416

(*) All information is for school year 2000-2001 with the exception of Houston Independent School District 1999 – 2000.

Head Count	Palm Beach County	Dallas ISD	Hillsborough County	Houston ISD (*)	Clark County	Miami-Dade School District
Information Technology	185	150	62	194	120	302
Instructional Technology	10	16	134	38		36

Expenditures	Palm Beach County	Dallas ISD	Hillsborough County	Houston ISD (*)	Clark County	Miami-Dade School District
Information Technology	$17,582,600	$12,495,182	$6,425,709	$17,980,567	$18,000,000	$16,083,453
Instructional Technology	$15,277,000	$7,027,593	$7,172,197	$6,558,524	$0	$14,644,367

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[8] The IT staff included in these ratios provides a full range of information technology services, ranging from payroll support to instructional support.

[9] For comparison purposes, the title of Chief Information Officer is used as the head of information technology. For MDCPS, Associate Superintendent is used to convey the head of information technology.

Salaries	Palm Beach County	Dallas ISD	Hillsborough County	Houston ISD (*)	Clark County	Miami-Dade School District
Chief Information Officer	$110,722	$133,000	$108,582	$116,000	$97,500	$142,992
Director Instructional Technology	$69,846	$77,838	$90,479	$82,000	$78,000	$91,471
Director Networks	$75,540	$87,688	$84,522	$90,000	$78,000	$86,258
Director MIS	$77,488	$88,788	$100,623		$90,000	$107,978
Manager Help Desk	$72,039	$97,873	$82,255	$85,000	$78,000	$77,480
Programmer Analyst	$49,120	$48,856	$51,549	$45,000	$64,000	$34,825
Sr. Systems Analyst	$59,180	$58,732	$70,893	$75,000	$74,000	$67,510
Technician PC	$35,204	$31,886	$32,859	$35,000	$58,000	$33,431
Computer Operator	$25,989	$40,542	$35,843	$33,000	$44,000	$32,265

Source: Berkshire Advisors, Inc., based on information from an email survey and a fax response

Planning

1 **The District has solicited and used stakeholder input in developing an integrated learning system and in setting priorities for technology decisions. However, because there is no single point of responsibility, the Office of Information and Technology (OIT) and the Instructional Technology Division have developed separate departmental plans.**

To ensure the development of a cohesive District-wide strategic technology plan and incorporation of various technology initiatives, the District should consider creating the position of Chief Information Officer for the District

Using computers for self-paced learning, research in the classroom, distance learning, processing payroll, hiring an employee as well as a host of other curriculum, classroom and business purposes have a common denominator – technology. As such, the use of technology becomes one of the critical factors senior administrators must consider when planning its use in today's K-12 arena. Coupling the need for technology and the rapid pace at which technology is evolving makes it all the more important that planning be at a senior level. Thus, planning for the use of technology is equally as important as executing against or implementing a technology project.

At Miami-Dade, planning for the use of technology is accomplished on a departmental or programmatic scale. For example, the District has a number of technology committees that accomplish the task of planning for the acquisition, implementation and use of technology. These include the Information Technology Management

Advisory Panel (ITMAP), the Technology Standards Committee and the Instructional Leadership Committee. ITMAP was formed to provide input into key technology decisions made by the Office of Information Technology. Its members include Information Technology Directors from private industry and government entities.

Another District committee is the Technology Standards Committee. The Committee is comprised of Dr. Dan Tosado, Associate Superintendent OIT; Chris Master, Director, Instructional Technology; George Balsa, Chief Auditor; Henry Fraind, Deputy Superintendent Schools (whom has not been replaced since his retirement); and Rose Barefield-Cox, Chief Procurement Officer. This committee establishes standards for the hardware platforms used in the District.

Each committee is staffed relative to the committee's purpose. However, there are opportunities in some of these committees for input by individuals outside of the current committee members (e.g., Instructional Technology does not have representation on the ITMAP committee, but should; Administrative Technology does not have representation on the Instructional Leadership Committee, but should.) Each of these committees clearly operates within the context of either a departmental activity or program objective.

Need for an adopted District Strategic Technology Plan

As discussed in greater length in finding 2 in the next section, Berkshire Advisors is recommending the Miami-Dade County Public Schools Board of Education develop and adopt a District-wide Strategic Technology Plan. The purpose of the plan is to ensure that all District initiatives and plans emanate from this one strategic document. As with all District thinking, the Strategic Technology Plan should focus its strategic goals on student performance and achievement. However, the adoption of the plan without the requisite management oversight would more than likely lead to the plan not being implemented as envisioned by the Board.

Exhibit 6-9

Strategic Technology Plan
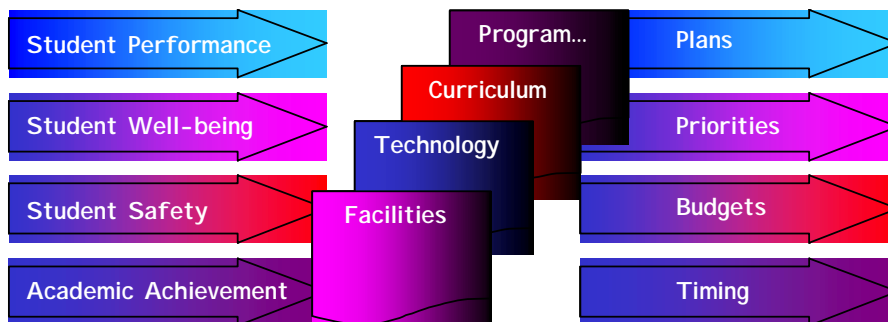
Source: Berkshire Advisors, Inc.

Need for a Chief Information Officer

Although there are a number of methodologies the District could employ to ensure the development and implementation of the Strategic Technology Plan, Berkshire Advisors believes the assignment of this responsibility to a single point of accountability is best.

Technology is evolving at a rapid pace. The World Wide Web and its related technologies have changed the way systems are developed and delivered. The availability of funding (in particular, E-rate) has resulted in the expansion of the District's networks and proliferation of multimedia (e.g., voice, video and data). Departments and individuals are acquiring, using or experimenting with the latest technologies. Conversely, departments and individuals are unaware of technologies that could be of benefit to them and ultimately the District. The challenge to the District at

this time is to select technologies that have the greatest potential for improving the overall effectiveness and efficiency of the District. To achieve these results, the District needs collaboration among all of the stakeholders in setting strategic direction, maintaining a District-wide perspective, and judiciously selecting technologies of the greatest benefit. Facilitating these efforts should be the role of the Office of the Chief Information Officer.

The majority of school superintendents have risen through the ranks of education to reach this most important position - teacher, principal, senior administrator, deputy superintendent, and superintendent. Along the way, most have achieved a level of competence in the areas of curriculum, administration and budgeting (not including the political acumen required to retain one's position). At most if not all stops along the progression, technology was not a required core competency. While it is not critical for the Superintendent of a District to understand the intricacies of the technology being implemented, it is important for the Superintendent to have a broad vision of the available technology and what it can do for the District. Helping the Superintendent to understand and achieve this broad vision is one of the key roles of the Chief Information Officer.

The Chief Information Officer should have a key role in the Superintendent's Cabinet. As strategies are developed at this most senior level of the District, the CIO can provide input on the technology capabilities of the District, as well as align the direction of technology based on the direction of the District.

Exhibit 6-10

Technology Management Hierarchy
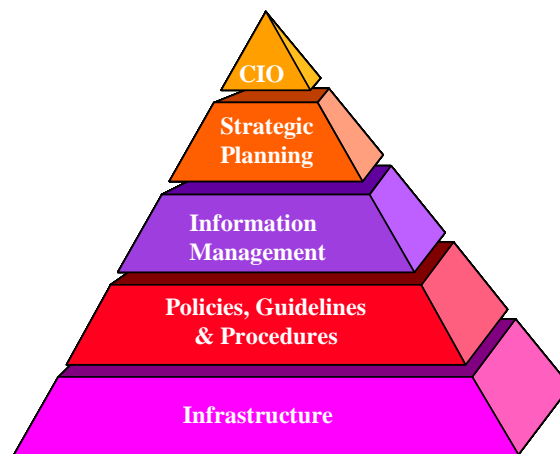
Source: Berkshire Advisors, Inc.

In addition to working closely with the Superintendent and the Cabinet in the role of technology advisor, the Chief Information Officer would be responsible for developing and implementing the District's Strategic Technology Plan; have management responsibility for the District's technology assets; and be responsible for selecting systems that take advantage of the latest technologies and can systematically support the business processes of the District. In essence, the Chief Information Officer must be empowered as the single point of accountability for technology in the District. As such, the CIO would have responsibility for implementing the recommendations of this report.

In lieu of creating the position of Chief Information Officer, the District might consider expanding the responsibilities of the current the position of Associate Superintendent of the Office of Information Technology (OIT) to include those of the Chief Information Officer. If this is the case, the position of Associate Superintendent for OIT would be eliminated.

In developing the organizational structure in which the Chief Information Officer would work in, we recommend that this position not report to an organization for which it has delivery responsibility. As shown in Exhibit 6-11, the position of Chief Information Officer reports to the Chief Financial Officer. In this reporting relationship, there are no check and balance for the processing activity of the Chief Financial Officer.

As shown in Exhibit 6-12, the Chief Information Officer reports directly to the Superintendent of MDCPS. Given the current reliance on technology that the District has and the recognition of its increasing value as a strategic asset, we would suggest that this is the ideal reporting relationship.

Exhibit 6-11

Current Reporting Relationship for the Chief Information Officer

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        ┌─────────────────────┐
        │    Superintendent   │
        │       MDCPS         │
        └─────────────────────┘
                  │
        ┌─────────────────────┐
        │       Deputy        │
        │   Superintendent    │
        └─────────────────────┘
                  │
        ┌─────────────────────┐
        │       Chief         │
        │  Financial Officer  │
        └─────────────────────┘
                  │
        ┌─────────────────────┐
        │       Chief         │
        │ Information Officer  │
        └─────────────────────┘
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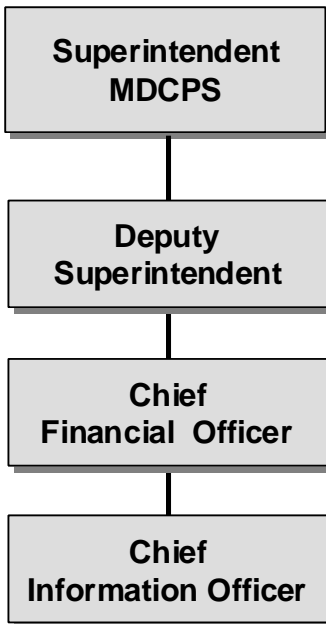
Source: Miami-Dade County Public Schools

Exhibit 6-12

Proposed Reporting Relationship for the Chief Information Officer

```
              ┌─────────────────────┐
              │    Superintendent   │
              │       MDCPS         │
              └─────────────────────┘
              ┌───────────┴───────────┐
    ┌─────────────────────┐   ┌─────────────────────┐
    │       Chief         │   │       Deputy        │
    │ Information Officer  │   │   Superintendent    │
    └─────────────────────┘   └─────────────────────┘
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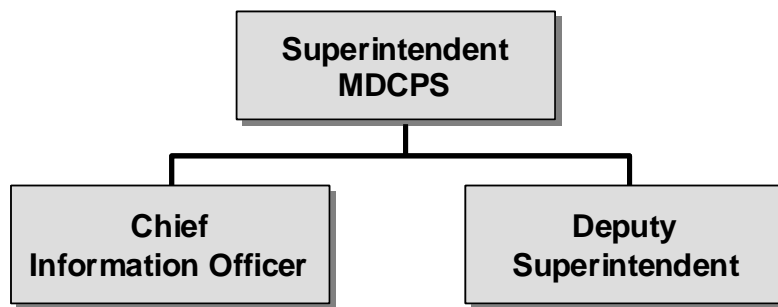
Source: Berkshire Advisors, Inc.

Recommendations ───────────────

- *We recommend that the District create the Office of Chief Information Officer to be staffed by the Associate Superintendent for OIT.*

Action Plan 6-1 provides the steps needed to implement this recommendation.

Action Plan 6-1

Create the Office of Chief Information Officer to be staffed by the Associate Superintendent for OIT		
Strategy	The Superintendent creates the Office of the Chief Information Officer and staffs with the current Associate Superintendent for OIT.	
Action Needed	Step 1:	The Superintendent commissions a committee of senior District staff with constituency stakeholder input to develop the job description for the Chief Information Officer.
	Step 2:	The Superintendent with assistance of Human Resources creates the position of Chief Information Officer.
	Step 3:	The Superintendent appoints the Associate Superintendent of OIT to the position of Chief Information Officer.
	Step 4:	The Chief Information Officer begins the process of developing a District-wide Strategic Technology Plan.
Who Is Responsible	Superintendent of Miami-Dade Schools	
Time Frame	May 2002 through October 2002	
Fiscal Impact	This recommendation can be accomplished with existing resources.	

Source: Berkshire Advisors, Inc.

2 The District has not developed a comprehensive technology plan that provides for administrative and instructional technology collaborative decision making. Technology plans were developed independently of each other while sharing many of the same objectives.

To better take advantage of the synergies of Administrative and Instructional Technology, we are recommending that the District develop a District-wide Strategic Technology Plan that is adopted by the Miami-Dade County Public School Board of Education

Administrative Technology (delivered through the Office of Information Technology (OIT)) and Instructional Technology deliver quality, consistent products to the constituents they serve. Both organizations have managed to increase the amount and quality of the delivery of products and services by optimizing the systems they manage and maximizing the resultant purchases through the dollars they spend.

However, Instructional Technology and Administrative Technology function within the framework of disparate organizations. Again, while each is performing admirably within the framework of their own operating organizations, each, in our opinion would better serve the District's needs if they functioned within the same organizational entity, or delivered products and services consistent with a single strategic technology plan.

The Miami-Dade Board of Education expects quality products, best service, consistent delivery and best value from its technology investment. To ensure these expectations are being met, a Strategic Technology Plan must first be developed by the District and adopted by the Board. The plan should chart the strategic direction of the District and provide measurable goals to the organization's delivery of technology services and content.

Berkshire Advisors in reading the District's Strategic Plan 2000 – 2005 cannot find an incidence where Administrative Technology has a strategic deliverable. Yet, a number of the deliverables for the various departments all require significant participation on the part of Administrative Technology. Under the Action Plans, Goal 1, School to Career:

- Objective 1a, Action Step 6 – "Pilot the use of Cognitive Tutor Algebra in three senior high schools. Pilot the use of Cognitive Tutor Geometry in three senior high schools. Pilot the use of River Deep Mathematics in three middle schools."

- Objective 1e, Action Step 1 – "All schools in the District will be retrofitted, connected to the Wide Area Network"…

- Objective 1e, Action Step 2 – "Teachers will have email accounts provided through Miami-Dade County Public Schools."

- Objective 1f, Action Step 8 -- "Acquire up-to-date technology in order to provide distance learning through the Learning Network."

As one can readily see, Administrative Technology's building out of the District's infrastructure seriously impacts each of the objectives mentioned above as well as others detailed in the current District Strategic Plan. Yet, there is no Action Step for a goal of delivering an infrastructure on the part of this organization.

Integral to the success of any District technology initiative is the ability to measure outcomes in the context of the strategic goal. Measuring the results of its technology investment requires that the Miami-Dade County Public Schools Board of Education develop and adopt a strategic technology plan. Embodied in the technology plan are the management and measurement criteria that clearly and simply state the success or failure of a particular technology goal or objective relative to the strategic goals of the District. Berkshire Advisors recommends that a 3rd party vendor be contracted to assist in developing a comprehensive District-wide strategic technology plan. It is our opinion that although District staff should be an integral part of the planning process, they do not have the time or the objectivity to develop a comprehensive, District-wide strategic technology plan.

Exhibit 6-13

Technology Strategic Planning Process
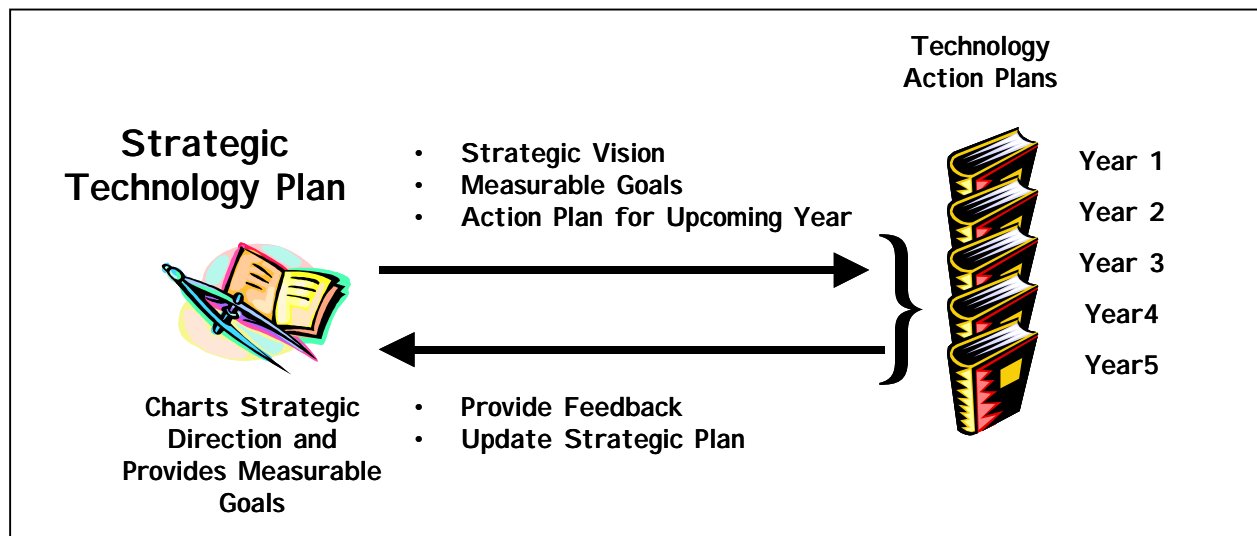
Source: Berkshire Advisors, Inc.

Berkshire Advisors recommends that the District develop a District-wide technology plan. And, that this plan contain within it Board approved annual milestones. Additionally, the Chief Information Officer should develop an

annual Action Plan that details (at a relatively high level) the plan for achieving the milestones and reports on the progress quarterly to the Board of Education.

As mentioned earlier, Administrative Technology and Instructional Technology report to two separate organizations. While not an uncommon reporting relationship among K-12 school districts, this model adds complexity to developing a comprehensive plan with measurable goals. The District should consider aligning Administrative and Instructional Technology within the same organizational umbrella. By aligning the two organizations and by developing a comprehensive District-wide strategic technology plan the District strengthens its ability to manage technology initiatives. Should the Strategic Technology Plan result in not aligning OIT and Instructional Technology under one umbrella, consideration should be given to merging the technical support functions of these two departments under OIT.

Recommendations

- *The District should develop a District-wide Strategic Technology Plan to be adopted by the Miami-Dade County Public Schools Board of Education.*

    Action Plan 6-2 provides the steps needed to implement this recommendation. As part of this recommendation the District also should implement Action Plans 6-4, 6-5, 6-6, 6-8 and 6-10.

Action Plan 6-2

Develop a District-wide Strategic Technology Plan to be adopted by the Miami-Dade County Public Schools Board of Education	
Strategy	The Superintendent of MDCPS assigns responsibility for developing a District-wide Strategic Technology Plan to the Chief Information Officer.
Action Needed	Step 1: Assign responsibility for developing Plan to the CIO.
	Step 2: The CIO organizes a District Technology Plan Committee of technology stakeholders that include District staff, business and community leaders.
	Step 3: The District Technology Plan Committee develops RFP to be issued for developing the Plan that includes an independent analysis by a 3rd party.
	Step 4: The District Technology Plan Committee presents the proposal to the Technology Steering Committee, which reviews the proposal and makes a recommendation to the Board. Board approves the RFP.
	Step 5: The Technology Steering Committee selects the 3rd party vendor.
	Step 6: Working with the District Technology Plan Committee the vendor develops the District-wide Strategic Technology Plan.
	Step 7: The District-wide Strategic Technology Plan is reviewed by the Technology Steering Committee and presented to the Board for approval. Board approve the plan.
	Step 8: CIO is responsible for implementing the Plan.
	Step 9: CIO updates the Board quarterly on the Plan's progress.
Who is Responsible	Chief Information Officer
Time Frame	May 2002 through May 2003
Fiscal Impact	We recommend that a qualified 3rd party vendor be hired to assist with developing a District-wide Strategic Technology Plan.

We estimate that the one-time cost to the District for a 3rd party vendor to assist in developing the Strategic Technology Plan is $1.3 million. In developing the plan, we believe the District can identify areas of significant savings. We estimate that depending on the approach taken by the District, at least $29 million of savings over a five-year period can be identified. The $29 million in savings is largely due to the District substantially reducing the number of hardware vendors and implementing a seat management strategy, which would enable it to reduce technical support staff positions.

Source: Berkshire Advisors, Inc.

- *The District should perform a cost/benefit analysis of merging the technical support functions of Administrative Support and Instructional Technology Support.*

Action Plan 6-3 provides the steps needed to implement this recommendation.

Action Plan 6-3

The District should perform a cost/benefit analysis of merging the technical support functions of Administrative Support and Instructional Technology Support	
Strategy	The Superintendent of MDCPS assigns responsibility for developing a cost/benefit analysis of merging the technical support organizations for OIT and Instructional Technology to the Chief Information Officer.
Action Needed	Step 1: Assign responsibility for developing analysis to the CIO.
	Step 2: The CIO organizes a committee of technology stakeholders to develop cost/benefit analysis.
	Step 3: Committee of stakeholders reviews current practices and develops alternative technical services delivery methods.
	Step 4: Committee presents alternatives with a recommendation to the CIO.
	Step 5: CIO makes a recommendation to Superintendent of MDCPS.
	Step 6: Superintendent updates the Board on the recommendation.
Who is Responsible	Chief Information Officer
Time Frame	May 2002 through December 2002
Fiscal Impact	This recommendation can be accomplished with existing resources.

Source: Berkshire Advisors, Inc.

Effective Support ────────────────

3 **The District provides formal and informal support to assist educators in incorporating technology into the curriculum. However, the assignment of staff is skewed when comparing secondary schools vs. elementary schools.**

District schools have dedicated technicians responsible for assisting in supporting technology in the classroom

The District is integrating technology at a rapid pace. Teachers and administrators are grasping the technology equally as fast. This is evidenced by the fact that at MDCPS there are approximately 82,000[10] computers in schools. Of these, 63,000 are Personal Computers (PCs) while 19,000 are Apple computers. In the category of PCs approximately 57% or 36,000 PCs are out of warranty and required attention on the part of a District technician when problems arise. This does not include a number of Pentium III PCs that are at the end of their warranty period.

Exhibit 6-14

Computer Types in MDCPS
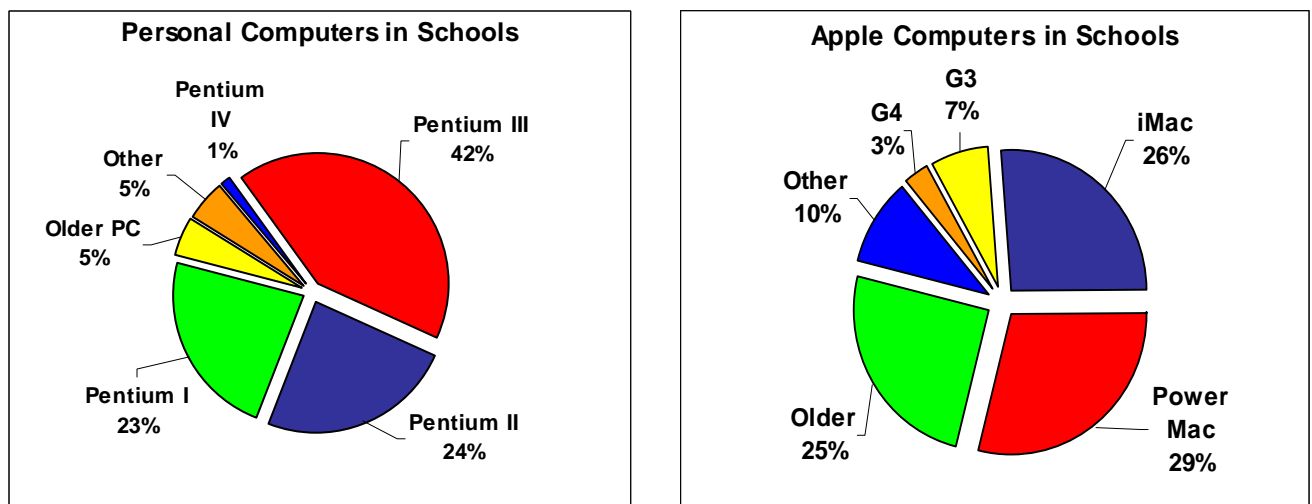
Source: Florida Department of Education *2001 Technology Resources Survey*.

For Apple computers, the numbers look equally as bad. Of the approximately 19,000 Apple computers, 6,500 are out of warranty and require the attention of a District technician when there are problems with the hardware. This number does not include the number of Power Macs that are getting close to reaching the end of the warranty period.

The confluence of the increased usage by teachers (and administrators) and the aging of previously purchased computers is generating the need to ensure that adequate support is available to ensure the highest level of system availability. The most obvious solution is adding additional technical support to the schools. Our preliminary

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[10] Florida Department of Education *2001 Technology Resources Survey*

analysis shows that to staff schools with the appropriate number of technicians it could cost the District anywhere from $4 million [11] to $6.2 million annually or approximately $20 million to $30 million over a 5-year period.

Most schools should have a dedicated technician responsible for maintaining Instructional Technology systems. Currently, there are 154 technicians assigned to support instructional networks in 307[12] schools. All but two secondary schools have a full-time person budgeted and assigned to the individual school, while 205 elementary schools (elementary middle schools included) share the services of 88 staff that rotate from elementary school to elementary school. [13]

Additionally, the Administrative Director for Instructional Technology meets with the region technology specialists on a regular basis to ensure articulation between District instructional goals and school site technology integration.

Recommendations

- *Berkshire Advisors recommends that the District review the criteria for determining the assignment of full-time technical support staff for elementary schools. We believe that the review will indicate that most elementary schools should be staffed with technical support based on the same criteria as that for secondary schools.*

Action Plan 6-4 provides the steps needed to implement this recommendation.

Action Plan 6-4

Review the criteria for determining the assignment of full-time technical support staff for elementary schools		
Strategy	The District should develop a detailed analysis to determine whether adequate technology resources have equitable distribution among all schools.	
Action Needed	Step 1:	Assign responsibility for analysis to the Director for Instructional Technology.
	Step 2:	The Director heads a committee to determine the equitable distribution of technical resources and if and how many additional staff are required.
	Step 3:	The Director makes a recommendation to the Deputy Superintendent.
	Step 4:	The Deputy Superintendent presents the recommendation to the Superintendent and the Board of Education.
	Step 5:	The recommendation is adopted for implementation.
	Step 6:	The Director reports progress on the recommendation implementation.
Who is Responsible	Administrative Director of the Division of Instructional Technology and Media Support Services.	
Time Frame	May 2002 through May 2003	
Fiscal Impact	This recommendation can be accomplished as part of the District-wide technology planning process.	

Source: Berkshire Advisors, Inc.

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[11] Based on information received from the District on February 26, 2002
[12] These do not include special schools such as Charter Schools
[13] Based on information received from the District on February 26, 2002

4 The District provides technical support for educational and administrative systems in the District. However, it can leverage its purchasing power and reduce the total cost of ownership by streamlining technical support.

The District provides quality support for its administrative and educational systems; however it should consider establishing standard hardware platforms that reduce the total cost of ownership by standardizing on one or two vendors

In our opinion, the District provides an acceptable level of service to the schools and departments it serves. To accomplish this, the Office of Information Technology and Instructional Technology have applied various methods of delivery including developing District hardware, software, and process standards that support District technology initiatives. OIT understands that the more standardized the Information Technology (IT) environment becomes, the more it is able to minimize downstream support costs.

The District's commitment to standardization is evidenced by the formation of the Technology Standards Committee that is comprised of individuals from OIT, Instructional Technology, Procurement, Finance, and Management Audits. This committee approved the issuance of an RFP that resulted in a list of 25 qualified pre-approved vendors that provide desktop computers to the District. By developing this standard list of suppliers, the District saves the time and expense of competitively bidding out potentially thousands of desktop computers one or two at a time. However, the savings derived from increasing competition by keeping 25 vendors on the list is negated by the costs associated with supporting a variety of aging computers from multiple vendors.

Standardize hardware platforms to one or two vendors

By standardizing on fewer vendors, the District can still "gain purchasing leverage but also reduce incompatibility issues, support costs, vendor liaison requirements, testing of new technology, as well as reduce the administrative costs of vendor management." [14] By limiting qualifying vendors to one or two the District can realize a reduction in the total cost of ownership (TCO). In so doing the District can reduce the purchase price by 10-15%, eliminate the need for redundant RFPs, minimize Help Desk costs as support is streamlined toward a standard hardware environment, lengthen the life of systems as technicians can cannibalize interchangeable parts, and reduce technical training costs because technical support staff will support a fewer number of platforms.

At Miami-Dade County Public Schools, technology growth is evolving at a rapid pace. Since May 1999, more than 21,000 computers have been added to the District's Instructional Technology inventory. [15] An escalating customer demand on the part of administrative and instructional computer users and a rapid acceleration of the complexity of the desktop computer results in insufficient staff to service the demand for support. The result is a situation where staffing levels increase and/or the level of service declines.

Multifunctional Devices

During our office visits to the District, it was not unusual for groups of offices to have one or more printers per individual office. Berkshire Advisors believes in addition to developing standards for desktop computers, the District should actively look at standards for printers, file servers, copy machines, and facsimile machines. The District should place a moratorium on buying new printers until an assessment has been made of the most efficient

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[14] Compaq White Paper - *Total Cost of Ownership*

[15] Number provided by the MDPCS Division of Instructional Technology and Media Support Services

distribution of its existing printers. If it is determined that new printers are to be purchased, the District should consider standardizing purchases based on District-wide use of multifunctional devices (MFD). MFD devices are all-in-one devices and have the capability to print, copy, fax and scan.

By using multifunctional devices, savings can be realized in supplies and power usage as well as the initial investment of the printing, copying, faxing or scanning device. In addition to adopting the use of multifunctional devices, the District should give serious consideration to having an independent firm perform an analysis of the District's and individual school's document requirements. Technology has evolved to a point that in many instances, hardcopies of documents are no longer required. With a little training and the correct equipment, the District has the potential of realizing substantial savings.

In the next section of this document, Berkshire Advisors recommends that the District study the possibility of implementing a seat management strategy to reduce the total cost of ownership of technology acquisitions. We believe a seat management program is the most cost effective approach.

Recommendations

- *We recommend that the District standardize hardware acquisitions to one, or possibly two, vendors.*

Action Plan 6-5 provides the steps needed to implement this recommendation.

Action Plan 6-5

Standardize hardware platforms acquisitions to one, or possibly two, vendors		
Strategy	ITMAP assigns the Technology Standards Committee with the task of standardizing workstations, file servers, and printer platforms and assigns Procurement and Materials Management staff with the task of writing the RFP.	
Action Needed	Step 1:	The Committee develops specifications for desktop computers, printers and file servers.
	Step 2:	Procurement and Materials Management staff develops an RFP to accommodate the hardware specifications and the vendor requirements.
	Step 3:	The Information Technology Management Advisory Panel (ITMAP) reviews, approves and issues the RFP.
	Step 4:	ITMAP reviews the proposals.
	Step 5:	ITMAP recommends one or two vendors for the various platforms.
	Step 6:	The District begins purchasing from the standard hardware vendor platforms.
Who is Responsible	Information Technology Management Advisory Panel (ITMAP)	
Time Frame	May 2002 through May 2003	
Fiscal Impact	This recommendation can be accomplished as part of the District-wide technology planning process.	

Source: Berkshire Advisors, Inc.

5 The District provides technical support for hardware, software, and infrastructure in a timely and cost-effective manner. However, given the proliferation of technology, the District should consider alternative methods of technical support.

The District provides adequate support; however, given the increase in technology and the age of the computer inventory, it should analyze the costs and benefits of implementing a seat management strategy

The District does a good job of providing technical support to schools and administrative offices within the existing infrastructure using available resources. This support is delivered from two organizations, the Office of Information Technology and Instructional Technology.

At a minimum, all schools share technicians. For larger schools a dedicated resident technician is onsite to address the technical support needs of the school. Currently, there are approximately 18 individuals who provide support to Administrative desktops via OIT Field Support Services, while 154 individuals provide support to instructional desktop computers. However, as pointed out earlier, the proliferation of desktop computers in the District is driving a demand for more technicians.

Using reports that are produced from the Peregrine Help Desk System[16] and reviewed daily by OIT, help desk staff decisions are made on prioritization of calls and escalation of call tickets if needed. (At this time, there is no formal help desk for Instructional Technology. However, the Peregrine system can handle the added volume.) Meetings are scheduled on a regular basis with the appropriate individuals or vendors to proactively discuss with technical support staff upcoming requirements as well as ad hoc meetings to discuss immediate issues or problems.

The District Technology Standards Committee developed a standard that includes a three-year on-site service agreement with all computers purchased. Also, prior to computers being ordered, the department receiving the technology contacts OIT to have a field technician determine how much (if any) wiring work is required. If the computer ordered is for Instructional Technology, the cost of setting up the computer is included in the cost of the technology.

While the processes in place adequately accomplish the task of recording a call ticket and assigning a technician to fix the problem, as the proliferation of desktops, printers and servers continues, the ability of both OIT and Instructional staff to maintain a satisfactory service level will diminish. The District estimates that in order to provide adequate technical support to District schools, 117 technicians should be added to the staff, which increases the total cost of ownership.

Seat Management Program

In order to reduce the total cost of ownership, Berkshire Advisors recommends that the District look into implementing a seat management program. A seat management program is the process by which one or two vendors is responsible for acquisition, setup and installation of desktops and peripherals. In addition, the seat management vendor(s) would be responsible for help desk and technical support on all desktops installed under the agreement. Berkshire believes that to evolve the unit cost of a seat management program is one of the most critical components to consider in selecting a vendor within a seat management strategy.

Because all desktop computers come with a three-year warranty, any break/fix activity on newer desktops or peripherals is taken care of by the supplying vendor, thus leaving only out-of-warranty desktops and peripherals

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[16] Peregrine is the help desk application used by OIT to track user calls requesting support services.

requiring support by District technicians. In most instances, for a minimal fee, the vendor supplying the seat management program will take on the task of supporting out- of-warranty equipment. This can translate to significant savings on the part of the District when one considers the number of technicians currently employed to accomplish this activity.

Currently, the District has a mix of newer and older technologies. As the proliferation of desktops, printers and file servers continues, the estimated cost of adding the appropriate number of technicians is $4.8 million a year. [17] Outsourcing the acquisition, setup and maintenance of desktop technology can not only eliminate the need for additional technicians but also reduce the number of permanent technicians needed in the future. If timed appropriately, the District can realize additional savings by using E-rate dollars to purchase server and network support. [18]

Berkshire Advisors recommends that the District contract with a 3[rd] party vendor (as part of developing a District-wide strategic technology plan in Action Plan 6-2) to assist the District in its ongoing effort to analyze the costs and benefits of implementing a seat management strategy in technology acquisitions. We believe that the study will reveal that by implementing a seat management strategy the District can realize substantial savings by reducing the cost of owning and maintaining its technology inventory.

Berkshire Advisors believes that the analysis will reveal that by implementing a seat management strategy, the District can save between $25 million and $47 million over a 5-year period. The success of the seat management program will require that the District standardize hardware platforms to one or two vendors (see Action Plan 6-5), saving 10-15% on hardware and equipment, and in so doing can realize savings in support costs of $29 million over the same 5 years.

Exhibit 6-15

Cost Savings Calculations With a Seat Management Implementation

	Current Situation		With Seat Management	
	No. of Technicians	Cost @ $26K (fringe benefits not included)	No. of Technicians	Cost @ $26K (fringe benefits not included)
Current Technicians	154	4,004,000	46	1,196,000
Needed Technicians	117	3,042,000	0	
Total	271	$7,046,000	46	$ 1,196,000
Savings over 5 year period:				**$29,250,000**

Source: Berkshire Advisors, Inc., based on data from MDCPS

The District currently employs 154 technicians to support computers and networks in the classroom. The annual cost of these technicians is conservatively $4 million. The District has identified the need for hiring 117 additional technicians as permanent staff. However, if a seat management strategy is employed, we believe that the District can eliminate the need to hire new technicians and reduce the current number of technicians over time. Assuming the District will have to retain 30% of the technicians currently employed to perform non-warranty work, 46 of the technicians would remain. This would save approximately $5.8 million annually, or $29 million over five years.

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[17] Based on information received from the District on February 26, 2002

[18] E-rate is a federal program that provides funds to school districts for connecting students to the information highway. As the District is aware, filing of the correct documentation during the months of November and December with the Schools and Library Division of the FCC can result in the approval of E-rate funding for the upcoming fiscal year.

Recommendations

- *The District should analyze the costs and benefits of implementing a seat management strategy. We believe that a study of this kind will reveal that the District can realize significant savings by implementing such a strategy.*

Action Plan 6-6 provides the steps needed to implement this recommendation.

Action Plan 6-6

The District should analyze the costs and benefits of implementing a seat management strategy		
Strategy	Assign responsibility to the CIO for developing a seat management strategy.	
Action Needed	Step 1:	The CIO brings together a committee to review a seat management strategy. The review should incorporate the research done by OIT, the Technology Standards Committee and the Procurement and Materials Management staff.
	Step 2:	As part of developing a District-wide strategic technology plan (in Action Plan 6-2), create a component of the plan to perform a cost/benefit analysis of a seat management strategy. This component will include District staff working with the 3rd party vendor used in Action Plan 6-2.
	Step 3:	ITMAP approves the proposed component, which should have a heavy emphasis on approach to evolve a per unit cost of the seat.
	Step 4:	The component is integrated into the RFP in Action Plan 6-2.
	Step 5:	ITMAP and the vendor perform the analysis.
Who is Responsible	CIO and Seat Management Committee	
Time Frame	May 2002 through May 2003	
Fiscal Impact	This recommendation should be accomplished as part of the District-wide technology planning process.	

Source: Berkshire Advisors, Inc.

6 The District has a professional development plan that reflects the District's vision of integrating technology to enhance and enrich the learning environment, as well as to improve administrative support. However, to fully take advantage of the efficiency gains that can be realized by technology, we recommend that the District mandate certificated staff attend scheduled technology training.

The District should review current policies in place that prevent it from mandating that instructional staff attend scheduled technology training

The District has done an admirable job in training teachers to integrate technology into the classroom. However, like most school districts across the U.S., the District does not mandate technology training for its certificated staff. The District has expended billions of dollars in hardware, software, and infrastructure and yet teachers are not required to demonstrate computer competency relative to integrating technology into the curriculum nor are they required to attend scheduled training programs. We are clearly at a point where student technology use in schools

should no longer be based on individual teacher choice, but rather on what pedagogy best prepares students for future success in the workplace.

The District's Professional Development Department sends out a general survey annually to District departments. The survey determines what type of training will be required for the upcoming year. As a result of the survey and the District's experience, the District offers a comprehensive catalog of training programs. Types of classes could include technology training, training on developing a budget, clerical training, safety, etc.

However, training is not mandatory. Once the classes are set up, all too often, training is scheduled but the teacher does not attend. Mandatory training will assist the District in increasing the percentage of teachers in the Stage II – Adaptation (42.01%) and Stage III – Transformation (16.23%) phase of technology literacy as it relates to the classroom. [19]

Additionally:

- Presently, the District recommends rather than mandates performance criteria.

- Professional development is based on Goal Three of the District technology plan that is approved by the state but is not approved by the school board.

- Professional development uses a three-phased approach to technology training. All courses offered are in support of improving the skill level of participants. The three phases of training are: Entry level, Adaptive level, and Transformation level.

- The District maintains nine training facilities with no apparent scheduling conflicts.

Recommendations

- *Berkshire Advisors recommends that the Technology Proficiency Plan developed by the Division of Instructional Technology and Media Support Services be forwarded to the School Board for approval to mandate that all teachers attend scheduled technology professional development.*

Action Plan 6-7 provides the steps needed to implement this recommendation.

Action Plan 6-7

Mandate that certificated staff attend budgeted technology training		
Strategy	Assign the task of mandating scheduled technology training for teachers to the Deputy Superintendent for Education.	
Action Needed	Step 1:	The Deputy Superintendent commissions a committee to review any barriers to training attendance for academic staff and to review the Technology Proficiency Plan.
	Step 2:	The committee presents preliminary findings to the Deputy Superintendent.
	Step 3:	The Deputy Superintendent reviews the findings with the Superintendent and provides a recommendation.
	Step 4:	The Superintendent takes the recommendation to the Board for adoption.
Who is Responsible	Deputy Superintendent for Education	
Time Frame	May 2002 through October 2002	
Fiscal Impact	This recommendation can be accomplished with existing resources.	

Source: Berkshire Advisors, Inc.

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[19] Percentages based on the reported Professional Development statistics, *2001 Technology Resources Survey*, Florida Department of Education.

7 The District provides professional development for the instructional technologies.

Instructional Technology is doing a commendable job in delivering professional development

All professional development provided by Instructional Technology is geared to integrating technology into the curriculum. Teachers leave training with a product – "what they learned." – the conclusion of a training session. Most training is at least two-days where teachers engage in dialog to discuss and to demonstrate the product they created during the session. In addition, Instructional Technology offers online teacher training.

While the District offers a comprehensive catalog of training courses, professional development time is a site-based decision. The District offers opportunities for staff to attend regional and national conferences in addition to its own Technology Conference. Moreover, the District encourages attendance and participation at conferences and training seminars outside of the District, as well as offering onsite and online training. Again, although doing a commendable job in delivering professional development, the lack of mandatory attendance hampers the District's ability to increase the percentage of teachers attaining Stage II and Stage III level of proficiency.

Appropriate Technologies———————————————

8 The District bases technology acquisitions on instructional needs and makes technology acquisitions based on those needs.

The District's technology acquisition process is founded on sound research, planning and evaluation methodologies

Instructional Technology performs extensive research in developing recommendations for adopting instructional technology needs. The research is focused on evolving the best solution for the program under consideration at the best possible price. Research includes networking with other educators across the U.S., attending conferences by Instructional Technology staff, research on the Internet and meetings with vendors explaining their approach and solutions.

As the entity responsible for managing public school technology funds, Instructional Technology demonstrates using the results of research to initiate new programs. For example, to benefit from economies of scale, District-wide purchases of software and other electronic resources are initiated based on instructional program needs. Instructional Technology is also responsible for managing the replacement of instructional computers. As such, this department has initiated large computer purchases for the replacement program. Otherwise, the majority of technology acquisitions in the District are initiated at the individual schools.

The District's Technology Standards Committee performs the function of adopting and updating technology platforms. The committee is composed of Dr. Dan Tosado, Associate Superintendent OIT; Chris Master, Director Instructional Technology; George Balsa, Chief Auditor; Henry Fraind, Dep. Supt. Schools (retired); Rose Barefield-Cox, Chief Procurement Officer. Recommendations are made to this committee by District staff. This committee has been in place for two years.

The Technology Standards Committee meets, as needed, which generally equals once or more a month. The trigger for the committee to meet is a single anticipated order over $70,000 and/or a request for a particular vendor, or a specific circumstance identified by a committee member or by an individual or office in the field. The $70,000 threshold was determined by analyzing computer purchases from all locations over a period of time. Single orders below $70,000 can be made without going to bid. Further, there is a flag in place on requisitions to preclude locations from splitting orders to avoid the threshold. The Procurement Advisory Committee oversees purchases.

9 The District bases technology acquisitions on the results of research, planning, and evaluations of previous technology decisions to ensure technology decisions are cost-effective.

The District's technology acquisition process is founded on sound research, planning and evaluation methodologies. However, the District should consider alternatives to developing and maintaining custom software

The Office of Information Technology has developed processes for acquiring new technology for the District. The process is documented and solicits input from Instructional Technology staff as well as other stakeholders. To further its research, the District actively participates in a number of organizations that provide information and national standards on technology acquisition.

Software Technology Acquisition

The Office of Information Technology utilizes both in-house development and packaged software in providing solutions to meet District needs. Every request for a new application is reviewed on a case-by-case basis using the following method.

OIT researches available packaged software first. If a package is found that meets requirements and is within budgetary constraints, a pilot is implemented at no cost to the District.

Upon a successful pilot, package purchase and subsequent deployment follow.

If the software is found unsuitable during pilot or is cost prohibitive, OIT analyzes the scope and cost of an in-house developed solution.

Hardware Technology Acquisition

The District Technology Standards Committee determines hardware specifications for the District. Input to this committee is provided via input and feedback from individuals within the District, input from external sources and research on the part of OIT and Instructional Technology staff. All purchases conform to legal requirements and are subject to purchasing department oversight. In addition, the Procurement Advisory Committee oversees the purchases.

Two recommendations previously made in this chapter affect the District's purchasing strategy. By implementing the recommendation to standardize desktop, printer and server acquisitions to one or two vendors, the number of vendors to manage would shrink. Additionally, in the event a seat management strategy is employed, the District will no longer be required to purchase the hardware.

Business Systems Acquisition

Berkshire Advisors believes the District should review its strategy of developing customized software. At this time, the District develops software to maintain legacy business applications that were originally installed in 1982. The systems are no longer supported by the implementing vendor and have been modified extensively by the District. Furthermore, the District has chosen to custom develop an assessment management application even though an existing system already has the functionality users need.

Evolution in Technology

Early computer systems were designed by replicating the workflow of each department they processed data for. A system was designed for human resources, one for finance and so forth. Each contained redundant data (e.g., employee name, number, etc.). Later systems reduced redundant data but failed to study workflow in the context of all departments. Systems today have been designed to encourage users to redefine their business processes to reduce and/or eliminate redundancy.

We commend the Office of Information Technology (OIT) for its excellence in keeping legacy systems operational. However, we believe the District should rethink its strategy of developing customized software. The District should consider an Enterprise Resource Planning (ERP) [20] solution that enables the District to reduce its dependence on customized software and to streamline its business processes which can result in significant productivity gains.

At this time, most of the Fortune 500 companies use 3rd party systems to meet their business needs – finance, human resources, payroll, purchasing. Companies implement these systems to take advantage of best practice business processes and integrated workflow. In so doing, the District can reduce the demand for programming staff, freeing valuable technical resources to support newer, more efficient systems. Many school districts also have or are in the process of implementing ERP solutions – some successful, some not. San Francisco Unified School District implemented PeopleSoft [21] with limited success. Houston ISD implemented a combination of PeopleSoft and SAP[22] with success. Dallas ISD is in the process of implementing Oracle Financials [23]. Clark County is considering replacing its legacy systems with an ERP solution. These are but a few examples of activity in progress at other school districts.

Summary

Information technology is a powerful tool for achieving the District's educational goals. Acquiring equipment and launching websites, while extremely helpful, does not address an underlying problem in the District – the perpetuation of customized software to develop new applications and to maintain or enhance existing ones. In our opinion, there has to be a paradigm shift from merely meeting the customer's request to understanding the customer's request in the context of total workflow.

Relying too heavily on customized software puts the District at risk by perpetuating the need for more customization. Because software has evolved dramatically since 1982, we recommend that the District consider an ERP solution as an alternative to perpetuating the development of customized software. Coupling reduced or level budgets with an increasing demand for products and services we believe should induce the District to consider alternative ways to enhance the delivery of its products and services.

Berkshire Advisors recommends that the District include, as part of developing a District-wide strategic technology plan, a detailed study to determine the upfront costs and eventual savings that can be realized by a packaged ERP solution. To accomplish this, the District should hire a qualified firm to review current legacy systems and make an independent recommendation regarding the available alternatives. Berkshire Advisors believes that while the cost to

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[20] The process of looking at the total solution, not standalone systems.
[21] 3rd Party ERP Solution
[22] 3rd Party ERP Solution
[23] 3rd Party ERP Solution

replace systems may seem exorbitant, one can assume that the useful life of any system implemented would be 10 years. Couple the life of the system with the total monies that will be managed through its use (MDCPS budget over 10 years is approximately $45 billion - $50 billion), an investment in a new system of $100 million represents 2/10 of 1% of the $45 billion. [24]

Recommendations

- *We recommend that the District review its strategy of developing customized software and consider alternative methods such as an ERP solution for delivering IT products and services.*

Action Plan 6-8 provides the steps needed to implement this recommendation.

Action Plan 6-8

Review the strategy of developing customized software and consider alternative methods such as an ERP solution for delivering IT products and services	
Strategy	The District and an independent consultant review alternative methods for delivering IT products and services.
Action Needed	Step 1: The CIO forms a committee to develop a component of the strategic technology plan (in Action Plan 6-2) that includes reviewing alternative methods for delivering IT products and services with the objective of minimizing the District's dependence on developing customized software.
	Step 2: The committee develops the component.
	Step 3: The component is integrated into the RFP in Action Plan 6-2.
Who is Responsible	CIO
Time Frame	May 2002 through May 2003
Fiscal Impact	This recommendation should be accomplished as part of the District-wide technology planning process.

Source: Berkshire Advisors, Inc.

10 The District has established standards for acquiring new programs and digital content that promote the integration of technology into everyday curricular needs.

The District's Instructional Leadership Committee and the Technology Standards Committee take a lead role in establishing digital content standards and integration policy

The District has established minimum standards for hardware and software procurement, which are detailed in the acquisition contract of which there is two years remaining. Additionally, given that technology is moving at a rapid pace, these standards are constantly reviewed and updated when required. Also, prior to the acquisition of newer

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[24] Dallas Independent School district has budgeted $30.3 million to accomplish this objective. MDCPS can expect this number to possibly exceed $40 million.

technology, the Office of Instructional Technology takes a lead in testing the new standard prior to agreeing to make it available for general procurement.

For educational content, District curriculum specialists publish lists of recommended instructional courseware that is compatible with existing systems and aligned with District and state standards. Previously the District had a software preview center but because it was underutilized, curriculum specialists and regional technology specialists now attend monthly software presentations.

The Office of Information Technology developed and currently maintains the official District portal www.dadeschools.net. Within the District portal, the Division of Instructional Technology and Media Support Services has created an instructional portal, which includes online professional development, instructional software resources, tools for assessment, and lesson planning. The instructional portal is used by a significant number of certificated staff. The portal approach ensures equitable access across the District and at the same time gives the District the benefits of economies of scale. Currently, the portal demonstrates an attempt to meet the needs of all members of the learning community, yet its organization is clearly fragmented.

We recommend that a comprehensive, cohesive approach to the continued development of the portal should continue. This should include procuring and developing integrated applications and resources, which are driven by instructional needs.

Recommendations ———————————————

- *We recommend that the District develop standards and procedures by which the portal should be populated and managed.*

    Action Plan 6-9 provides the steps needed to implement this recommendation.

Action Plan 6-9

Develop standards and procedures by which the portal should be populated and managed		
Strategy	Evolve standards and procedures to continue populating the District's portal.	
Action Needed	Step 1:	Both the Administrative Director for Instructional Technology and the CIO puts together a committee to oversee portal standards and procedures development.
		• Clearly define areas of responsibility
	Step 2:	Review existing portal activity
	Step 3:	Present Portal recommendations to the Technology Steering Committee.
	Step 4:	Adopt and implement recommendations.
Who is Responsible	Administrative Director forInstructional Technology and the CIO	
Time Frame	May 2002 through May 2003	
Fiscal Impact	This recommendation can be accomplished with existing resources.	

Source: Berkshire Advisors, Inc.

11 The District has a stable and efficient infrastructure; however, as part of the District-wide technology planning process, the District should assess future infrastructure needs and develop cost effective strategies to maximize service delivery.

The District has implemented a solid standards-based infrastructure that meets today's basic data communication needs; however, it should consider making future changes in Wide Area Network (WAN) methodologies and strategies that result in better performance and increased capacity [25]

Stable Network Infrastructure

The District has a stable infrastructure in place that achieves the current objectives it has set for itself relative to connectivity. However, schools with larger student populations will require greater bandwidth availability and reliability beyond what is currently provided. Currently the District uses protocol prioritization to ensure access to mission critical business application bandwidth availability across the Intranet. The District should better posture itself for the growth of applications delivered to the classrooms and business offices that will require more bandwidth, and for greater reliability of Internet and Intranet connectivity. The District should measure and evaluate current bandwidth utilization at the largest population schools, typically found at middle and high schools, and adjust bandwidth delivery for these schools to average around 50% utilization or less to insure peak periods don't negatively impact response time.

At this time, E-rate dollars are available to the District for infrastructure enhancements. As a result, the District should be proactively planning the growth of the network based on E-rate available dollars (in some cases 10 cents to 20 cents on the dollar). Taking advantage of E-rate dollars can mean that the network infrastructure will be available as bandwidth requirements increase, placing the District in a position to accommodate future growth in the network.

The District should address Internet and web access reliability. The weakest link in reliable Internet access by the schools rests with single-point-of-failure WAN links between each site and the OIT backbone. Currently, the District installs a second T1 line for schools reaching bandwidth capacity. The average bandwidth consumption at peak times during the day remains stable at 60%. [26]

There are definite overall cost benefits in simplifying the existing WAN network. One of the ways is to simplify through eliminating Frame Relay encapsulation and treating the WAN links as point-to-point connections using High-level Data Link Control (HDLC) encapsulation. Frame Relay networks are more complex and difficult to troubleshoot the larger they get compared to treating each WAN link as a point-to-point connection.

Frame Relay is designed for WAN network links consisting primarily of short bursts of traffic. Internet browsing traffic, telnet sessions and terminal emulator traffic are good examples of this type of traffic and are present components of network traffic at the District. However, with the increasing reliance on Internet and Intranet resource use in the schools, such as large file downloads, streaming video and audio, as well as the District's business applications, the nature of this traffic is better suited to T-1 circuits that use HDLC encapsulation rather than Frame Relay. Provisioning this change provides a good opportunity to further simplify the WAN infrastructure while providing a better model for scalability. The conversion, once determined to have little cost impact, should be relatively easy.

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[25] A Wide Area Network is a network that uses common carrier provided lines. The various types of common carrier connections determine the speed at which you connect to the Internet and the World Wide Web.

[26] Based on information received from the District on February 26, 2002.

The real downside to Frame Relay is that a point can be reached where data integrity is not guaranteed when a threshold called the Committed Information Rate (CIR) is surpassed. Passing the CIR threshold can also cause valuable bandwidth to be consumed by the retransmission of data. Since the District currently uses multiple DS-3 circuits to distribute communications from the WAN backbone to the remote sites via Frame Relay T-1s, the configuration change away from Frame Relay to HDLC is relatively easy and inexpensive.

It is important that the District monitor all Frame Relay circuits on a regular basis to check if the CIR threshold for each circuit is surpassed. When the CIR is surpassed regularly on a circuit, it is time to raise the CIR level on that circuit. This increases the circuit reliability and the circuit cost.

Infrastructure design should include desired performance under worst-case scenarios. Reducing the complexity of the network will help reduce operational costs and simplify network configuration and trouble-shooting time. Any cost savings would provide revenue to implement redundant network connections to all remote sites thereby ensuring remote site communication reliability while reducing network congestion.

Network Integrity

The District is proactive relative to maintaining the integrity of its network. The District utilizes a firewall and anti-virus software to ward off the most commonly known potential threats of unwanted network incursions. Virus cures are updated on servers and workstations at the District on a regular basis. However, the District is not using best practices in the deployment of its firewall.

A firewall is a critically important network component for individuals and organizations that connect to the Internet. The firewall is a system or group of systems that enforces an access control policy between two independent networks. The two networks are typically the Internet network and a local private network such as a school district. The actual means by which firewall access control policy is accomplished may vary. The firewall can be thought of as two security guards standing at the gate that joins the two networks. One guard blocks traffic from entering, the other permits traffic to leave. Only traffic with specific permission can enter or leave through the gate. Each guard makes the determination of who can enter or leave based on specific access control policies. In addition, there are usually one or more special access points through a firewall that common access from the public network (the Internet) is allowed to go. This is typically referred to as the Demilitarized Zone (DMZ). The District does not currently have a DMZ configured on its firewall.

Software viruses are cleverly designed to enter or leave through firewalls on permitted traffic or travel across private networks on the information sent from computer to computer. Viruses are hidden programs that infect computers and perform undesirable results. Their capabilities range from being minor nuisances to stealing any information on the computer and sending it to a prescribed recipient.

Anti-virus software resides on network servers and workstations. The anti-virus software for known virus types analyzes all traffic, sent or received, by these devices. The traffic viruses may be in the form of e-mail, an e-mail attachment or a file downloading from the Internet or some other storage device. When a virus is detected, the virus is removed by prescribed methods contained in a virus definition file. In some cases the infected file may be quarantined until manual action is taken. Thousands of new viruses are produced every month. Many are variations of existing viruses while some may be new. Anti-virus software companies produce updated virus definition files on a bi-weekly or weekly basis as new virus threats are discovered and their cures produced. Therefore, it is imperative that servers and workstations are updated bi-weekly or weekly with the latest virus definition file to ensure pro-active protection.

Special types of viruses, such as the Code Red virus, target specific weaknesses of computer operating systems. These viruses require special software updates to the computer operating system. Prior to the onslaught of the Code Red virus, the OIT staff warned the schools of the upcoming problem and spoke with school site personnel explaining the potential of Code Red problem and the security patches that should be applied to servers and workstations.

Efficient Network Infrastructure

Each District facility contains a Local Area Network (LAN) that controls traffic flow within the facility. Wide Area Networks (WAN) connect Local Area Networks together with telecommunications links and routers. Routers are high-speed computing devices that serve as network traffic travel agents and determine how the information sent over the network gets to the intended receiver. Routers have the ability to also send their status information to monitoring devices that know how to ask for it.

The District utilizes a number of commercially available tools to monitor its network infrastructure. The District uses HP Open View, an industry standard, to monitor network devices down to the router level and uses Cisco's NetRanger for intrusion and malicious activity detection. HP Open View is a status-monitoring program that runs on a UNIX or NT server. The program polls each router for its status information on a regular basis, usually every 5-10 minutes. HP Open View also has the ability to interface directly with many popular help desk trouble-ticket systems such as Peregrine and Remedy. This enables the help desk system to automatically open a work order, with all of the location information about the failed router and automatically assign the ticket, and/or send a page to the appropriate technician. The District utilizes Peregrine to track help desk calls and issue work orders to perform work that cannot be resolved by the help desk. The District demonstrated effective and efficient operation of the help desk operations through the use of Peregrine. However, the generation of statistical reports on a regular basis was impaired due to technical problems with the system.

Integration of Open View with Peregrine is highly recommended and will result in better customer service, provide for accurate reporting from the Peregrine database on network failures, equipment problems and service trends. These types of reports will enable the OIT department to be more pro-active in network performance, analysis, and maintenance, while providing metrics for assessing quality of service delivery.

The District has standardized its purchase of network equipment. The standard identifies Cisco router products for use in the WAN and either Cisco or Nortel products for Layer-2 Ethernet Switches in the LANs. The LAN standard is acceptable for today's purposes but could result in cross-platform problems resulting in higher support costs if the District implements application or devices which require Layer-3 switching in the future.

Recommendations ───────────────────

- *The District should assess future infrastructure needs and develop cost-effective strategies to maximize service delivery.*

Action Plan 6-10 provides the steps needed to implement this recommendation.

Action Plan 6-10

The District should assess future infrastructure needs and develop cost-effective strategies to maximize service delivery	
Strategy	Determine the value to students, teachers, and District staff for having a more robust, scalable and highly reliable WAN infrastructure.
Action Needed	Step 1: Identify stakeholders to sit on a review committee.
	Step 2: As part of developing a District-wide strategic technology plan (in Action Plan 6-2), include a component that assesses future infrastructure needs and cost-effective strategies to maximize service delivery.
	Step 3: Determine whether there are circuit cost savings in changing T-1 methodologies and whether Florida has an Education House Bill that puts service fee caps on regulated carriers.

	Step 4: Develop funding and E-rate discount strategies.
	Step 5: Integrate the component into the RFP in Action Plan 6-2.
Who is Responsible	CIO and stakeholder review committee
Time Frame	May 2002 through May 2003
Fiscal Impact	This recommendation should be accomplished as part of the District-wide technology planning process.

Source: Berkshire Advisors, Inc.

- *The District should review the installation of redundant WAN links.*

Action Plan 6-11 provides the steps needed to implement this recommendation.

Action Plan 6-11

The District should review the installation of redundant WAN links	
Strategy	Determine the value to students, teachers, and staff for having a more robust, scalable WAN infrastructure, and highly reliable WAN links due to WAN link redundancy for schools and administrative sites.
Action Needed	Step 1: As a charge of the same stakeholder review committee as the recommendation above, determine the benefit to students, teachers and staff if access reliability to Intranet and Internet resources is improved significantly by implementing dual links to facilities.
	Step 2: Adjust RFP deliverables accordingly.
Who is Responsible	OIT and stakeholder review committee
Time Frame	May 2002 through May 2003
Fiscal Impact	None, as it would be part of Action Plan 10.

Source: Berkshire Advisors, Inc.

- *The District should conduct a network performance baseline assessment on the backbone and all WAN links every two to three years. Yearly performance metrics should be compared to the last baseline study to project accurate infrastructure scaling and budget requirements. Yearly performance metrics should also identify percentage of bandwidth used by each network application. Application network performance tools should also be used to ensure that all network applications planning to be deployed or already deployed are efficient users of bandwidth. Errant applications should be discarded, replaced or re-engineered.*

Action Plan 6-12 provides the steps needed to implement this recommendation.

Action Plan 6-12

The District should conduct a network performance baseline assessment on the backbone and all WAN links every two to three years	
Strategy	Perform baseline assessments in order to provide a clear point of reference in time for defining network and application performance metrics and deficiencies in LAN and WAN infrastructures in order to predict and plan for network capacity growth and its impact on fiscal budgets.
Action Needed	Step 1: Develop Request For Information (RFI) to identify qualified vendors for network performance baseline assessment and determine the various tools, methodologies and best practices used by qualified vendors in such an assessment.

	Step 2: Develop Scope of Work (SOW) document with clearly identified objectives, deliverables, recommendations and knowledge transfer expectations.
	Step 3: Embody SOW within an RFP.
	Step 4: Review and award the RFP to qualified vendor.
	Step 5: Perform assessment.
Who is Responsible	OIT Department
Time Frame	May 2002 through October 2002
Fiscal Impact	We estimate the one-time cost to the District to be no more than $150,000.

Source: Berkshire Advisors, Inc.

- *The District should consider implementing a firewall strategy with an isolated demilitarized zone (DMZ) segment to make hacking into host servers that reside in a DMZ strategy more difficult. The District could then move the District Internet name server, web server and e-mail gateway to a DMZ subnet. The existing firewall product used by the District is capable of providing this functionality with programming modifications.*

Action Plan 6-13 provides the steps needed to implement this recommendation.

Action Plan 6-13

The District should implement a firewall strategy with an isolated demilitarized zone (DMZ) segment to make hacking into host servers that reside in a DMZ strategy more difficult		
Strategy	Use the existing firewall product with the addition of an isolated, access rule controlled, demilitarized zone (DMZ) network segment where external Domain Name Server (DNS), Internet E-mail Gateway Server and Internet Web Servers are located.	
Action Needed	Step 1:	Use the existing firewall product with the addition of an isolated, access rule controlled, demilitarized zone (DMZ) network segment where external Domain Name Server (DNS), Internet E-mail Gateway Server and Internet Web Servers are located.
	Step 2:	Review existing firewall configuration and identify configuration changes required on affected routers, switches and firewall.
	Step 3:	Create a sequential "actions to be performed" list.
	Step 4:	Schedule time for implementing changes.
	Step 5:	Execute changes.
	Step 6:	Test hosts on DMZ for proper access and restrictions from Internet and Intranet networks.
Who is Responsible	WAN Department within OIT	
Time Frame	May 2002 through October 2002	
Fiscal Impact	The District estimates the one-time cost for this recommendation to be no more than $75,000.	

Source: Berkshire Advisors, Inc.

- *The District should continue with its plan to implement web-cache servers. This would speed up Internet traffic and conserve on average 50% of the available 100Mb bandwidth to the FIRN Internet connection thereby prolonging the need to increase Internet bandwidth. Currently, according to its data, the District is consuming 60% of its available Internet bandwidth. Web-cache servers would drop this to around 30% consumption, thereby extending growth headroom.*

Action Plan 6-14 provides the steps needed to implement this recommendation.

Action Plan 6-14

The District should continue with its plan to implement web-cache servers		
Strategy	Implementing web cache servers will result in greater efficiency of available bandwidth utilization of Internet traffic.	
Action Needed	Step 1:	Identify products to evaluate and review.
	Step 2:	Develop a product comparison criteria matrix.
	Step 3:	Request and schedule product evaluations for multiple cache products testing each for at least 45 days on the District's network.
	Step 4:	Update comparison matrix for each evaluation.
	Step 5:	Determine best product fit for District needs.
	Step 6:	Acquire product through purchasing process.
	Step 7:	Implement.
Who is Responsible	WAN Department with OIT	
Time Frame	May 2002 through October 2002	
Fiscal Impact	This recommendation can be accomplished with existing resources.	

Source: Berkshire Advisors, Inc.

Use of Technologies———————————

12 The District has established and communicated a policy stating appropriate uses of all types of technology resources, including computers, video equipment, software, and the Internet.

The District should modify the Acceptable Use Policy to require supervision while a student is on the Internet

The District has an Acceptable Use Policy that describes appropriate uses of all types of technology resources including computers, video equipment, software, and the Internet. For the most part, this policy is comprehensive and covers a broad range of issues including:

- Appropriate content and classroom use of web pages;
- Guidelines describing the appropriate and inappropriate use of technology (including school computers, the Internet, copiers, facsimile machines, and TV/VCRs); and
- Guidelines describing the legal uses of both instructional and non-instructional video materials.

One shortcoming in this policy, however, is that it does not specify that students are not allowed to access the Internet without supervision. Instead, the District's current practice is for parents to complete a form allowing the student's access to Internet content.

The District has done an effective job of communicating its Acceptable Use Policy

Employee survey results suggest that the District has done an effective job of communicating its Acceptable Use Policy to employees. More than two thirds of the survey respondents (67%) "agree" or "strongly agree" with the statement, "I have been provided guidelines describing the appropriate and inappropriate uses of technology, such as school computers, the Internet, copiers, facsimile machines, and TV/VCRs." Only 8.8% of the survey respondents "strongly disagree" with this statement. Moreover, slightly fewer than three out of five survey respondents (58.7%) "agree" or "strongly agree" with the statement, "I have been provided guidelines describing legal uses of digital materials" and only 11.3% of the survey respondents "strongly disagree" with this statement.

Recommendations

- *Modify the current Acceptable Use Policy to include supervision while a student is on the Internet.*

  Action Plan 6-15 provides the steps needed to implement this recommendation.

Action Plan 6-15

Modify the Acceptable Use Policy		
Strategy	Revisit the Acceptable Use Policy (AUP).	
Action Needed	Step 1:	The Administrative Director, Division of Instructional Technology and Media Support Services initiates an amendment to Board rule 6Gx13-6A-1.112. [27]
	Step 2:	The draft AUP is presented to District legal for review.
	Step 3:	Legal approves the AUP as to form.
	Step 4:	The Administrative Director puts adoption of the revised AUP on the Board agenda.
	Step 5:	The AUP is adopted and implemented.
Who is Responsible	Administrative Director, Division of Instructional Technology and Media Support Services	
Time Frame	May 2002 through August 2002	
Fiscal Impact	This recommendation can be accomplished with existing resources.	

Source: Berkshire Advisors, Inc.

13 The District supports compliance with the established policy on safe and legal use of technology resources.

The District takes appropriate steps to ensure the safe and legal use of technology resources

The District has established effective practices to ensure the safe and legal use of technology resources. Roles and responsibilities regarding the appropriate use of technology resources have been appropriately defined. The Office of Information Technology develops and implements policy and programs for District systems while system users

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[27] Board Rule Acceptable Use of the Internet, based on information received from the District on February 26, 2002

are responsible for determining who should have what type of access to systems consistent with these polices. Moreover, individual departments, with input from the Office of Information Technology, are responsible for ensuring appropriate controls are in place. Assigning responsibility for the safe and legal use of technology with individual departments and units is sound, especially in an organization as large and diverse as the MDCPS. In addition, the District uses a number of hardware and software tools to assist it in ensuring a safe and secure programmatic and physical environment. These tools include lockdown devices where required, secure rooms when necessary and virus protection software for all systems.

Business Systems

14 While the District generally segregates duties to reduce the risk that unauthorized transactions will be entered and not discovered quickly, the current assignment of the OIT function to the Chief Financial Officer is inappropriate.

Until recently all information technology functions were appropriately segregated

The Office of Information Technology has appropriately segregated duties to reduce the risk that unauthorized transactions will be entered and not discovered quickly. Responsibility for application systems development (i.e., design and programming), maintenance and system software, and operations has all been assigned to separate organizational units. In addition, personnel policies and procedures have been established to ensure the integrity of information systems. Reference checks are performed for all new employees and employee duties are rotated from time to time. Security procedures are in place to eliminate access to the District's data systems immediately after an employee has been terminated.

The current assignment of the Office of Information Technology to the Chief Financial Officer is inappropriate.

While the District generally segregates duties to reduce the risk that unauthorized transactions will be entered and not discovered quickly, the current assignment of the OIT function to the Chief Financial Officer is inappropriate. This reporting relationship is not only in clear conflict with the Commissioner of Education best practices which have been adopted by the state, but also with practices employed in most large K-12 school districts across the United States. When information technology reports directly to one of the operating departments for which it processes data, the independence of the information technology function is compromised and the risk that data might be inappropriately manipulated increases. (Please note, however, that there is no indication whatsoever that anything inappropriate with regard to the manipulation of data is currently taking place in the Miami-Dade County Public Schools.)

Recommendations

- *As discussed in finding 1, Berkshire Advisors recommends that the Office of Information Technology report directly to the MDCPS Superintendent.*

  Action Plan 6-16 provides the steps needed to implement this recommendation.

Action Plan 6-16

Assign responsibility of the Office of Information Technology to the Superintendent MDCPS		
Strategy	Reassign OIT to the Superintendent.	
Action Needed	Step 1:	Assign responsibility for information technology to the recommended Chief Information Officer.
	Step 2:	Assign the Chief Information Officer to report directly to the Superintendent.
Who is Responsible	MDCPS Superintendent	
Time Frame	June 2002	
Fiscal Impact	This recommendation can be accomplished with existing resources.	

Source: Berkshire Advisors, Inc.

15 The District's user controls ensure authorization prior to processing transactions and ensure all output represents authorized and valid transactions.

The District has adequate user controls

School funding is partially based on Full Time Equivalency (FTE) formulas weighted by educational program enrollment as defined by state rules. All the student academic and demographic information required for FTE is stored in the Office of Information Technology (OIT) mainframe, which is secured by Resource Access Control Facility (RACF). [28] This in itself effectively limits access to the data.

A number of large complex MDCPS systems (ISIS for student and course information, DECO for K-12 FTE, and DECA for adult/vocational FTE, and FASTER for permanent record and transcript system, among others) incorporate many on-line screens, and use batch reports to create, store and send the data to the state. These systems produce a number of batch reports for both the schools and central administration to monitor the recording of the data. The sheer complexity of the mainframe systems is also a form of security in that they are not intuitive and simply cannot be entered and used to modify data without a great deal of knowledge.

MDCPS has a full time office (the FTE Office) within the Division of Attendance Services, which audits District and school FTE recording activities. All FTE applicable data and systems are available to FTE staff. This office has a number of FTE specialists who go out to schools and audit teacher grade books, attendance, computer records and other related material on site. This office also conducts a number of workshops every year to keep all District staff apprised of the latest local and state requirements. Staff members at OIT responsible for help desk functions are in constant contact with school personnel and work closely with them to keep data maintained accurately. This staff also has access to all data and would catch most discrepancies. Strict auditing procedures are applied not only by MDCPS but also the state. The state of Florida regularly audits schools looking for discrepancies.

There are five different FTE reporting periods and very specific data is reported in each of these periods. The state requirements are complex and must be followed precisely. Any deviation can result in loss of funding. In the fiscal year ending 6/30/1999, the date of the last audit by the Florida Audit General, MDCPS lost approximately $167,000 out of a total of $991,000,000. [29] This represents an error rate of about .016, which the Audit General's staff said was the lowest error rate of all the Districts in the state.

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[28] RACF is a security application.

[29] Audit dated March 2001, report number 01-083

All school system security policies apply, especially to this type of data, and are to be followed at all times by all staff. These include limiting physical access to the administrative machines that have mainframe connections to authorized staff only and meeting all requirements in the MDCPS Network Security Policy. The Network Security Policy mandates measures such as updated anti-virus software (to prevent access to the machine via Back Orifice and the like), timeouts and passwords. In all aspects, the site supervisor is responsible for seeing that correct procedures are followed and is held liable if they are not. Failure to conform to proper data entry procedures is seen as a serious matter and is punishable.

16 The District's applications are designed to provide users with reliable data.

The District's applications are developed and in compliance with its standards manual

The District has taken appropriate steps to ensure that its applications are designed to provide users with reliable data. Most notably, effective controls have been established and are monitored by the various OIT departments. These controls include programmatic controls that provide for checks at the data element level as well as transactions reports, which are produced by applications and can be used by users to review data quality. In addition, the District has taken steps to ensure that input data is edited and validated. Applications have also been designed to facilitate the tracing of computer output to data source and vice versa.

17 The District has established general controls in the areas of access, systems development and maintenance, documentation, operations, and physical security to promote the proper functioning of the information systems department.

The District has established sufficient controls and procedures to ensure the proper functioning of the Office of Information Technology

The District has documented processes and procedures in place that promote the proper functioning of the Office of Information Technology. (The processes and procedures are summarized in a written policies and standards manual.) The effective processes and procedures that have been established include the following:

- Written specifications are required for new systems.
- Written specifications are required before modifications can be made to existing applications.
- Written procedures have been established to test and evaluate new systems to ensure they are designed to meet the District's information system needs.
- Written procedures have been established to test and implement changes in system software.
- Controls have been established over the use and retention of tape and disk files.
- Procedures have been established to ensure the timely backup of data and to protect against the loss of important files, programs, or equipment.
- A system of badges, restricted access and keyword/keypad access to computer equipment has been established to limit access to data processing equipment, tapes, disks, system documentation and application program documentation to authorized employees.

- A scheduling system has been established to govern the processing of required programs.
- Adequate supervision is required on all shifts.
- Procedures to be followed by computer operators have been documented.
- Controls are in place to limit access to and prevent the release of confidential and sensitive data.
- Procedures have been established within the data processing control function that govern the review and distribution of output.
- A written disaster recovery plan is in place.
- Adequate insurance is available to cover data processing equipment.

18 The District's management information systems provide data needed by administrative and instructional personnel in a reliable and timely manner.

The District provides data in a timely and reliable manner

The District's management information systems provide data identified and requested by management and instructional personnel in a reliable and timely manner. In addition, the data the District sends to other agencies meets generally accepted practices as evidenced by a positive review by KPMG[30] for the District's FTE DECO process.

19 The District should take steps to minimize the number of databases that are independent of its centralized computer systems.

The District has a number of disparate databases and should consider doing a database inventory

As a result of numerous interviews performed by Berkshire Associates, the consultants learned the diversity of database applications used and maintained by various user departments is widely varied. The key advantages to database standardizations and consolidations used within large dispersed organizations such as school districts is realized by providing a single common, fast interface through which data sets can be made relational and accessed across multiple databases by many users. Relational databases that are based on the Structured Query Language (SQL) standards offer the highest performance and cost/benefit.

The District tracks and maintains records relative to OIT operations and data processing. OIT does not track databases that are developed and maintained by the various user departments. Information contained in these databases usually consists of critically important information that is not readily available to central management's decision processes.

Additionally, it is important to note that an increase in standalone databases (in some cases, shadow systems) is in many cases a clear indication of the lack of confidence in the data available in the production systems.

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[30] KMPG audit July 2001 – September 2001

The District should perform a database inventory that would quantify, categorize and identify databases used within the various user departments. The database inventory would be evaluated to identify those databases that contain data important to administrative and business planning decision processes. Databases that are identified to contain important information should be prioritized and scheduled for conversion and consolidation based on the District database standard. The resulting cost and operational benefit to the District would be realized in more efficient business operations, easier reporting capability and wider availability of important data to more people.

Recommendations

- *The District should perform a database inventory that would quantify, categorize and identify databases used within the various user departments.*

Action Plan 6-17 provides the steps needed to implement this recommendation.

Action Plan 6-17

The District Should Perform A Data Base Inventory And Consolidate Where Possible	
Strategy	Collect disparate data base information to determine if capability already exists in OIT or if new systems are required.
Action Needed	Step 1: CIO assigns an individual to develop data collection methodology.
	Step 2: Inventory forms provided to disparate data base developers/users.
	Step 3: Results collected and analyzed.
	Step 4: Report provided to CIO, OIT for action.
Who is Responsible	CIO
Time Frame	May 2002 through March 2003
Fiscal Impact	This recommendation can be accomplished with existing resources.

Source: Berkshire Advisors.

20The District has established appropriate controls related to electronic data exchange transactions processed through electronic media, and image processing systems.

The District does not do any Electronic Data Interchange (EDI) transactions.

7 Personnel Systems and Benefits

The Miami-Dade County Public Schools Personnel System and Benefits function has strong leadership and in recent years has improved many personnel practices. Additional improvement is possible, however in the areas of recruitment, workforce stability, customer service, use of data in planning and evaluation, communications, substitute hiring and deployment, managing employee misconduct investigations, records management and use of technology.

Conclusion

The Miami Dade County Public Schools (MDCPS or the District) Personnel System and Benefits has several practices in place that contribute to improved efficiency and effectiveness in service delivery. The District uses technology to assist in recruitment, staffing and professional development. Its professional development program for instructional and non-instructional staff is comprehensive and provides continued professional growth. The leadership development program for school administrators includes an assessment of potential leadership capabilities and a competency based curriculum. Instructional staff is evaluated using the Procedures for Observation, Assessment and Evaluation of Instructional Personnel (PACES). PACES supports improved instruction through the use of a professional support team, colleague teachers and mentors. MDCPS supports teachers in obtaining National Board for Professional Teaching Standards Certification. The District ranks number one in the state and fourth in the country for National Board Certified teachers. The Office of Professional Standards supports the District in managing poorly performing employees and employee discipline matters. The District has used effective cost containment practices in managing the workers' compensation program. The District's claims experience in managing workers' compensation has improved, reducing workers' compensation costs from an average cost per claim of $1,600 in 1998 to an average cost per claim of $1,400 in 2001.

While there is improved effectiveness and efficiency in service delivery in the personnel and benefits function, some improvements are warranted. Existing recruitment practices are unlikely to be adequate to meet the District's needs as competition for staff increases. A more systematic and targeted approach to recruitment and retention of qualified staff is needed to ensure that vacancies are filled in hard to fill locations and critical shortage areas. The District needs to establish performance measures and targets to measure recruiting progress and assess the efficiency and effectiveness of the recruitment program. A more systematic approach to evaluate positions to support effective salary administration is needed. Improved communication with job applicants would strengthen the hiring process.

The District has not developed a systematic approach to assess factors that contribute to workforce instability and has not taken proactive steps to address these factors. A performance/skills based compensation system to recognize and reward high levels of performance would support improved workforce stability. The District needs to discontinue use of early retirement incentives that are costly and negatively impact workforce stability.

Although the District's overall approach to staff development is sound, the program would benefit from a more systematic approach in the development and evaluation of program offerings for non-instructional staff to ensure that these offerings adequately reflect the district's overall needs. Use of disaggregated data on student performance to ensure that staff development program offerings for instructional staff focus on priority needs would strengthen the District's staff development program. The DATA Center should be discontinued due to its limited district-wide impact and the high cost of the program.

The District's staff development program for school-based administrators is sound, yet procedures for soliciting and receiving feedback on administrator performance by stakeholders should be strengthened.

The linkage between performance and compensation for outstanding performance needs to be strengthened to provide needed financial incentives for improving student performance.

The process for investigating employee misconduct needs to be strengthened by establishing standards and performance measures for investigators to improve timeliness and quality of investigative reports. The District would benefit from the development and implementation of a strategic plan for communication to provide a systematic process to solicit and receive feedback and input.

The hiring and deployment of substitute teachers is neither efficient nor effective. The District needs to develop and implement a strategic plan to improve recruitment and compensation for substitute teachers. The District would benefit from the use of an automated substitute management system to improve the deployment of substitutes.

The District's Records Management System lacks an adequate and effective records management process and records retention schedule. The district needs to aggressively develop, implement and support a quality on-going records management program in compliance with state and federal records retention requirements to include improved use of technology.

The District needs to develop clear policies and procedures for early return to work to strengthen its workers' compensation cost containment efforts.

The Department of Personnel Management and Services needs to develop and implement a strategic plan that includes specific performance standards and measures to assess program performance, efficiency, and effectiveness. A review of the organizational structure and staffing levels of personnel management services using clearly defined criteria should be conducted each year to assess organizational effectiveness. A systematic process to solicit feedback from clients/customers should be established to guide improvements in service delivery and personnel practices.

The District needs to comply with the requirement that direct deposit be mandatory for all school district employees.

Finally, ensuring that an attorney supports the contract negotiation process, clarification of the role of the Chief negotiator, and using interest-based negotiations and decision-making to improve communication can strengthen the District's collective bargaining process.

During the course of this review, Berkshire Advisors identified a number of district accomplishments relating to personnel systems and benefits, some of which are included in Exhibit 7-1 below.

Exhibit 7-1

The District Has Had a Number of Notable Accomplishments in Personnel Systems and Benefits in the Last Three years

- An Automated Applicant Tracking System (ATS) has been established to support recruitment and staffing and online access to applications
- Online course registration and online course offerings are available for professional development
- Distance Learning Opportunities and the beginning stages of a Virtual Campus have been developed to enhance professional programs
- Document imaging is used to support records management
- A new and effective system to evaluate and support instructional staff (PACES) has been developed and implemented
- Comprehensive leadership development training for school administrators has been established
- The process for National Board of Professional Teaching Standards Certification is being supported
- The Office of Professional Stands provides support to schools in strengthening performance management
- Cost-containment efforts have reduced workers' compensation costs by $200 per claim over the past 4 years

Source: Miami Dade Public Schools.

Overview of Chapter Findings

Berkshire Advisors, Inc. reviewed the District's Personnel Systems and Benefits function using the Best Financial Management Practices developed by the Office of Program Policy Analysis and Government Accountability (OPPAGA) and adopted by the Commissioner of Education. The consulting team employed several methodologies to develop chapter conclusions and action plans. For example, Berkshire Advisors consultants conducted extensive on-site interviews with district level managers, region directors, school site administrators, and union leaders and visited school sites where meetings were held with teachers, administrators, other school-based staff and parents. In addition, an extensive document review was performed. This review included a review of school board policies, applicable state statutes, rules and regulations, procedure manuals, published school district reports and other data provided by the District. To receive additional input, Berkshire Advisors conducted a survey of a representative sample of all District employees. In addition, where appropriate, benchmark comparisons of peer districts have been made.

An overview of chapter findings is presented below.

Recruitment, Hiring, Training and Retention of Qualified Staff

1. Although the District's overall recruitment program is generally sound, the program would benefit if it took a more systematic approach to the recruitment and retention of qualified staff and to ensure vacancies were filled in a timely manner. (Page 7-15)
2. Although the District has implemented a number of sound practices to promote workforce stability, it has not developed a systematic approach to assess factors that contribute to workforce instability and has not taken proactive steps to address them. (Page 7-26)
3. Although the District's overall staff development program for non-instructional staff is sound, the program would benefit from a more systematic approach to developing and evaluating program offerings. (Page 7-32)
4. Although the District's overall staff program for instructional staff is sound some modest steps can be taken to strengthen the program. (Page 7-34)
5. The District's staff development program for school-based administrators is sound, yet procedures for soliciting and receiving feedback on administrative performance by stakeholders should be strengthened. (Page 7-38)

6. An effective system for evaluating the performance of employees has been established by the District. (Page 7-40)
7. The District has established effective approaches to working with poorly performing employees. (Page 7-42)

Efficient and Effective Human Resource Management

8. Current communications approaches are not completely effective in part because a systematic process to solicit and receive feedback and input from employees is lacking. (Page 7-44)
9. While the District provides and requires training for substitute personnel, the hiring and deployment of substitutes is neither efficient nor effective. (Page 7-46)
10. The District's records management system lacks an adequate and efficient records retention schedule. (Page 7-49)
11. While the District's use of cost-containment practices for its workers' compensation program is commendable, policies and procedures for early return to work should be strengthened. (Page 7-51)
12. While many human resource programs are working well, performance standards and performance measures are not used to assess program performance, efficiency and effectiveness (Page 7-53)
13. The structure and staffing of personnel management and services should be assessed on an ongoing basis to determine effectiveness. (Page 7-55)
14. A systematic process to solicit feedback from clients/customers should be established to guide improvements in service delivery and personnel practices. (Page 7-56)
15. The District's collective bargaining process is sound but can be strengthened with by improving communication and clarifying of the role of the District's chief negotiator. (Page 7-59)

Fiscal Impact of Recommendations

Five of this chapter's recommendations have a direct fiscal impact. The recommendation to develop an intake team of four support staff will increase costs by an estimated $180,000 in the first year and $120,000 in subsequent years. (This recommendation assumes a cost of $30,000 per employee including benefits and $60,000 to upgrade the Applicant Tracking System in the first year. Salary costs will be ongoing.). Eliminating the DATA Center will save the District $1.2 million for each year or $6.0 million over a five-year period. The recommendation to purchase an Automated Substitute Deployment System will require the investment of $250,000 in year one to acquire and implement the system and $50,000 during subsequent years to support system upgrades. Training for interest-based bargaining assumes a one-time estimated cost of $30,000, which should be shared by the District and the union. In addition, improving management of the Early Return to Work Program will reduce workers' compensation costs an estimate $500,000 each year or $2.5 million over a five-year period. The net savings that will result from implementing each of these recommendations is estimated to be $7.36 million over a five-year period.

Exhibit 7-2

Five Management Structures Action Plan Recommendations Have Fiscal Impacts

Recommendation	Five Year Fiscal Impact
• Action Plan 7-3: Establish four member intake team to manage the application process and communication to prospective employees	• Requires and investment of $180,000 in year one and $120,000 in each subsequent year. The total estimated investment over five years is $660,000.
• Action Plan 7-8: Eliminate Data Center	• The district will save $1,200,000 annually and $6,000,000 over five years.

Recommendation	Five Year Fiscal Impact
• Action Plan 7-12: Purchase Automated Substitute Deployment System	• Requires an estimated investment of $250,000 in year one and $50,000 in each subsequent year for a total investment over five years of $450,000.
• Action Plan 7-15: Improve management of Early Return to Work Program	• Workers' compensation costs will be reduced by an estimated $2.5 million over five years.
• Action Plan 7-20: Training for school board, staff and union leadership in interest-based bargaining	• Requires a one-time investment of $30,000, which should be shared between the District and the Union.

Source: Berkshire Advisors, Inc

Background

The Personnel Management and Services Division provide a broad range of human resources services to support the District's approximately 36,000 employees. There are 225 positions assigned to the Division and the Division's annual budget is $18.5 million in the 2001-2002 school year. This background section provides general information on the Division's mission, its goals and priorities, and its organization.

Mission. The mission of the Personnel Management and Services Division is to "staff schools with highly qualified personnel, support the professional and personal growth of all employees, ensure the quality of performance, manage the contractual stipulations the labor force, assist all employees to achieve and maintain high standards necessary to ensure that all students learn, in ways that are more technologically powerful than ever before."

Goals and priorities. The Division's strategic plan for Personnel Management and Services (which is titled the "Hallmark of Leadership") identifies the following goals and priorities:

1. To improve the image of labor relations and personnel management by implementing more effective employment practices and establishing better communications with the school sites, regions and district worksites, and the general public.
2. To develop new contract language/procedures and communicate effectively to the field the contract stipulations and understanding.
3. To revise established assessment, appraisal and testing instruments and procedures used for entry-level interviews and annual evaluation decisions about employment.
4. To restructure professional development and expand leadership experiences for all employees to provide pathways for personal growth and to promote career advancement.
5. To provide employees with personal and professional services that promote physical, mental and financial well-being.
6. To implement and maintain standards of excellence for the present workforce and future employees.

Organization. The Division was reorganized in 1996 when the Deputy Superintendent for Personnel Management and Services was appointed. As described below, the Division was divided into five offices and reflects the organization at the time of the review. The Division has been reorganized effective February 13, 2002, as shown in exhibit 7-3.10.

- **Employee Support Programs.** This Office, which is headed by an Assistant Superintendent, is responsible for records management, employee leave of absences, retirement programs, unemployment compensation administration, fingerprinting for criminal background checks, Employee Assistance and Wellness Program, compliance with the Americans with Disabilities Act (ADA) and policy development for the district's drug testing program.

- **Professional Standards.** The Office of Professional Standards, which is led by an Assistant Superintendent, focuses on the process and procedures for handling employee misconduct, employee discipline, performance

evaluation, administrative review process management and training, and the district's drug testing program for safety sensitive positions.

- **Human Resources and Development.** The Office of Human Resources and Development provides support to schools and the district for instructional and non-instructional staffing and professional development. An Assistant Superintendent heads this Office.

- **Risk and Benefits Management**. The Office of Risk and Benefits Management, which is headed by an Administrative Director, is primarily responsible for identifying district risks and managing financial solutions, administration of the district's benefits programs, such as health, life insurance, 401K, COBRA administration and workers' compensation program.

- **Wage and Salary Administration**. The Office of Wage and Salary Administration is responsible for compensation administration, job evaluation, salary placement, the maintenance of job descriptions and implementation of wage and salary contract settlements. This office is headed by an Executive Officer.

Exhibit 7-3

Personnel Management and Services Organizational Charts (during the review period- Aug, 2001-February 2002)

Exhibit 7-3.1 Personnel Management and Services
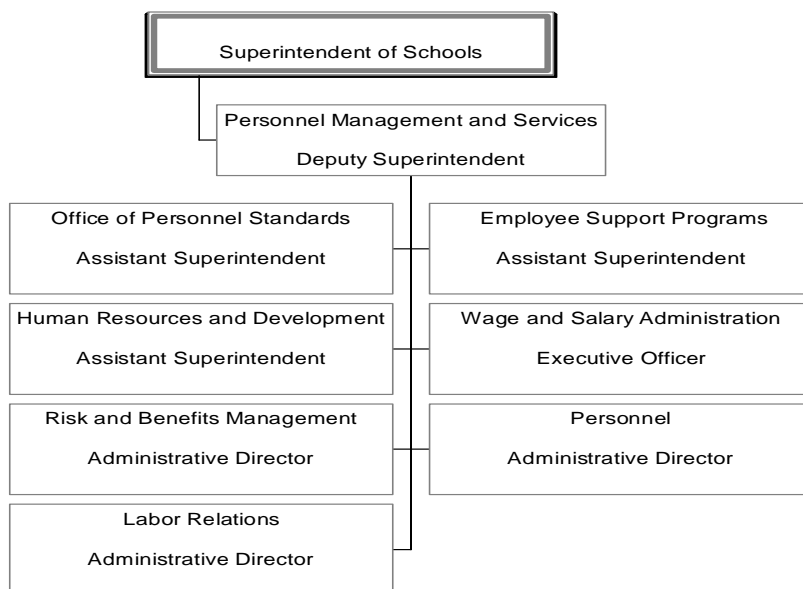
Source: Miami-Dade Public Schools.

Exhibit 7-3

Personnel Management and Services Organizational Charts

Exhibit 7-3.2 Employee Support Program

Source: Miami-Dade Public Schools .

Exhibit 7-3

Personnel Management and Services Organizational Charts

Exhibit 7-3.3 Professional Standards

```
                                              ┌─────────────────────────┐
                                              │ Superintendent of Schools│
                                              └─────────────────────────┘
                                                         │
                           ┌──────────────────────────────┐
                           │ Personnel Management and      │
                           │ Services                      │
                           │ Deputy Superintendent         │
                           └──────────────────────────────┘
                                     │
        ┌──────────────────────────────┐
        │ Personnel Management and      │
        │ Services                      │
        │ Assistant Superintendent      │
        └──────────────────────────────┘
              │
┌─────────────────────────────┐   ┌─────────────────────────────┐
│ Office of Professional      │   │ Office of Professional      │
│ Standards                   │   │ Standards                   │
│ District Director           │   │ District Director           │
└─────────────────────────────┘   └─────────────────────────────┘
┌─────────────────────────────┐   ┌─────────────────────────────┐
│ Office of Professional      │   │ Office of Professional      │
│ Standards                   │   │ Standards                   │
│ District Director           │   │ Executive Director          │
└─────────────────────────────┘   └─────────────────────────────┘
┌─────────────────────────────┐   ┌─────────────────────────────┐
│ Office of Professional      │   │ Office of Professional      │
│ Standards                   │   │ Standards                   │
│ Executive Director          │   │ Executive Director          │
└─────────────────────────────┘   └─────────────────────────────┘
```

Source: Miami-Dade Public Schools.

Exhibit 7-3

Personnel Management and Services Organizational Charts

Exhibit 7-3.4 Human Resources and Development

```
                          ┌─────────────────────────────┐
                          │   Superintendent of Schools  │
                          └─────────────────────────────┘
                          ┌─────────────────────────────┐
                          │ Personnel Management and     │
                          │ Services                     │
                          │ Deputy Superintendent        │
                          └─────────────────────────────┘
                    ┌───────────────────────────────────────┐
                    │ Office of Human Resources and          │
                    │ Professional Development               │
                    │ Assistant Superintendent               │
                    └───────────────────────────────────────┘
        ┌──────────────────────────────┐        ┌──────────────────────────────┐
        │ Instructional Staffing and   │        │ Division of Non-Instructional│
        │ Certification                │        │ Staffing                     │
        │ Executive Director           │        │ Executive Director           │
        └──────────────────────────────┘        └──────────────────────────────┘
```

Instructional Recruitment/Staffing Director	Instructional Staffing Officers	Division of Non-Instructional Staffing Staffing Officer	Division of Non-Instructional Staffing Staffing Officer
Certification Certification Officer	Certification Certification Officer	Division of Non-Instructional Staffing Staffing Officer	Division of Non-Instructional Staffing Manager III
Certification Certification Officer	Certification Certification Officer	Division of Non-Instructional Staffing Manager III	

Source: Miami-Dade Public Schools

Exhibit 7-3

Personnel Management and Services Organizational Charts

Exhibit 7-3.5 Human Resources and Development

```
┌─────────────────────────────────────┐
│        Superintendent of Schools      │
└─────────────────────────────────────┘
┌─────────────────────────────────────┐
│   Personnel Management and Services   │
│        Deputy Superintendent          │
└─────────────────────────────────────┘
┌─────────────────────────────────────┐
│ Human Resources and Professional Development │
│        Assistant Superintendent       │
└─────────────────────────────────────┘
        ┌─────────────────────────────────┐
        │       Management Training        │
        │        District Director         │
        └─────────────────────────────────┘
                ┌─────────────────────────────┐
                │      Management Training      │
                │       Executive Director      │
                └─────────────────────────────┘
        ┌─────────────────────────────────┐
        │      New Teacher Support         │
        │       Executive Director         │
        └─────────────────────────────────┘
                ┌─────────────────────────────┐
                │  Professional Orientation Porgram │
                │          Manager II           │
                └─────────────────────────────┘
        ┌─────────────────────────────────┐
        │     Professional Development      │
        │        Executive Director         │
        └─────────────────────────────────┘
                ┌─────────────────────────────┐
                │ Dade Academy for the Teaching Arts (DATA)* │
                │         Teacher/Director        │
                │      *Closed January 24, 2002   │
                └─────────────────────────────┘
                ┌─────────────────────────────┐
                │    Teacher Education Center     │
                │        Teacher/Director         │
                └─────────────────────────────┘
```

Source: Miami-Dade Public Schools.

Exhibit 7-3

Personnel Management and Services Organizational Charts

Exhibit 7-3.6 Office of Risk and Benefits Management

```
┌─────────────────────────────────────────┐
│        Superintendent of Schools         │
└─────────────────────────────────────────┘
┌─────────────────────────────────────────┐
│   Personnel Management and Services      │
│        Deputy Superintendent             │
└─────────────────────────────────────────┘
    ┌─────────────────────────────────────────┐
    │   Risk and Benefits  Management          │
    │        Administrative Director           │
    └─────────────────────────────────────────┘
        ┌─────────────────────────────────────────┐
        │   Risk and Benefits Management           │
        │        Executive Director                │
        └─────────────────────────────────────────┘
            ┌─────────────────────────────────────┐
            │        Fringe Benefits              │
            │        Coordinator III              │
            └─────────────────────────────────────┘
            ┌─────────────────────────────────────┐
            │        Fringe Benefits              │
            │        Fringe Benefits              │
            │            Manager                  │
            └─────────────────────────────────────┘
                ┌─────────────────────────────────────┐
                │        Fringe Benefits              │
                │ Staff AssistantRisk Management      │
                └─────────────────────────────────────┘
            ┌─────────────────────────────────────┐
            │   Risk and Benefits Management       │
            │            Risk Analyst             │
            └─────────────────────────────────────┘
            ┌─────────────────────────────────────┐
            │        Retirement Benefits          │
            │         Coordinator I               │
            │        Retiree Benefits             │
            └─────────────────────────────────────┘
        ┌─────────────────────────────────────────┐
        │   Risk and Benefits Management           │
        │            Staff Assistant               │
        └─────────────────────────────────────────┘
        ┌─────────────────────────────────────────┐
        │     Property Loss Control                │
        │            Director                      │
        └─────────────────────────────────────────┘
```
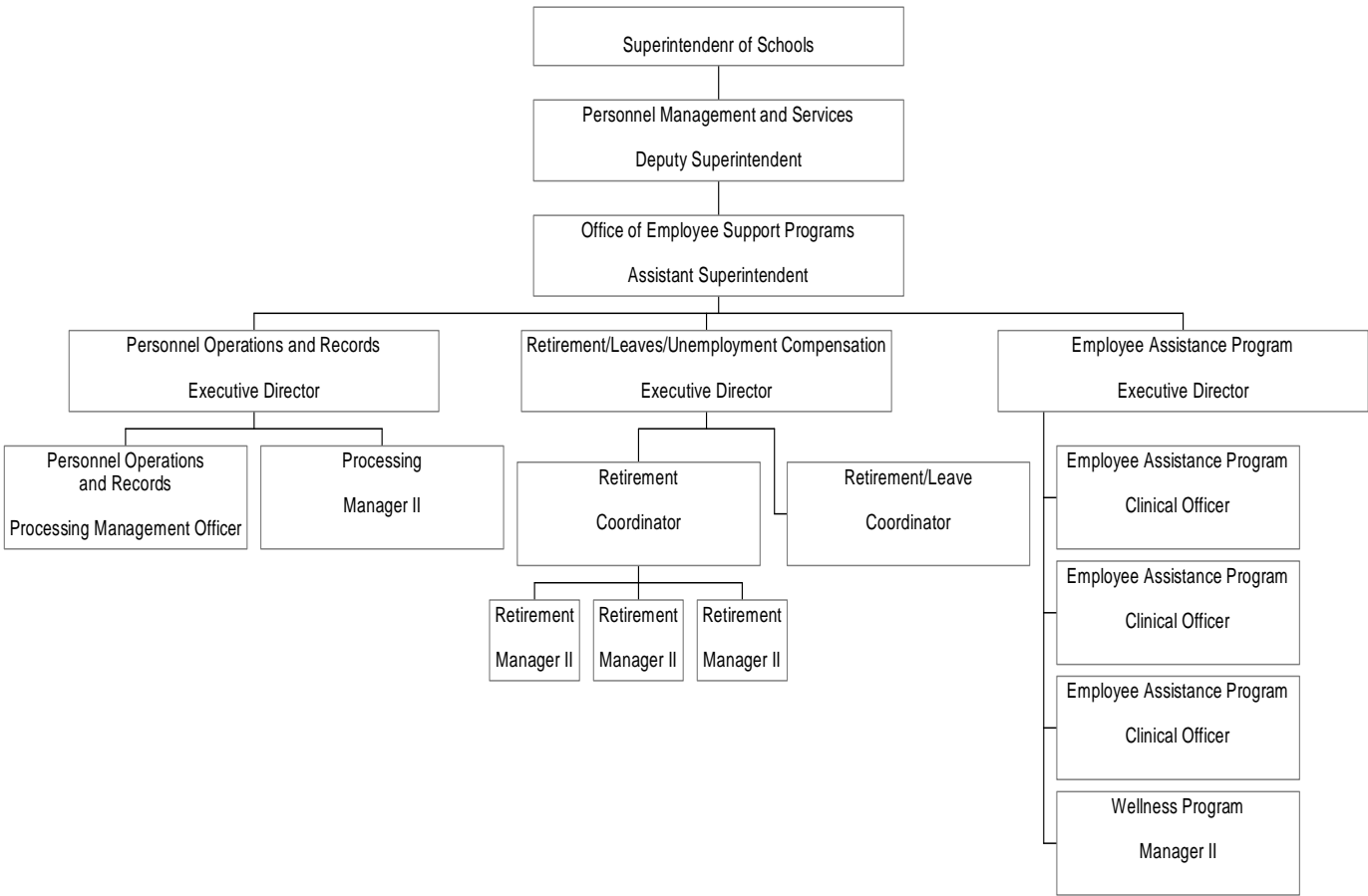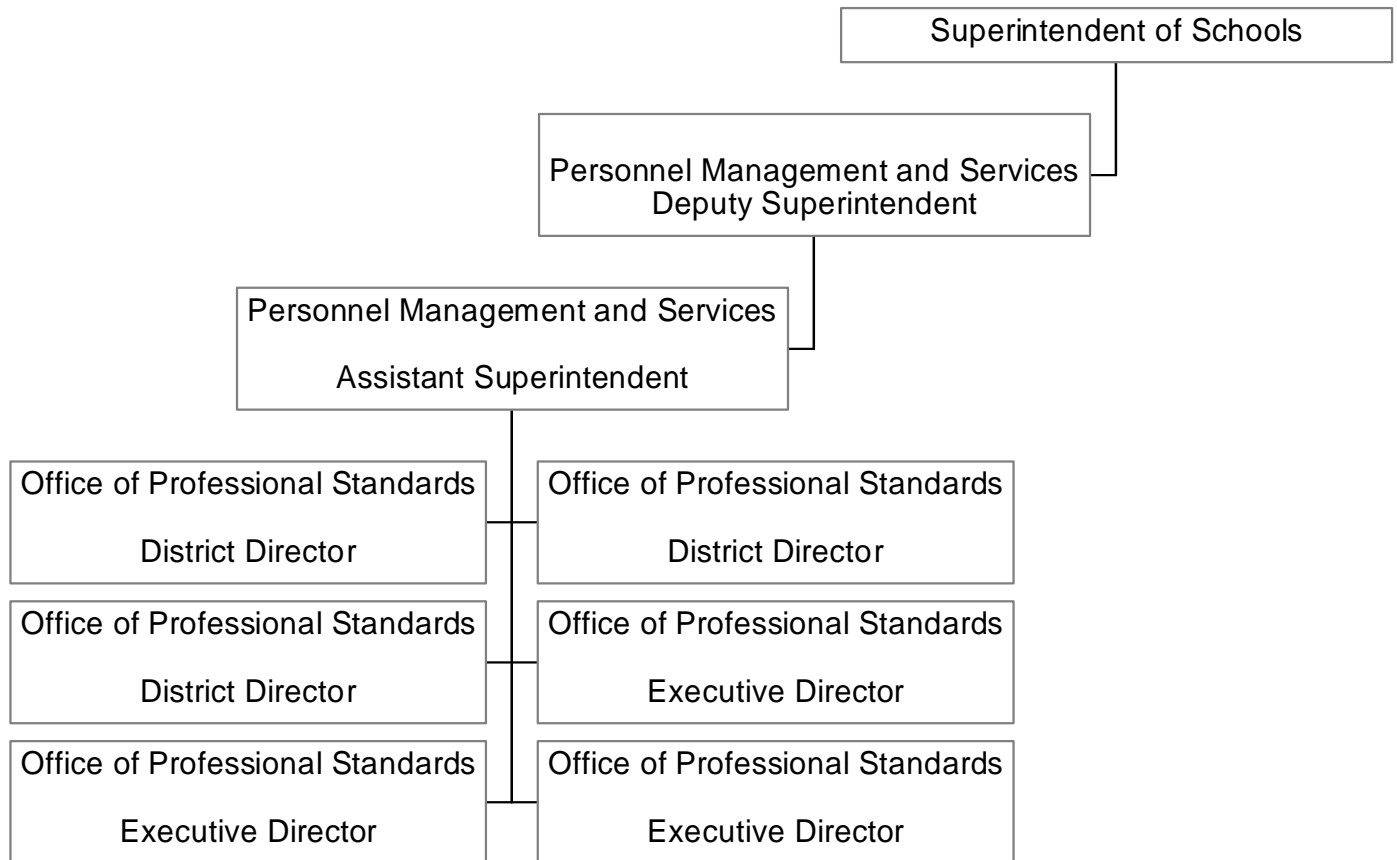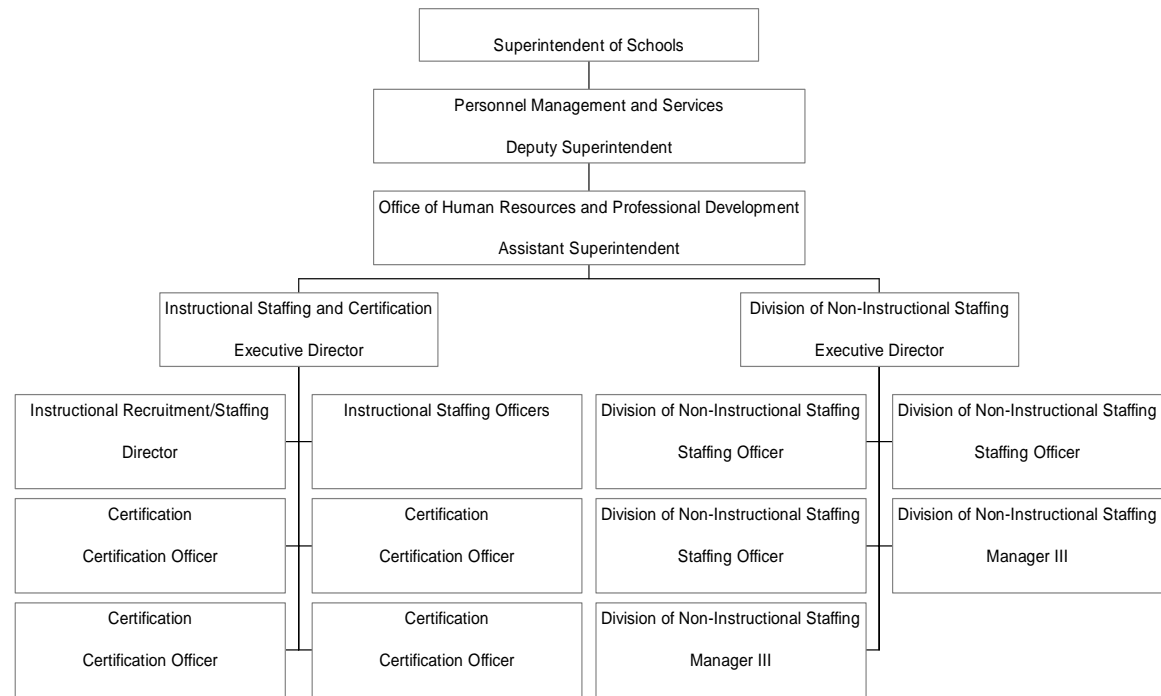
Source: Miami-Dade Public Schools.

Exhibit 7-3

Personnel Management and Services Organizational Charts
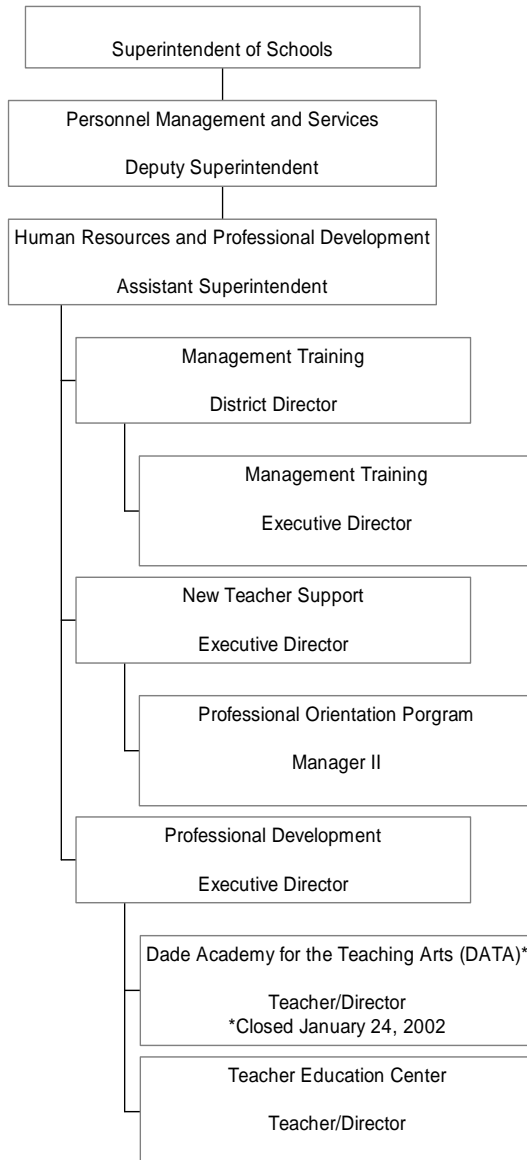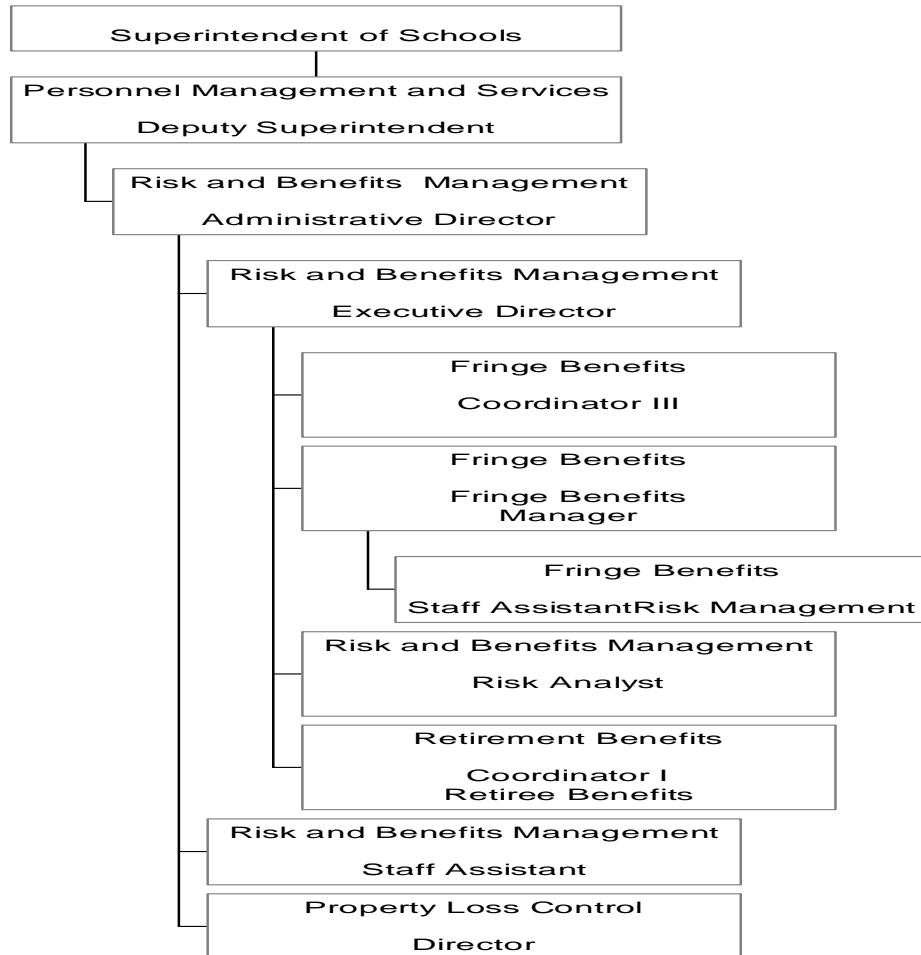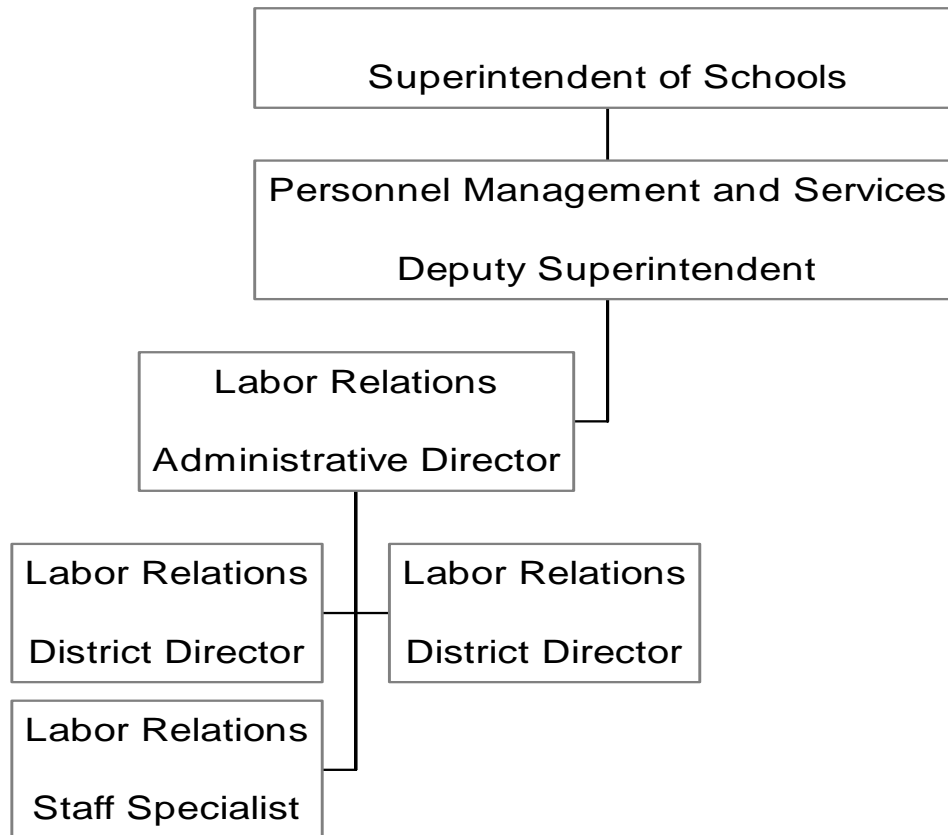
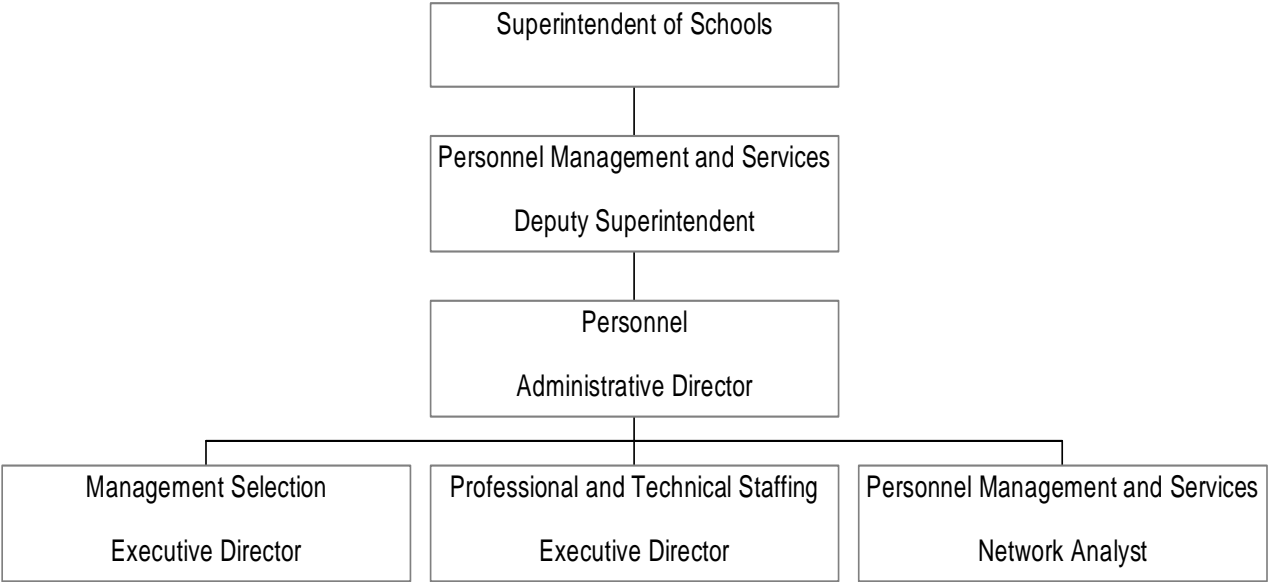**Exhibit 7-3.7 Wage and Salary Administration**

```
                    ┌─────────────────────────────────┐
                    │     Superintendent of Schools    │
                    └─────────────────────────────────┘
                                   │
                    ┌─────────────────────────────────┐
                    │  Personnel Management and Services│
                    │     Deputy Superintendent        │
                    └─────────────────────────────────┘
                                   │
            ┌──────────────────────────────┐
            │      Labor Relations         │
            │   Administrative Director    │
            └──────────────────────────────┘
     ┌──────────────────┐   ┌──────────────────┐
     │  Labor Relations │   │  Labor Relations │
     │  District Director│   │ District Director│
     └──────────────────┘   └──────────────────┘
     ┌──────────────────┐
     │  Labor Relations │
     │  Staff Specialist│
     └──────────────────┘
```

Source: Miami-Dade Public Schools.

Exhibit 7-3

Personnel Management And Services Organizational Charts

Exhibit 7-3.8 Personnel

```
                        ┌─────────────────────────────┐
                        │   Superintendent of Schools  │
                        └──────────────┬──────────────┘
                                       │
                        ┌──────────────┴──────────────┐
                        │ Personnel Management and     │
                        │ Services                     │
                        │ Deputy Superintendent        │
                        └──────────────┬──────────────┘
                                       │
                        ┌──────────────┴──────────────┐
                        │ Personnel                    │
                        │ Administrative Director      │
                        └──────────────┬──────────────┘
              ┌────────────────────────┼────────────────────────┐
  ┌───────────┴──────────┐ ┌───────────┴──────────┐ ┌───────────┴──────────┐
  │ Management Selection  │ │ Professional and      │ │ Personnel Management  │
  │                       │ │ Technical Staffing    │ │ and Services          │
  │ Executive Director    │ │ Executive Director    │ │ Network Analyst       │
  └───────────────────────┘ └───────────────────────┘ └───────────────────────┘
```

Source: Miami-Dade Public Schools.

Exhibit 7-3

Personnel Management and Services Organizational Charts
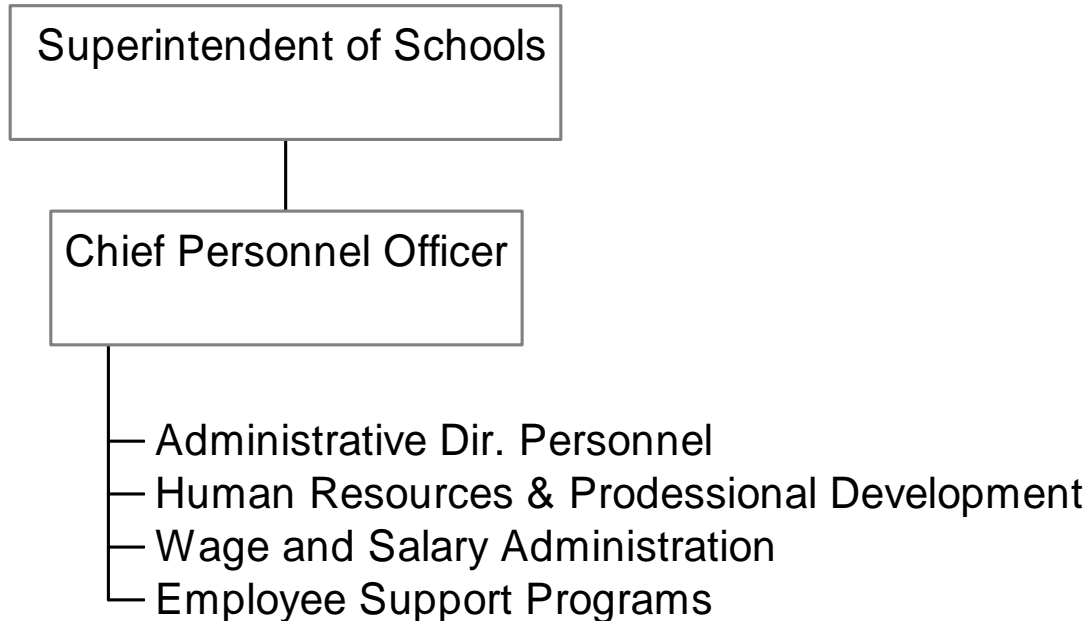
 Exhibit 7-3.9 Wage and Salary Administration

```
                        ┌──────────────────────────┐
                        │ Superintendent of Schools │
                        └──────────────────────────┘
                                     │
                        ┌──────────────────────────┐
                        │ Personnel Management Services │
                        │  Deputy Superintendent    │
                        └──────────────────────────┘
                                     │
                        ┌──────────────────────────┐
                        │ Wage and Salary Administration │
                        │   Executive Officer       │
                        └──────────────────────────┘
```

Wage and Salary Administration	Wage and Salary Administration	Wage and Salary Administration	Wage and Salary Administration
Executive Director	Supervisor	Supervisor	Coordinator
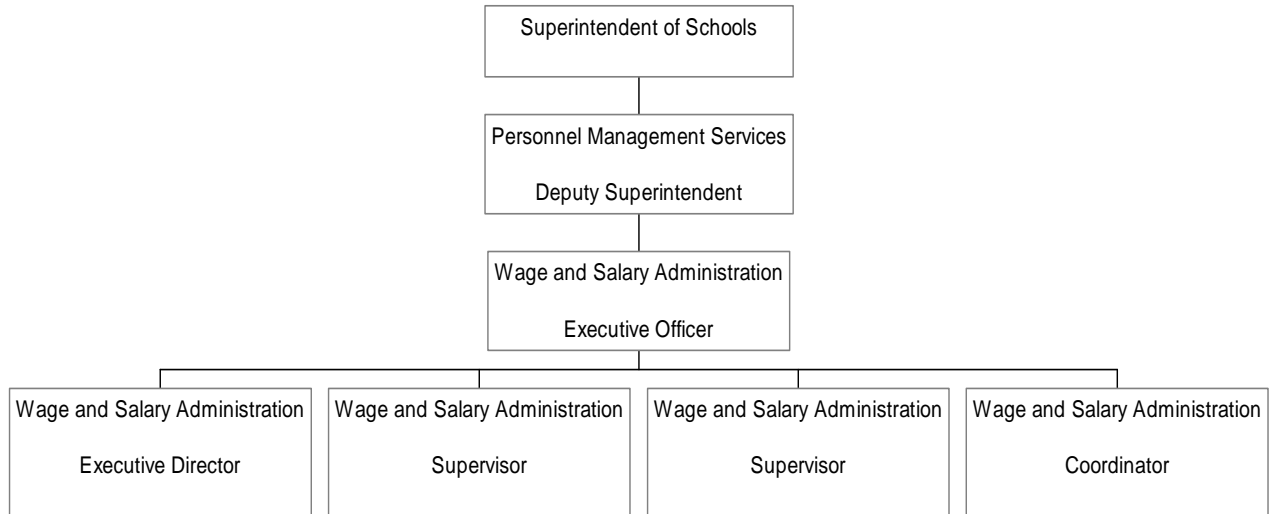
Source: Miami-Dade Public Schools.

Exhibit 7-3

Miami Dade Public Schools Office of Personnel Organizational Chart

Exhibit 7-3.10 Effective February 13, 2002

```
┌─────────────────────────────────┐
│   Superintendent of Schools     │
└─────────────────────────────────┘
              │
    ┌──────────────────────────────┐
    │   Chief Personnel Officer    │
    └──────────────────────────────┘
         │
         ├── Administrative Dir. Personnel
         ├── Human Resources & Prodessional Development
         ├── Wage and Salary Administration
         └── Employee Support Programs
```

Labor Relations assigned to the Chief of Staff
Office of Professional Standards assigned to the Chief of Staff
Risk Management assigned to the Chief Financial Officer

Source: Miami Dade Public Schools; Effective: February 13, 2002.

1 **Although the District's overall recruitment program is generally sound, the program would benefit if it took a more systematic approach to the recruitment and retention of qualified staff and to ensuring vacancies were filled in a timely manner.**

Competition with other districts for qualified staff is likely to increase in coming years

A number of factors are occurring to create a situation where the demand for qualified teachers is likely to skyrocket. First, the number of teachers nationwide who are eligible for retirement is increasing. The National Center of Education Statistics (NCES) reports that more than one-quarter of all teachers nationwide are at least 50 years of age and the median age of teachers nationwide is 44. These demographics suggest that more than half the nation's current teachers will retire in the next ten years. In addition, school enrollments are increasing dramatically. By the year 2008, total public and private school enrollment is expected to rise to 54.3 million students. Close to 75% of those students will be minority students, thus creating a need for more diversity in the workforce. These trends are exacerbated by school reform efforts that call for class size reduction and, therefore,

also serve to increase the demand for teachers. In total, the nation will need to hire 2.2 million additional teachers in the next ten years. The State of Florida and the Miami Dade County Public Schools are by no means immune to these trends. The State of Florida will need at least 100,000 new teachers by the year 2010 to meet the challenge of increased student enrollment and to replace retirees. Moreover, in the near future the number of teachers that need to be hired by the Miami Dade County Public Schools will increase dramatically. The District projects a need to hire over 3000 teachers by September 2001 (an increase of 38.9% over the 2,222 positions that needed to be filled in 2000) and a need to hire close to 3,500 new teachers by 2002 (an increase of 63.9% over year 2000 needs) when District enrollment is expected in increase by 25,000 students. Moreover, an analysis of the impact of the District's Deferred Retirement Options Program (DROP) indicates that approximately 1,640 retirements will occur in 2003 (including the retirement of 962 teachers) and that 326 retirements will occur in 2004 (including the retirement of 229 teachers).

As the demand for teachers accelerates in the District, in Florida, and across the nation, competition for qualified staff will increase exponentially. Consequently, the importance of effective recruitment and retention strategies to the overall future success of the school district cannot be overstated.

The District has been generally, but not completely, effective at addressing existing staffing needs

When viewed from a number of perspectives the District's performance in meeting existing staffing needs has been sound. The District has, for example, come close to filling all needed vacancies. However, employee concerns about the quality of new hires and the time required to fill vacant positions are not insignificant. In addition, the District has made progress in ensuring the diversity of its workforce matches the diversity of the student body.

Filling vacancies. The District has successfully hired a significant number of teachers in each of the past two years. During the 1998-1999 year 2,339 teachers were hired and in the 1999-2000 year 2,708 teachers were hired. In addition, as of November 09, 2001, MDCPS had filled 2,042 of the 2,222 vacant teacher positions (91.9%). Many of the positions that were not filled are in the historically difficult to fill area of Exceptional Student Education (ESE). In addition, a number of vacancies are in Title I schools (typically inner city schools) and alternative education centers. Vacancies in non-instructional positions continue as well for paraprofessionals, clericals, Microsystems technicians, TV Systems technicians, vehicle mechanic, trades and bus drivers. Due to high turnover, bus driver positions are posted on an on-going basis.

While the District's efforts to fill vacancies are certainly credible, interview findings and the results of the employee survey strongly suggest that continued improvement is needed. In interviews, region directors and site administrators reported a continuing concern relative to filling vacancies in difficult to staff schools. Survey results reinforce these concerns. Fewer than half of the survey respondents (45.4%) "agree" or "strongly agree" with the statement "Sufficient staff are recruited to ensure vacancies for certificated staff are filled in a timely manner," and a third (33.0%) of the survey respondents "disagree" or "strongly disagree" with this statement. Even more concerns are raised with regard to the timeliness with which vacancies are filled for non-certificated staff. Only slightly more than one-third (34.6%) of the survey respondents "agree" or "strongly agree" with the statement "Sufficient staff are recruited to ensure vacancies for non-certificated staff are filled in a timely manner," and more than two out of five respondents (40.6%) "disagree" or "strongly disagree" with this statement.

Employee survey results were only somewhat more positive with regard to the quality of staff recruited. Approximately 47% of the survey respondents "agree" or "strongly agree" with the statement "The District does an effective job of recruiting highly competent certificated staff," while 29.6% of the respondents "disagree" or "strongly disagree" with this statement. With regard to the quality of non-certificated staff recruited by the District, slightly more than one-third of the respondents (35.8%) "agree" or "strongly agree" that "The District does an effective job of recruiting highly competent non-certificated staff," while a sizable percentage (38.4%) "disagree" or "strongly disagree."

Ensuring a diverse workforce. The District clearly recognizes the importance of ensuring that the racial and ethnic composition of its workforce matches, to the extent possible, the racial and ethnic composition of the student body.

While the District has been released from maintaining court-mandated hiring ratios region directors report, and Personnel Management and Services staff confirm, that these ratios continue to serve as the guide for staffing levels. To track its success in maintaining a desired staffing mix, each month the District compiles and reports the status of hiring results by race and ethnicity for new and rehired instructional staff, trades, service and technical employees to the school board. These efforts have generally been successful. As Exhibit 7-4 shows, the race and ethnicity of the District's new hires closely matches the race and ethnicity of the district's student body.

Exhibit 7-4

The Race and Ethnicity of New Hires Closely Matches the Race and Ethnicity of District Students (a)

EEO Classification	Number	Percentage Of New Hires	Percentage Of District Students
White	814	14.5	11.8
Black	1,795	32.1	32.2
Hispanic	2,877	51.5	54.2
Other	101	1.9	1.8
Total	**5,587**	**100.0**	**100.0**

(a) Hires as of November 13, 2001.

Source: MDCPS Department of Personnel Management (Report Tolo3061)

In addition, over the past three years (from 1998-99 to 2000-01) the District has made slow but steady progress in altering the racial composition of the overall workforce to ensure it more closely matches the racial and ethnic composition of the District's student body. Exhibit 7-5 shows during this period the total percentage of white employees has been reduced from 31.0% of the work force in 1998-99 to 28.0% of the work force in 2000-01 (the number of white students served by the District comprises 11.8% of the total student population). During this same period the percentage of Hispanic employees has increased (from 32.6% of the student population in 1998-99 to 35.6% of the student population in 2000-01). (Hispanic students account for 54.2% of the student population.) During this same period the percentage of black employees – which already closely matches the percentage of black students served by the District – has held steady.

Exhibit 7-5

Steady Progress Has Been Made To Improve the Racial Composition of the Workforce To Ensure It More Closely Matches the Racial Composition of District Students

	White – 11.8% of students			Black – 32.2% of students			Hispanic – 54.2% of students			Other – 1.8% of students		
	1998-99	1999-2000	2000-01	1998-99	1999-00	2000-2001	1998-99	1999-00	2000-01	1998-99	1999-00	2000-01
Administrative	475	467	479	426	429	439	409	443	467	9	9	8
	36.0%	34.6%	34.4%	32.3%	31.8%	31.5%	31.0%	32.9%	33.5%	0.7%	0.7%	0.60%
Instructional	7,696	7,759	7,617	5,315	5,458	5,613	6,688	7,278	7,857	217	265	312
	39.3%	37.4%	35.6%	26.4%	26.3%	26.2%	33.2%	35.1%	36.7%	1.1%	1.3%	1.5%
Other Staff	2,268	2,201	2,155	6,433	6,669	6,834	4,098	4,411	4,720	76	79	96
	17.6%	16.5%	15.6%	50.0%	49.9%	49.5%	31.8%	33.0%	34.2%	0.6%	0.6%	0.7%
Total Full-time Staff	10,639	10,427	10,251	12,174	12,556	12,686	11,195	12,133	13,044	302	353	416
	31.0%	29.4%	28.0%	35.5%	36.4%	35.2%	32.6%	34.2%	35.6%	0.9%	1.0%	1.1%

Notes: Percentages may not total 100 due to rounding

Source: Florida Department of Education Public Schools Staff Survey (EEO-5), Compiled by Department of Research Services (October data).

The District's hiring and recruitment practices are generally sound and, for the most part, are adequate to meet its current staffing needs

While some improvement is needed, the Division has generally been able to address the District's needs for a competent and diverse workforce because it has established hiring and recruiting practices that are generally effective. Key features of these effective practices include the following:

- The District has developed plans to guide recruiting efforts
- A variety of funding sources are used to support recruiting activities
- Information on vacancies and employment requirements is widely distributed
- Technology is used to support hiring and recruiting efforts
- The District works to ensure that all instructional staff hold, or are eligible to hold, valid teaching and administrative certificates
- Criminal background checks are performed for all new employees
- The District works diligently to reduce the number of teachers working out of the field in which they are certified
- A range of strategies are used to recruit teachers in critical shortage areas
- Informal procedures have been established to ensure District compensation is competitive

The following paragraphs present additional information on each of these effective practices.

Recruiting plans. The District has developed a plan – the "3 R's plan" ("Recommendations for Recruiting and Retaining Teachers in Miami Dade County Public Schools") – to guide its teacher recruitment and retention efforts. This plan calls for expanding recruitment efforts at local and national colleges and universities, making more effective use of technology to support recruiting efforts, developing strategies to attract new teachers to MDCPS, expediting the hiring process and encouraging MDCPS students to become teachers.

The District has assigned the responsibility for recruitment to one staff person who also has the responsibility for instructional staffing. The recruiter monitors the website, responds to inquiries and reports weekly the number of visits to the District's website.

Recruiting funding. The District has made creative use of funding from a variety of sources (e.g., local school district funds, Federal Class Size Reduction Funds, and the Eisenhower Title II Grant) to support recruiting efforts. Exhibit 7-6 provides a breakdown of recruitment funding by funding source.

Exhibit 7-6

The District Uses Funding from a Variety of Sources to Support Recruiting Efforts

Program Development	Allocation
District Funds	$15,000
Title VI Program Class Size Reduction	$75,000
Title II Eisenhower Professional Development Program	$15,000
Total Recruitment Budget	$105,000

Source: 1999-2000 MDCPS Budget.

Providing information on vacancies and employment requirements. The District announces vacancies through the use of job postings (for non-instructional positions), newspaper advertisements, flyers and the District's website. The District also distributes an attractive application packet for teachers – "Ready, Set, Teach." This application packet provides information concerning procedures, timelines and other requirements for teaching positions.

Likewise, non-instructional job vacancy announcements outline the procedures and timelines for making an application. [1]

The school district also posts on its application and in application packets its policy of non-discrimination in employment and instructional program activities. (school board Rules 6 GX13 – 4 A-1.01, 6 GX13 – 4A-1.32, and 6 GX13 –5d-1.10 govern these policies.) Additionally, the application materials are used to provide notice of the District's adherence to applicable Federal Law and State Statutes.

Using technology to support hiring and recruiting efforts. While the District has plans to enhance its use of technology to support hiring and recruiting activities, it already makes effective use of technology in a number of areas. As noted, job announcements are posted on the District's website. In addition, application information can be accessed online and employment applications can be downloaded from the District's website. The District also uses an automated tracking system (ATS). Applicants become active in the Application Tracking System when all documents are received and when all reference checks, fingerprinting, and drug testing have been completed. School site administrators can access the applicant tracking system to identify potential candidates and schedule interviews. This system facilitates the efforts of school site administrators to contact candidates for interviews and, subsequently, to select candidates for employment, and recommend their appointment to the Office of Human Resource and Development.

Ensuring new hires are appropriately certified. The District requires that all instructional staff hold, or be eligible to hold, a valid teaching or administrative certificate. To ensure this requirement is met, during the hiring process the District reviews official transcripts, Statement of Status of eligibility (issued by the Department of Education) and critical teaching certificates to verify that instructional staff meet certification requirements. The District does not permit applicants to become active in the Applicant Tracking System until qualifications have been verified. It should be noted, however, that because the Florida Department of Education has a large backlog of teaching certificates to issue, many teachers new to teaching in the State of Florida might have only the Statement of Status of Eligibility when hired by the District, as reported by District staff and confirmed in focus group discussions with newly hired teachers.

Conducting criminal background investigations. school board Rule 6 G X13 –4C-1.021 requires that criminal background checks be completed on all newly hired personnel. To meet this requirement, the District files a complete set of fingerprints on each new hire with the Florida Department of Law Enforcement (FDLE). FDLE then processes and submits the fingerprints to the Federal Bureau of Investigations (FBI) for federal processing. The processing time for FBI checks can range from four to six weeks (quick turn around) to ninety days (slow turn around).

All new employees (including both full and part-time staff) are on probationary status until their fingerprints have been processed. Consequently, employees may be assigned to work locations where students are present before the results of the criminal background check are known. While it would be ideal to place employees only after criminal records checks have been completed it is nearly impossible to do so and fill positions in a timely manner. Indeed, placing employees in their work locations pending the results of the background check is a practice that is employed by school districts throughout the country. The high demand for criminal records checks, and the length of time required to complete them, force school districts throughout the nation to employ this practice. It should be stressed, however, that if the record check reveals an employee has been convicted of a crime involving moral turpitude he or she would be terminated immediately. Interviews with union officials, principals and region personnel directors confirm that prompt action is taken by the Office of Professional Standards (OPS) to remove employees from contact with students and, as appropriate, to terminate employment when the results of the criminal background check indicate the need to do so.

Minimizing teachers working out of field. School board policy and the State Department of Education permit teachers to work out of the field in which they have been certificated in areas where a critical shortage of certificated teachers exists. The District, however, works diligently to reduce the number of teachers working out of the field in

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[1] Procedures for announcing vacancies and processing applications for administrative and technical staff are detailed in the District's Management Selection Procedures Manual and the Professional Technical Staffing rules of the Dade County School Administrators Association (DCSAA) Contract.

which they have been certificated and monitors on an ongoing basis the number of teachers working out of field (following procedures outlined in the Procedures Manual for Monitoring Teacher Certification). Each month, the DECO (Department of Education Edit Correction Online System) Out-of-Field Report is prepared. This report identifies the school, name of teacher, social security number of the teacher, course title, and section for each teacher in each region who is working out of the field in which her or she is certificated. Additionally, the report provides summary information on teachers who are working out of the field in which they are certificated for the District. Personnel and Management Services staff then communicates with the school site and the teacher to verify the information and ascertain the progress that has been made towards certification then uses this information. This process occurs each month and updated information is reported to the Department of Education.

Region directors and site administrators report that as a result of monitoring the number of out-of-field teachers has been reduced to an 8-11% range. A review of DECO Out of Field reports for October 26, 2001 and April 2000 supports the view that the number of out-of-field teachers is in the 8-11% range. Exhibit 7-7 shows both the percentage of teachers working out of the field in which they are certificated and the percentage of classes taught by these teachers during this period.

Exhibit 7-7

The Percentage of Teachers Working Out Of Field is in the 8% to 11% Range

	April 2000	October 2001
Percentage Of Teachers Working Out Of Field	8.54%	10.81%
Percentage Of Classes Taught By Teachers Working Out Of Field	3.16%	4.12%

Source: Miami Dade County Public Schools Department of Education Edit Correction Online System Out Of Field Reports.

Exhibit 7-7.2

Most Out-of-Field Teachers Teach Two or Fewer Classes

Number Of Classes Taught By Each Out Of Field Teacher	April, 2000	October 26, 2001
1 Class	5.10%	6.91%
2 Classes	1.48%	1.83%
3 Classes	.44%	.71%
4 Classes	.32%	.34%
5 Classes	.59%	.74%
6 Classes	.31%	.54%
7 Classes	.08%	.13%
8 Classes	.06%	.11%
9 Classes	.03%	.03%
10 Or More Classes	.10%	.16%

Source: Miami Dade County Public Schools DECO Out Of Field Reports.

Recruiting teachers in critical shortage areas. Each year, the District identifies areas of critical teacher shortages and develops strategies to address these shortages. In the past, such strategies have included advance contracting, placement on the salary schedule at step 2 and the payment (at the end of the school year) of a one-time stipend of $1,000. Teachers may also receive tuition reimbursement and student loan forgiveness through the Florida Department of Education to pursue certification in one of the critical shortage areas identified by the State Board of Education. In addition, teachers in hard to place schools have received incentives through the Graduate Certification and Urban Education Programs. These programs were are intended to enhance skill development for teachers employed in Title I schools, provide a $500 stipend for those who remain in the designated hard to fill school assignment, provide tuition reimbursement and upon completion of the program, payment at the next higher differential in the credential payment schedule. The teacher continued to receive the Urban Education stipend as

long as he or she remained in a selected Title I school and receive an acceptable annual evaluation (Article XXV-Section 4-UTD Collective Bargaining Agreement). (This program is currently being phased out).

The District has also received approval to pilot an Alternative Certification Program from the Department of Education. This program provides non-education majors the opportunity to complete a program designed to meet the professional education coursework requirements for issuance of a professional certificate. Participants will have two years to complete all program requirements. It should also be noted that the District currently hires psychology and sociology majors to fill Exceptional Student Education (ESE) vacancies while they complete ESE certification requirements.

 Procedures have been established to ensure compensation levels are competitive. The District has taken a number of informal approaches to assess salary levels and ensure they are competitive. From time to time, the Wage and Salary Division compares District compensation levels with compensation levels in competitive organizations for non-instructional positions. The District also employs an informal process to benchmark teacher and administrator salaries with comparable districts using phone calls and personal contacts. The District also uses published surveys to obtain competitive salary data such as the Educational Research Service (ERS) and the Bureau of Labor Statistics.   In addition to these informal comparisons, the salary survey conducted by The Council of Great City Schools is used when preparing for collective bargaining. This survey is comprehensive and includes more survey respondents than just the members of the Council. In addition, in 1998-99 the District used Arthur Andersen to review and make recommendations regarding compensation for managerial salaries. The results of this study indicated that "it appeared MDCPS existing structure minimums were below competitive entry rates" thus making it difficult to attract entry-level talent. Recommendations were made to adjust the salaries of approximately 440 employees. In addition, the salary structure was modified to provide for minimum and maximum pay ranges. (An analysis of these ranges and schedules indicates that District managerial staff is compensated within these minimum and maximum pay ranges.)

While the District's approach to ensuring compensation levels is something less than systematic, this approach has proved effective in ensuring compensation for most positions is competitive. A comparison of minimum hourly rates paid by the Miami Dade County Public Schools with minimum hourly rates paid by paid by competitive organizations reveals that MDCPS wage rates are competitive and, with the exception of the minimum hourly rate paid to bus drivers, fall within the range of hourly rates paid by competing organizations. It is worth noting, however, Broward County Public School salaries are higher than the salaries paid by MDCPS for all positions. (See Exhibit 7-8)

Exhibit 7-8

Minimum Hourly Rates Paid by the Miami Dade County Public Schools to Selected Non-Instructional Positions Are Competitive with Those Paid by Competitive Organizations

Position	Organization	Minimum Hourly Rate Paid By Organization
Security Guard	Broward County Government	$7.32
	Jackson Memorial Hospital	$7.37
	Miami Dade County	$7.49
	Miami Dade County Public Schools	**$7.54**
	South Florida Survey	$7.68
	Miami Dade County Community College	$7.69
	Broward County Public Schools	$8.50

Position	Organization	Minimum Hourly Rate Paid By Organization
Custodian	South Florida Survey	$6.40
	Florida International University	$6.44
	Jackson Memorial Hospital	$6.60
	Miami Dade County	$6.73
	Miami Dade County Community College	$6.95
	Miami Dade County Public Schools	**$6.95**
	Palm Beach County Schools	$7.37
	Broward County Government	$8.22
	Broward County Public Schools	$8.22
Maintenance Worker	Miami Dade County Community College	$7.69
	Broward County Government	$7.50
	Miami Dade County Public Schools	**$8.50**
	Broward County Public Schools	$8.63
	Jackson Memorial Hospital	$9.55
Food Service Worker	Palm Beach County Schools	$5.60
	Miami Dade County Public Schools	**$5.99**
	Jackson Memorial Hospital	$6.33
	Broward County Government	$6.96
	Broward County Public Schools	$7.13
Bus Driver	**Miami Dade County Public Schools**	**$8.78**
	Palm Beach County Schools	$8.84
	Broward County Public Schools	$9.57
	Miami Dade County	$11.80
	Broward County Government	$12.23

Source: MDCPS Wage and Salary Division, Personnel Management Services.

Likewise, as Exhibit 7-8 shows salaries paid to starting teachers, principals, and assistant principals are competitive with salaries paid by other large districts – both in Florida and in other states although the top of the salary range for principals and assistant principals is higher than for the other large districts for which salary information was gathered.

Exhibit 7-8

Salaries Paid To Teachers, Principals and Assistant Principals by the Miami Dade County Public Schools Are Competitive with Salaries Paid in Other Large Districts

Position	District	Salary Range
Teacher*	Clark County Public Schools (Nevada)	$26,849 to $34,203
	Hillsborough County Public Schools	$30,000 to $37,023
	Broward County Public Schools	$30,000 to $38,492
	Miami Dade County Public Schools	**$32,425 to $39,425**
Assistant Principal**	Hillsborough County Public Schools	$42,993 to $78,197
	Clark County Public Schools (Nevada)	$50,842 to $74,800
	Broward County Public Schools	$55,202 to $71,325
	Miami Dade County Public Schools	**$56,451 to $101,546**
Principal	Hillsborough County Public Schools	$64,274 to $110,027
	Miami Dade County Public Schools	**$64,667 to $117,521**
	Broward County Public Schools	$70,012 to $95,556
	Clark County Public Schools (Nevada)	$73,300 to $93,612

* Entry-level salaries only; ** Includes 10 and 12 month salaries
Source: Council Of The Great City Schools.

Existing practices are unlikely to be adequate to meet the District's needs as competition for staff increases

As noted in the previous sections, the District's existing hiring and recruiting practices have been, for the most part, sufficient to meet the existing demand for staff. However, these policies and practices will need to be modified in some key areas if Personnel and Management Services is to continue to meet the District's needs as competition for staff increases. In particular, practices will need to be modified in five key areas:

- A more strategic approach to addressing recruiting needs is required
- A more targeted approach to recruiting for hard to fill positions and hard to staff locations would be beneficial
- A more systematic approach to updating position descriptions is needed
- A more systematic approach to evaluating jobs to support effective salary administration is needed
- Improved communication with job applicants is needed

A discussion of these issues is presented in the following paragraphs.

Recruiting. A review of documented recruitment activities reported to the school board indicates that recruiting activities are generally focused within the State of Florida with some selective recruitment in Georgia, Pennsylvania, Louisiana, and Illinois. Thus, the majority of teachers hired are recruited from colleges and universities in the state. Little effort has been made to ascertain whether these strategies are effective. Indeed, the District's recruitment plan lacks the performance measures and performance goals needed to assess effectiveness and to forecast staffing needs. Moreover, customer satisfaction is not tracked and used to evaluate and restructure the recruiting plan to maximize the overall effectiveness of the recruitment program.

Locations and positions that are hard to fill. As discussed, the District has taken positive steps to recruit teachers in critical shortage areas and has also established procedures to facilitate filling vacancies in locations for which it is difficult to place teachers. In particular, a procedure has been established that prevents applicants who have been placed on the Applicant Tracking System from refusing employment when it is offered. (Applicants who refuse employment are removed from the hiring process.) In interviews and focus group discussions, however, District staff report that applicants have found ways around the system to avoid placement in inner city schools or locations that require considerable driving time by, for example, using answering machines to avoid direct contact by a school administrator seeking to fill a vacancy in a location that is perceived as being undesirable.

The District would benefit from an even more proactive approach to recruiting and hiring staff to fill positions of critical shortage and locations that are difficult to serve. Aggressive recruitment measures and timelines should be established for these positions. In addition, the use of aggressive incentives to fill ESE positions and to staff locations at which it is difficult to place staff should be considered.

Position descriptions. The District maintains a file of position descriptions for all positions. These position descriptions contain basic objectives, job tasks and responsibilities, minimum qualifications for the position and reflect Americans with Disabilities Act (ADA) requirements. In addition, the District maintains a database of job descriptions for active positions and is in the process of putting position descriptions online so that school site administrators can more easily access them. Staff indicates that position descriptions are not current for all active positions, however. Instead of having a systematic process for updating position descriptions on a regular basis, positions descriptions are only updated when positions are posted or when a supervisor or employee makes a direct request that the position description be reviewed. A more systematic approach to revising job descriptions would be beneficial.

Job evaluation. A job factor analysis system is currently used to evaluate positions and determine compensation (based on the market). (These activities, performed by the Office of Wage and Salary Administration, have five technical staff to perform wage and salary analysis.) This job factor analysis system uses such criteria as experience, skills, knowledge, ability, supervisory level (number of direct/indirect reports), financial responsibility, communications and working conditions and assigns a point factor to evaluate position level and compensation. The District does not, however, have a systematic job evaluation policy or a process for wage and salary

administration. This is true despite the fact that Arthur Andersen conducted a Job Evaluation and Compensation Study in 1999 and this study included recommendations for implementing an ongoing job evaluation and salary administration program.

Communications with job applicants. Interviews and focus group discussions suggest that job applicants have difficulty ascertaining the status of their applications. While applicants can call the appropriate staffing specialist to get information on the status of their applicants, recent hires report this process to be generally ineffective because they have trouble speaking directly with anyone when such inquires are made. Instead, when applicants call for information on the status of their applications they generally must leave voicemail messages, which, in most cases, are not returned. Often a school site administrator who is interested in hiring the applicant must intercede to ascertain an applicant's status in the hiring process. This problem exists in large part simply because the District does not employ any staff who are primarily responsible for ensuring effective communications nor has a clear procedure been established for job applicants.

Recommendations ────────────────────────

- *We recommend that the District establish performance measures and targets to measure recruiting progress and to assess the efficiency and effectiveness of recruiting process.*

Action Plan 7-1 provides the steps needed to implement this recommendation

Action Plan 7-1

Establish performance measures and targets for recruiting	
Strategy	Modify the District's Recruitment Plan to include specific recruitment targets, performance measures and timelines and use this information to evaluate recruitment program progress and effectiveness.
Action Needed	Step 1: Establish goals and objectives for recruiting in all certification areas
	Step 2: Determine recruiting and hiring needs in ESE and hard to fill school assignments
	Step 3: Determine the desired results and establish benchmarks and timelines for hiring in ESE, and hard to fill assignments
	Step 4: Analyze costs and establish budget for targeted recruitment effort and recruiting incentives for ESE and hard to fill assignments
	Step 5: Determine the desired results for each of the recruiting target areas
	Step 6: Establish benchmarks and timelines to assess progress in each of the recruiting target areas
	Step 7: Report to the Board at agreed upon intervals during the hiring season progress towards meeting recruiting targets
	Step 8: Assess the outcome of targeted recruiting and make improvements based on feedback from schools relating to recruiting effectiveness
	Step 9: Modify targets and strategies as necessary for improvement
Who is Responsible	Chief Personnel Officer; Recruiter; Assistant Superintendent Human Resource Development
Time Frame	August, 2002 and on-going
Fiscal Impact	This recommendation can be implemented within existing resources.

Source: Berkshire Advisors, Inc.

- *We recommend that the District develop and implement policies and procedures for updating job descriptions and managing the salary system on an on-going basis.*

Action Plan 7-2 provides the steps needed to implement this recommendation

Action Plan 7-2

Implement an annual job evaluation and salary administration program	
Strategy	Conduct a job analysis of a sample of positions on an annual basis.
Action Needed	Step 1: Develop and obtain Board approval of the policies and procedures for job evaluation and salary administration
	Step 2: Develop and disseminate communication to employees to describe the procedures for job evaluation and salary administration.
	Step 3: Establish timelines for the job evaluation process
	Step 4: Establish timelines for salary adjustment structures that align with the budget process and collective bargaining to facilitate monitoring and ensuring the competitiveness of the District's salary structure
	Step 5: Make salary adjustments aligned to the market, job evaluation results, collective bargaining strategy and ability to pay.
	Step 6: Evaluate results of the job evaluation process for effectiveness and make appropriate modifications on an ongoing basis to ensure competitive compensation system
Who is Responsible	Executive Officer, Wage and Salary Administration
Time Frame	Operational by July 1, 2002 and on-going
Fiscal Impact	This recommendation can be implemented within existing resources.

Source: Berkshire Advisors, Inc.

- *We recommend that the Office of Human Resources and Development assess the effectiveness of its communications and follow-up strategies with applicants.*

Action Plan 7-3 provides the steps needed to implement this recommendation

Action Plan 7-3

Improve the effectiveness of communications and follow-up with applicants	
Strategy	Establish an in-take unit to receive applications and manage communications with applicants throughout the hiring process
Action Needed	Step 1: Establish a team of four staff to be responsible for receiving online, mail and in person applications
	Step 2: Establish points of communication with applicants during the hiring process.
	Step 3: Build communication structures in the Automated tracking System that will allow applicants to access the system through a secure website using an assigned pin number
	Step 4: Automate communication to applicants in the Applicant Tracking System based on pre-determined communications points during the hiring process.
	Step 5: Obtain feedback from applicants as to the effectiveness of the communication process and modify the communication process as appropriate
Who is Responsible	Assistant Superintendent Human Resources and Development, Network Analyst, Executive Director of Operations and Records
Time Frame	September 2002 and on-going
Fiscal Impact	Estimated initial cost to implement $180,000 plus an additional $120,000 per year.

Source: Berkshire Advisors, Inc.

2 Although the District has implemented a number of sound practices to promote workforce stability, it has not developed a systematic approach to assessing factors that contribute to workforce instability and has not taken proactive steps to address them.

The District has implemented a number of sound practices to promote workforce stability

The Miami Dade County Public Schools have a number of practices in place that help to promote workforce stability. These practices include the District's efforts to:

- Provide support to initiatives that link pay with performance
- Clearly define requirements for supplemental pay
- Provide incentives for teacher with credentials in critical shortage areas or who work in schools where placing staff is difficult
- Analyze the impact of the state sponsored Deferred Retirement Option Program (DROP)
- Informally compare salary and benefits costs with competitive organizations

Performance based compensation. One way to retain outstanding teachers and administrators and to encourage less than outstanding teachers and administrators to consider other career options is to employ a compensation system that links pay with performance. While, as will be discussed later in this section, the District has not established a compensation system that consistently reward outstanding performance, it does support several initiatives to link pay and performance. For example, the current compensation system allows the District to address poor performance by withholding salary increases for teachers and managerial exempt employees whose performance is deemed substandard. In addition, the State provided in 2000-2001 a bonus for outstanding teachers in schools rated by the stated as being "D" and "F" schools and for teachers in alternative schools serving disruptive students. To be eligible for such a bonus, a teacher must have been teaching, with full-time classroom responsibility in a grade level that administered the reading and/or math FCAT during the designated school year and must have been teaching the subject tested. Moreover, the teacher must have a satisfactory performance evaluation and had no disciplinary issues during the designated school year. Student progress must be documented by improvement on math or reading FCAT scores from the previous school year. Improvement must be documented by an increase in the percentage of students at the school scoring at FCAT levels 2 to 5 in reading or math. Each bonus is worth a minimum of $1,000 and a maximum of $3,500. Principals in designated "D" and "F" schools recommend teachers meeting the criteria. The school board then reviews the data and recommendations and approves payment of the bonuses. The state also provides a bonus for advanced placement teachers.

Supplemental pay. Workforce stability may be modestly enhanced if teachers and administrators clearly understand for what activities they will receive supplemental pay. To this end, the District has clearly negotiated provisions for the requirements and compensation of teachers receiving supplemental pay. These requirements relate to number of courses taught during the regular workday and time spent by teachers on approved activities beyond the normal workday. Under the current system, teachers may seek supplemental pay assignments but are selected for these assignments by their principal. Principals have a fair amount of authority in making these decisions because the collective bargaining agreement speaks to "qualified applicants" but does not define required qualifications.

Critical shortage areas and schools at which it is difficult to place teachers. As discussed in Section 1, each year, the District identifies areas of critical teacher shortages and develops strategies to address these shortages. In the past, such strategies have included advance contracting, placement on the salary schedule at step 2 and the payment (at the end of the school year) of a one-time stipend of $1,000. Teachers may also receive tuition

reimbursement and student loan forgiveness through the Florida Department of Education to pursue certification in one of the critical shortage areas identified by the State Board of Education. In addition, teachers in hard to place schools have received incentives through the Graduate Certification and Urban Education Programs.[2]

Deferred Retirement Option Program (DROP). To the District's credit it has analyzed the impact of the state sponsored Deferred Retirement Option Program (DROP) on District staffing. DROP allows eligible employees to defer retirement and essentially invest their retirement annuity. Thus, when they actually retire and begin to receive their monthly annuity they also have a sizable "nest egg" at the time of actual retirement and when the employee begins to receive the monthly retirement annuity. The District calculates that the greatest impact of the DROP program will be in 2003 when approximately 1,640 retirements will occur (including 962 teachers). In addition, 326 retirements are expected in 2004 (including 229 teachers). To minimize the impact of DROP on District staffing needs, the District has offered an enhanced retirement benefit incentive to eligible employees. Four plan options were offered to employees to induce some of the large group of DROP enrollees (2003) to retire early and, by so doing, to minimize the impact on the District. These options are estimated to cost approximately $4.1 million in 2001-2002 and $3.9 million in 2002-2003. These programs were not designed to save money but will provide some net savings to the District in the short term. [3]

Salary and benefits comparisons. As discussed in Section 1, the District has conducted informal limited comparisons with other districts and public and private employers when setting salaries. (As the comparisons presented in Exhibits 7-7 and 7-8 in the previous section suggest, with some exceptions--most notably, bus drivers-- the wages the District pays are competitive with wages paid in other organizations. The Broward County Public Schools, however, pays its non-instructional staff more than the Miami-Dade County Public Schools but salaries for starting teachers, assistant principals, and principals are comparable.) As also discussed in Section 1, the salary comparisons made by the District are generally done to prepare for collective bargaining and not as a part of an ongoing and systematic evaluation of compensation levels. A comparison of fringe benefit coverage conducted by AFSCME indicates that benefits for employees in this bargaining unit are comparable to the fringe benefit coverage in other organizations (The results of this comparison is presented in Exhibit 7-9).

Exhibit 7-9

Fringe Benefits Coverage for AFSCME Employees Is Similar to Coverage Provided by Other Organizations

FRINGE BENEFITS											
Employer	**Health Ins.**	**Life Ins.**	**Dental Care**	**Vision Care**	**Pres. Drug Coverage**	**Retirement Plan**	**Dependent care**	**Long - term Care**	**Other Fringe Benefits**	**Cost of Fringe Benefits**	**Cost of Retirement Benefits**
Florida International University	Yes-F/T Yes -P/T	Yes-F/T Yes -P/T	Yes-F/T Yes –P/T	Yes-F/T Yes -P/T	Yes-F/T Yes -P/T	Yes-F/T Yes -P/T	Yes-F/T Yes -P/T		Disability, Cancer Care, Hospital Income	14.07%	31.50%
Jackson Memorial Hospital	Yes-F/T No -P/T	Yes-F/T No -P/T	Yes-F/T No -P/T	Yes-F/T No -P/T	Yes-F/T No -P/T	Yes-F/T No -P/T	NONE	NONE	-----	35.55%	.075+ 1.1645
Florida Power & Light Co	Yes-F/T No -P/T	Yes-F/T No -P/T	Yes-F/T No -P/T	None	Yes-F/T No -P/T	Yes-F/T No -P/T	Yes-F/T No -P/T	Yes-F/T No -P/T	-----	25%	-----
Broward County school board	Yes-F/T N/A-PT	Yes-F/T N/A -P/T	Yes-F/T N/A -P/T	Yes-F/T N/A -P/T	None	Yes-F/T No -P/T	NONE	NONE	-----	-----	-----
Broward County Government	$3450 - flex dollars per									Avg. $8229	Average $5562

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[2] Additional information on this program is presented in Section 1.

[3] The assumptions upon which these plans were based assume an estimated increase of 2% a year in replacement salaries relative to retirees salaries and that minimal insurance costs paid by the school board will increase 7.5% a year. The assumptions also assume that increases in health insurance costs will be incurred for both active and retired employees.

FRINGE BENEFITS												
Employer	**Health Ins.**	**Life Ins.**	**Dental Care**	**Vision Care**	**Pres. Drug Coverage**	**Retirement Plan**	**Dependent care**	**Long - term Care**	**Other Fringe Benefits**	**Cost of Fringe Benefits**	**Cost of Retirement Benefits**
	F/T Employee										
Miami-Dade Community College	Yes-F/T No -P/T	Yes-F/T No -P/T	Yes-F/T No -P/T	Yes-F/T No -P/T	Yes-F/T No -P/T	Yes-F/T No -P/T	Optional	-----	-----	17%	26%
Miami-Dade County Public Schools	**Yes-F/T No -P/T**	**Yes-F/T No -P/T**	**Yes-F/T No -P/T**	**Yes-F/T No -P/T**	**Yes-F/T No -P/T**	**Yes-F/T No -P/T**	**NO**	**Yes-F/T No -P/T**	**Legal; Hosp. Income**	**$3,342 + 9.89%**	**20.14%**

Source: MDCPS Wage and Salary Division; Personnel Management Service; AFSCME Salary Survey.

With regard to health care benefits, the District currently contributes $330 a month to cover the cost of single coverage for health benefits for all full-time employees. This covers both the cost of the premium for the HMO and flexible benefits. The difference between the cost of the HMO (the monthly premium for a single person to participate in the HMO is $238.87) and the $330 per month paid by the District can be applied by employees to purchase additional benefits through the flexible benefits options for core benefits such as life insurance, additional health coverage and disability coverage. While actual premium rates differ both Broward County and Palm Beach County School districts cover the cost of the single rate as well as the Point of Service Plan (POS) for part and full – time employees. It should be noted that a true comparison of benefits is extremely difficult as plan designs vary. Premium rates also vary for health coverage based on the claims experience of plan participants.

To effectively address workforce instability the District needs to take a more systematic approach to assessing the factors that contribute to workforce instability and take proactive steps to address them

The practices the District has implemented to promote workforce stability are not perceived as being effective. Indeed, two out of five respondents to the employee survey (40.0%) "disagree" or "strongly disagree" that "the District does an effective job of retaining its most skilled non-certificated staff. (Only 10.% of the survey respondents "strongly agree" with this statement.) With regard to the District's effectiveness in retaining its most skilled non-certificated staff the results are similar. Approximately 37% of the survey respondents "disagree" or "strongly disagree" with the statement, "The District does an effective job of retaining its most skilled non-certificated staff" while only 8.4% "strongly agree" with this statement.

A number of factors contribute to the District's shortcomings in retaining outstanding staff and promoting workforce stability in other important ways:

- The detailed information District managers need to make sound decisions is not systematically analyzed
- The District does not provide adequate incentives to encourage outstanding employees to remain employed with the District
- Succession planning is inadequate

A more detailed discussion of each of these factors follows.

Lack of analysis. The District collects a great deal of information that could be used to identify factors that contribute to workforce instability but does not analyze this information in any meaningful way. For example, detailed information is collected on the number employees who leave the District and the reasons for their leaving. Most notably, a Personnel Action Listing of Instructional and Non-instructional appointments, reassignments, leaves and separations is compiled and reported to the school board. The information provided in the Personnel Action Listing for April 12, 2001 to May 9, 2001 is presented in Exhibit 7-10.

Exhibit 7-10

Personnel Action Listings Provide A Great Deal Of Useful Information On The Number Of People Leaving The District's Employment And The Reasons For Their Leaving

	Instructional	**Non-Instructional**
Full-Time Appointment	94	64
Part-Time Appointment	729	617
Reassignments, Change of Status	178	355
Leaves	81	32
Separations	692	562

Source: MDCPS school board Agenda Personnel Action Listing (April12-May 9,2001)

The District, however, does not analyze this information to identify trends or unusual variations. In addition, because the District has not analyzed its actual rate of turnover there is no way to determine whether the District's turnover rate is higher, lower, or comparable to its peers.

Likewise, the District does not currently analyze the wealth of information that could be available from exit interviews. The Florida Department of Education has mandated that each Florida district conduct exit interviews for every teacher who leaves the classroom. This includes teachers who accept a position in another district or state; accept a position (within the District) other than teaching position (e.g., counselor, assistant principal, etc.); submit a resignation; retire; or have been terminated from employment by MDCPS. A questionnaire, provided by the Department of Education, is administered by the principal and submitted online to the District office. The results of these exit interviews have the potential to be extremely useful to the District in better understanding why employees leave and in obtaining feedback on what the District might do to retain employees.[4] Nevertheless, the District has not analyzed the results of the exit interviews conducted thus far nor has it collected information through exit interviews for other employee groups. The District does, however, maintain a database of exit interviews that have been completed.

Lack of incentives. The incentives the District has established to reward outstanding performance are limited and, perversely, some incentives that are in place are designed to encourage employees to leave. To the District's credit, some incentives have been established to reward performance. (These incentives have been previously discussed.) These strategies have not been structured, however, to have a District wide impact. In addition, while interview results strongly suggest that programs focused on attracting staff to schools for which it is difficult to place have not been successful, formal analysis of the District's ability to retain staff in these hard to fill positions has not occurred. Consequently, appropriate incentives to address this need have not been developed. Moreover, while supplemental pay opportunities are well defined, the District has not established instructional performance as a requirement for staff that receive supplements. Thus, an opportunity to provide an incentive for staff to improve instructional performance has been lost.

It is also worth noting that the District continues to offer an incentive for employees to retire early despite the fact that it faces a significant challenge in recruiting sufficient teachers to meet its needs. Indeed, the District has offered some type of early retirement incentive since 1991, when it began its one time only" incentive. These incentives have, for the most part, continued retiree health benefits at the District's expense until the retiree is Medicaid or Medicare eligible. While the primary purpose of these incentives is to reduce salary costs [5] these savings are generally realized for only a 5-year period at which time the savings eventually go away. The cost of the benefits

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[4] Discussion with staff indicate that many teachers leave MDCPS for a variety of reasons such as desire to be closer to home, difficulty of teaching assignment, and negative press about MDCPS. These assumptions are informal, however, and need to be confirmed for planning and programmatic purposes by a more systematic assessment.

[5] Salary savings are achieved when a relatively highly paid senior employee retires and is replaced by a new employee who starts near the bottom of the salary scale.

for the retiree continues, however, until the retiree becomes eligible for Medicaid or Medicare. Not only do these incentives provide a motivation for employees to leave the District at precisely the time hiring needs are beginning to peak, but they also remove needed knowledge, skills, experience from the District's workforce as well as an understanding of the District's history. Knowledge, skills, experience and a sense of history are all essential to a stable workforce.

Lack of succession planning. At present, the District focuses very little attention on succession planning. Consequently, succession planning is not an integral part of the District's efforts to stabilize is workforce nor is succession planning used to provide a context for evaluating the impact of early retirement incentives.

Recommendations

- *We recommend that the District develop a performance/skilled based compensation system to recognize and reward high levels of performance and to improve workforce stability.*

Action Plan 7-4 provides the steps needed to implement this recommendation.

Action Plan 7-4

Reward High Levels of Performance		
Strategy	Design and implement a performance based compensation system.	
Action Needed	Step 1:	Develop and recommend to the school board a policy for performance-based compensation.
	Step 2:	Establish a committee of stakeholders composed of teachers, administrators, and support staff to provide input and develop recommendations for performance based compensation system. (Similar to Joint Labor Management Committee on Benefits)
	Step 3:	Align the compensation system with the performance management system for respective employee groups using criteria for improved student, school and district performance.
	Step 4:	Submit the performance based compensation system to the school board for approval.
	Step 5:	Negotiate the performance based compensation system with respective employee groups
	Step 6:	Implement the performance based compensation system.
	Step 7:	Evaluate the effectiveness of the performance based compensation systems and assess its impact on student performance.
	Step 8:	Make modifications and improvements as necessary
Who is Responsible	Chief Personnel Officer, Chief Financial Officer, Chief negotiator, Executive Director Wage and Salary Administration	
Time Frame	June 30, 2003	
Fiscal Impact	The recommendation should be implemented within existing resources. Phase in new system with new employees replacing current compensation system that rewards length of service, course credits and degrees.	

Source: Berkshire Advisors, Inc.

- *We recommend that the District discontinue the use of early retirement incentives, which are costly and negatively impact workforce stability.*

Action Plan 7-5 provides the steps needed to implement this recommendation.

Action Plan 7-5

Discontinue The Use Of Early Retirement Incentives	
Strategy	Assess the impact of all active district retirement incentives.
Action Needed	Step 1: Analyze the impact of all active district retirement incentives.
	Step 2: Develop a plan to phase out current district retirement incentive plans.
	Step 3: Incorporate as part of performance based compensation system recognition and reward for performance and longevity (Action Plan 7-4)
	Step 4: Obtain school board approval to phase out District sponsored retirement incentives.
	Step 5: If unable to phase out current retirement incentives, develop a policy stating that no new retirement incentive should not be established
	Step 6: Assess the impact on workforce stability for future planning purposes.
Who is Responsible	Chief Personnel Officer; Chief Financial Officer
Time Frame	June 30, 2002
Fiscal Impact	The recommendation can be implemented within existing resources. District should realize reduction in benefit costs over time.

Source: Berkshire Advisors, Inc.

- *We recommend that the District develop a plan to address, remedy and improve workforce stability that incorporates succession planning*

Action Plan 7-6 provides the steps needed to implement this recommendation.

Action Plan 7-6

Develop And Implement Strategies To Improve Workforce Stability	
Strategy	Develop and implement a workforce stability and succession plan for the District and update it annually.
Action Needed	Step 1: Review and revise school district policies that negatively impact workforce stability.
	Step 2: Analyze factors that currently contribute to workforce instability.
	Step 3: Analyze district turnover data
	Step 4: Conduct and analyze exit interviews for all staff that leave the District.
	Step 5: Conduct salary and benefits comparisons
	Step 6: Implement internal pay equity plan.
	Step 7: Use data obtained in steps 3 to 6 to develop a workforce stability and succession plan for the District that identifies and addresses organizational needs
	Step 8: Update workforce stability and succession plan annually
	Step 9: Conduct annual evaluation of workforce stability and succession planning and assess additional opportunities to improve workforce stability
Who is Responsible	Chief Personnel Officer
Time Frame	June 30, 2002
Fiscal Impact	The recommendation should be implemented within existing resources.

Source: Berkshire Advisors, Inc.

3 Although the District's overall staff development program for non-instructional staff is sound, the program would benefit from a more systematic approach to developing and evaluating program offerings.

The District's overall staff development program for non-instructional staff is sound

The District has established a well-designed staff development program for non-instructional staff. In addition to new employee orientation, a range of course offerings[6] are provided to non-instructional employees. These programs include: "Diversity In The Workplace" (offered to paraprofessionals and school support); "Conflict Resolution and Confrontation Skills" (offered as part of annual training bus drivers receive); "Public Relations" (offered as part of clerical training); and "Computer Literacy" (offered as part of head custodial leadership training).

In addition, online training opportunities are available to non-instructional staff. Program offerings that are available on-line include: "Microsoft Office 2000"; "Interpersonal Skills;" and "The World In Your Palm"(teaches use of the Palm O S handheld computer). Moreover, mentor programs have been established for a number of non-instructional positions including new office personnel and food service managers.

Overall satisfaction with the training program for non-instructional staff is fair as reflected in the results of the employee survey. More than half (51.6%) of the survey respondents "agree" or "strongly agree" with the statement, "I have the opportunity to participate in the professional development activities I need to improve my job performance," and almost three out of five respondents (59.6%) "agree" or strongly agree" that "participation in staff development programs has made me more effective". With regard to the extent to which staff development programs meet the needs of peers, however, fewer than half the respondents (41.2%) "agree" or "strongly agree." Moreover, the percentage of survey respondents who "disagree" or "strongly disagree" with these statements is not insignificant, indicating additional room for improvement. (Survey results relating to training for non-instructional staff are summarized in Exhibit 7-10.)

Exhibit 7-10

Satisfaction with the Training Program for Non-Instructional Staff Is Mixed

Survey Item	Percentage Who "Strongly Disagree"	Percentage Who "Disagree"	Percentage Who Are "Neutral"	Percentage Who "Agree"	Percentage Who "Strongly Agree"
I have the opportunity to participate in the professional development activities I need to improve my job performance	13.7%	17.3%	17.4%	34.2%	17.4%
Overall staff develop program offerings address the needs of my peers	16.1%	18.5%	24.3%	28.7%	12.5%
Participation in staff development programs has made me more effective	9.0%	12.0%	20.2%	40.8%	18.8%

Source: Berkshire Advisors employee survey.

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[6] These course offerings are detailed in the District's Master Plan for staff development.

It is worth noting that not only are well-designed course offerings available to non-instructional staff but non-instructional staff are taking advantage of these opportunities. A review of the training records[7] for 20 randomly selected non-instructional employees revealed that all employees had taken part in the new employee orientation and that these employees participated an average of 24.2 hours of training over the most recent 12 month period. (The hours of training employees received ranged from 100 hours for the employee with the most training to 2 hours for the employee with the fewest hours of training over this period).

The staff development program for non-instructional staff would benefit from a more systematic approach to developing and evaluating program offerings

Despite the overall strength of the staff development program for non-instructional staff, the program would benefit from a more systematic approach to developing and evaluating program offerings. For example, while the District should be commended for using a needs assessment to help develop the training program, this needs assessment does not currently adequately reflect district long-term needs and priorities

In addition, while staff development courses are evaluated the success of these programs in building the staff capabilities needed to address the district's overall needs are not currently assessed. Moreover, the department does not currently make sufficient use of feedback from program participants to evaluate the quality of orientation and in-service training programs. Indeed, more than half of the non-instructional survey respondents (52.6%) "disagree" or "strongly disagree" with the statement, "My feedback relating to the District's new employee orientation program has been solicited." (Only slightly more than a quarter of the survey respondents "agree" or "strongly agree" with this statement. Likewise, while two out of five non-instructional staff surveyed (42.7%) "agree" or "strongly agree" that "my feedback on the staff development programs in which I have participated has been solicited" more than a third (33.6%) "disagree" or "strongly disagree."

Recommendations ———————————————

- *We recommend that the District modify the approach it currently takes to developing and evaluating staff development offerings for non-instructional staff to ensure these offerings adequately reflect the district's overall needs.*

Action Plan 7-7 provides the steps needed to implement this recommendation.

Action Plan 7-7

Align Non-Instructional Staff Development Offerings with Long-Term Needs and Priorities of the District	
Strategy	Modify approaches to developing and evaluating staff development offerings for non-instructional staff.
Action Needed	Step 1: Establish District priorities for staff development based on District Improvement Goals and Program Initiatives annually.
	Step 2: Assess staff to determine staff development needs based on District Staff Development priorities.
	Step 3: Conduct survey to determine areas of need identified by staff.
	Step 4: Prepare staff development offerings.
	Step 5: Conduct staff survey annually to solicit input on staff development needs and offerings.

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[7] The Personnel Management and Services Department is responsible for maintaining training records on-line for non-instructional staff.

	Step 6:	Evaluate the quality of staff development offerings using staff feedback annually.
Who is Responsible	Assistant Superintendent for Human Resources and Development	
Time Frame	June 30, 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

4 Although the District's overall staff development program for instructional staff is sound some modest steps can be taken to strengthen the program

The District's overall staff development program for instructional staff is sound

Overall the District's staff development program for instructional staff is quite good. This finding is strongly supported by the fact that overall satisfaction with the professional development program as reflected in the employee survey results is high. Indeed, as Exhibit 7-11 shows, the percentage of school-based instructional staff that "agree" or "strongly agree" with three survey items relating to professional development approaches or exceeds two-thirds percent.

Exhibit 7-11

Satisfaction With The Professional Development Program For School Based Instructional Staff Is High

Survey Item	Percentage Who "Strongly Disagree"	Percentage Who "Disagree"	Percentage Who Are "Neutral"	Percentage Who "Agree"	Percentage Who "Strongly Agree"
I have the opportunity to participate in the professional development activities I need to improve my job performance	7.3%	9.5%	11.2%	35.1%	36.9%
Overall staff develop program offerings address the needs of my peers	7.2%	12.7%	14.8%	38.5%	26.9%
Participation in staff development programs has made me more effective	5.1%	7.9%	15.7%	39.9%	31.4%

Source: Berkshire Advisors employee survey.

It is worth noting that not only are well-designed course offerings available to instructional staff but instructional staff are taking advantage of these opportunities. A review of the training records[8] for 20 randomly selected

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[8] The Personnel Management and Services Department is responsible for maintaining training records on-line for non-instructional staff.

instructional employees (teachers) revealed that all teachers had taken part in the new teacher orientation and that these teachers accumulated an average of 131 master plan points over the most recent validity period. (The master plan points received ranged from 488 for the employee with the most master plan points to 4 for the employee with the least master plan points for this validity period.)

The overall success of the professional development program is based in large part on its sound design. The program has a number of notable features include the following:

- An effective orientation program is incorporated into the overall staff development plan
- A new teacher induction program has been established
- Planning for teaching incorporates an assessment of student achievement
- Effective use is made of training funds
- The training of instructional staff includes a number of key components that are center to improving classroom performance
- A variety of training approaches are used
- Follow-up evaluations are performed to ensure that training results in improved performance
- Instructional staff are encouraged to pursue certification by the National Board of Professional Teaching standards

A discussion of each of these features of the District's professional development program follows.

Orientation program. A review of agendas for orientation programs strongly indicates that a sound, effective orientation program for new instructional employees has been established. This orientation program has been approved by the Florida Department of Education and, as required by the Department of Education, participants are surveyed each year to obtain feedback and input. (It should be noted, however, that this finding is not consistently confirmed by the results of the employee survey. About a third (35.8%) of the instructional staff who have been employed by the District for less than three years "agree" or "strongly agree" that their feedback relating to the orientation program has been solicited while about an equal percentage (36.5%) "disagree" or "strongly disagree" with this statement.) In addition, meeting agendas indicate that the District plans its orientation program jointly with the United Teachers of Dade.

Induction program. The District has established a comprehensive induction program that provides new teachers with the opportunities to learn the skills needed to be successful in specific school environments. Formal mentors[9], who receive master plan points for certification purposes, provide support for some teachers. Other teachers are supported by National Board Certified Teachers. (The Professional Assessment and Comprehensive Evaluation System (PACES) also provide new teachers with a professional growth team, which includes a colleague teacher.)

Planning. The District is also thoughtful about what training teachers are provided. Most notably, the District undertakes an annual needs assessment to understand training needs. This assessment process includes a number of factors including indicators of student performance (for training provided through the Title II Eisenhower Professional Development Program). In addition, plans are in place to incorporate student indicators as a key component in the professional development planning process for teachers.

Use of training funds. The District's use of training funds is based on the Master Plan for Staff Development that has been approved by the Board and the Florida Department of Education. (At present, professional development activities related to standards implementation receive the largest share of professional development funds.) The District has also taken a number of steps to improve the cost-effectiveness with which professional development services are provided. Most notably, the District provides training online and is in the beginning stages of implementing a virtual campus and distance learning.

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[9] Mentors have the opportunity to participate in training to help them learn mentoring techniques and practices.

Training components. The training of instructional staff includes a number of key components that are central to improving performance in the classroom. A review of the Master Plan for in-service education, interviews with professional development staff, and the teacher-director of the Teacher Education Center confirm that training for instructional staff includes two key components: research-based teaching strategies that increase student learning and development and strategies for assessing student performance. The results of the employee survey also confirm that these components are included as parts of the training teachers receive. Almost two thirds (63.5%) of the school-based instructional staff surveyed "agree" or "strongly agree" with the statement, "I have received training in how to use research-based teaching strategies that increase student learning and development." Moreover, almost four out of five school-based instructional staff (79.9%) "agree" or "strongly agree" that "I have received training relating to developing and implementing student performance."

Training approaches. Interviews and a review of the Master Plan for in-service education suggest that a variety of training approaches (e.g., lecture, simulation of techniques, observations, classroom practice and feedback) are used to provide training. This finding is confirmed by the results of the employee survey. Three out of four school of the school-based instructional staff surveyed (75.8%) "strongly agree" or "agree" with the statement "A variety of approaches are used to provide the training I have received."

Follow-up evaluations. One of the keys to any effective training initiative is the follow-up needed to ensure that the training individuals receive translates into improved practices. In the Miami-Dade Public Schools the Teacher Education Center is responsible for providing on-site follow-up. The building "techs" who are responsible for staff development at individual school sites work closely with Teacher Education Center staff to ensure teacher use of time subsequent to training is assessed to determine if learning is embedded in the teaching and learning process. Teachers also return to the Teacher Education Center to assess the level of implementation of research based instructional strategies. The success of these efforts is reflected in the results of the employee survey. Three-fourths (74.5%) of the school-based instructional staff that responded to the survey "agree" or "strongly agree" that "participation in staff development programs has made me more effective."

National Board of Professional Teaching Standards certification. In accordance with the provisions of Florida law, the District has developed policies to encourage instructional personnel to pursue certification by the National Board of Professional Teaching Standards. Candidates receive a $7,500 stipend for pursuing certification; National Board certified teachers receive a $4,100 stipend if they mentor other candidates; and candidates who complete the portfolio portion of the process receive 120 master plan points. The success of the District's efforts in encouraging teachers to pursue National Board of Professional Teaching Standards certification is reflected in the fact that the District currently has 132 National Board Certified teachers and ranks first in the State of Florida and fourth in the nation in the number of National Board Certified Teachers employed. An additional 170 teachers have applied for certification for the 2001-2002 school year.

Disaggregated data should be used to evaluate training needs

As noted, the district currently conducts an annual needs assessment to understand training needs. While the information that is used to perform this assessment includes some information relating to student performance, at present information on student performance is not disaggregated to ensure needs are properly identified. In the same way, information from employee evaluations is not disaggregated to the extent needed to pinpoint the staff development needs of individuals and groups of instructional staff.

Continued operation of the DATA center is not cost-effective

The Dade Academy for the Teaching Arts (DATA Center) began in 1986 as part of a career ladder program and in partnership with the United Teachers of DADE. (The Academy, which provides a nine-week sabbatical for approximately 48 secondary teachers each year, is staffed with 12 resident teachers and 24 adjunct teachers.) The adjunct teachers replace participating teachers for the nine-week period during which participating teachers engage in classroom observations of other teachers, participate in field experiences, and attend workshops and seminars. In addition, the teacher produces a product such as the establishment of a school within a school program at the end of the nine-week period.

Formal evaluations of the program have not produced longitudinal data as to program effectiveness, improved instruction or improved student performance. While the program provides a professional development opportunity for individual participants, its impact is limited because it benefits a relatively small number of teachers and has little or no district-wide impact. Moreover, the cost of the program is not small. The program's current cost is $1.2 million dollars or approximately $20,000 per participating teacher for the 2001-2002 school year. Eliminating this program will not materially affect the quality of professional development in the District and will result in significant savings.

Recommendations

- *We recommend that the district use disaggregated information on student performance and from employee evaluations to ensure staff development offerings for instructional staff focus on priority needs.*

- *We recommend that the DATA Center be discontinued which will reduce costs without materially affecting the quality of staff development programs.*

Action Plan 7-8 provides the steps needed to implement this recommendation.

Action Plan 7-8

Improve Instructional Staff Development	
Strategy	Use disaggregated data on student performance to improve staff development and discontinue the DATA Center.
Action Needed	Step 1: Determine criteria to be used in disaggregating data on student performance to improve staff development offerings
	Step 2: Analyze results of employee evaluations to determine staff development needs
	Step 3: Report results of steps 1 and 2 to the Superintendent
	Step 4: Develop staff development offerings to be included in the Master Plan for Staff Development
	Step 5: Assess the results of staff development efforts using employee feedback to determine whether staff development activities have been effective.
	Step 6: Close the DATA Center.
Who is Responsible	Assistant Superintendent for Human Resources and Development; Office of Education Planning
Time Frame	January, 2003
Fiscal Impact	This District will save $1.2 million annually and $6 million over five years.

Source: Berkshire Advisors, Inc.

5 The District's staff development program for school-based administrators is sound, yet procedures for soliciting and reviewing feedback on administrator performance by stakeholders should be strengthened.

Overall, the staff development program for school-based administrators is quite good

Overall the District's staff development program for school-based administrators is very good. This finding is strongly supported by the fact that the overall satisfaction of school-based administrators with the professional development program as reflected in survey results is high. Indeed, as Exhibit 7-12 shows, the percentage of school based administrators that "agree" or "strongly agree" with each of three survey items dealing with professional development approaches or exceeds 80%.

Exhibit 7-12

School-Based Administrators Are Extremely Satisfied With Their Professional Development Programs

Survey Item	Percentage Who "Strongly Disagree"	Percentage Who "Disagree"	Percentage Who Are "Neutral"	Percentage Who "Agree"	Percentage Who "Strongly Agree"
I have the opportunity to participate in the professional development activities I need to improve my job performance	4.1%	7.3%	9.1%	27.0%	52.5%
Overall staff develop program offerings address the needs of my peers	3.3%	9.7%	8.5%	33.8%	44.7%
Participation in staff development programs has made me more effective	1.5%	4.4%	10.2%	36.0%	48.0%

Source: Berkshire Advisors employee survey.

The District's professional development programs for school-based administrators have a number of notable features including the following:

- All school-based administrators must complete the District's Leadership Training Program
- All school site administrators are required to have a Professional Development Plan
- New school administrators are assigned a support team to help ensure their success
- Prospective school site administrators receive leadership training prior to be selected to be administrators
- A discussion of each of these program features follows.

Leadership training. All principals, assistant principals, and school site administrators must complete the District's Leadership Training Program. (This requirement is confirmed by the results of the employee survey. Eighty-eight percent of the school-based administrators surveyed "agree" or "strongly agree" that they have "participated in a district leadership-training program for administrators and school-based managers.") The Leadership Training Program is a collaborative initiative between Human Resource Professional Development Staff, the Executive Training Program, and School Operations employees.

Professional development planning. To guide ongoing professional development activities for school-based administrators, each administrator is required to have a Professional Development Plan. These Professional Development Plans incorporate Sterling Criteria (Baldridge) and Sunshine State Standards. In addition, they focus on ensuring school site administrators are skilled in using the new teacher evaluation process (PACES) and have the ability to use data to assess classroom effectiveness. School Operations staff and Executive Training Program staff through the Human Resource Development Management Academy provide ongoing training consistent with this plan.

Support team. A support team consisting of a supervisory administrator, a mentor principal, and an associate mentor is assigned to each new school administrator. The responsibilities of the mentor principal and the assistant principal include participation in a training component offered through Management Training prior to working with the participant; meeting with the participant to review the self assessment data and plan activities to address areas in need of professional growth; scheduling a day for mentor shadowing; working informally (via telephone, site visits, etc.) with the mentor; working proactively with the mentor to avert problems; and linking the mentee with the Resource Cadre and other district resources to provide management training assistance. In addition, to ensure they can successfully fulfill their responsibilities as mentors, prospective mentors are required to complete a training module offered through the Management Training Academy before beginning to work with new administrators as mentors.

Leadership training for prospective school site administrators. The District provides a comprehensive training program for prospective assistant principals through the Leadership Development Institute for Teachers. Specific competencies, experiences and training are required to complete this program including but not limited to demonstration of a orientation to decisiveness, commitment to vision and mission, interpersonal sensitivity, ability to gather and analyze data, manage interaction, demonstrated organizational ability and strong written and oral communication skills. Candidates who participate in this program are identified and assessed using the Gallup – Principal Perceiver instrument, Florida Principal Assessment Competencies, and a leadership inventory.

Clearly defined procedures for soliciting and reviewing input from stakeholders on the performance of school-based administrators should be developed

Section 231.29. *Florida Statutes,* requires the District to provide a mechanism for parents and teachers to provide input into the evaluation of administrators' performance when appropriate. While the District has established vehicles for communicating this requirement to parents and teachers – both through the Miami-Dade Academic Information Record and the District Faculty Handbook website – procedures for soliciting and reviewing feedback relative to administrative performance are not clearly defined. Likewise, it is unclear how such information is used as part of the performance assessment process. The lack of clearly defined procedures for soliciting feedback from these stakeholders not only puts the district in danger of not being in compliance with Florida law, but also more importantly, without this information a well-rounded assessment of administrator performance – which includes input from a range of perspectives – cannot be achieved.

Recommendations

- *We recommend that the District clearly define the process for evaluating administrator performance to ensure input is provided from teachers and parents.*

Action Plan 7-9 provides the steps needed to implement this recommendation.

Action Plan 7-9

Develop Process for Evaluating Administrator Performance	
Strategy	Develop clearly defined and well-communicated process to ensure input from teachers and parents in the evaluation of administrator performance.
Action Needed	Step 1: Establish a committee of administrators and teachers to develop survey instruments for parents and teachers relative to administrator performance.
	Step 2: Develop communication strategy to inform teachers and parents of the input process
	Step 3: Establish timeline for obtaining feedback using the newly developed surveys.
	Step 4: Analyze results of feedback
	Step 5: Incorporate feedback information into the administrator performance evaluation.
	Step 6: Assess effectiveness of the input process and modify it, as needed, for improvement
Who is Responsible	Chief Personnel Officer, Region Directors
Time Frame	June 30, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Source: Berkshire Advisors, Inc.

6 An effective system for evaluating the performance of employees has been established by the District.

The District has established a sound performance evaluation system.

The District has implemented and provides to teachers a number of items relating to performance evaluation including the Teacher Assessment and Development System (TADS), Procedures for Observation, Assistance and Evaluation of Instructional Personnel, and a newly developed Professional Assistance and Comprehensive Evaluation System (PACES)[10]. The collective bargaining agreement also contains procedures for evaluating employees that are incorporated in the PACES process. The PACES performance evaluation system has a number of sound features including the following:

- The performance evaluation system includes an appraisal of the employee's content knowledge
- Feedback on performance is received from a number of perspectives
- Staff whose performance is low receive written notice
- Performance evaluation results can affect the compensation instructional personnel receive
- Evaluation results are used to determine training needs

A discussion of each of these features of the performance evaluation system follows.

Appraisal of the employee's content knowledge. Consistent with the labor contract for teachers, the PACES performance evaluation system includes an appraisal of the employee's content knowledge. The contract states,

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[10] PACES has been approved by the Florida Department of Education.

"All teachers shall demonstrate through the performance of their professional responsibilities a mastery of basic skills (i.e., reading, writing, speech, computation, spelling, fundamental [generic] teach competencies, and subject matter skills) in areas of certification." The contract also gives the District the right to develop and use diagnostic tests and assessment techniques to determine professional growth needs.

Feedback from a variety of perspectives. Consistent with the collective bargaining agreement, the PACES performance evaluation system gives school site administrators the final authority and responsibility for teacher evaluation. However, the evaluation process also allows for input from individuals with a range of perspectives about employee performance. For example, under the PACES process master teachers are allowed to assist in the assessment of teacher performance. (The collective bargaining agreement does not, however, allow teachers to evaluate other teachers.) In addition, the District provides notice to parents and teachers through the District's Handbook and the Academic Information Record that they can provide input into the evaluation process.

Written notice of low performance. The PACES evaluation process requires that employees who performance is low receive written notification. Procedures for informing employees of their poor performance are outlined in the District's procedures for Observation, Assessment and Evaluation of Instructional Personnel and in the Professional Standards Manual, which also outlines due process procedures.

Link to compensation. One of the central questions that should be asked when evaluating any performance evaluation process is whether the process provides incentives for good performance and disincentives for poor performance. The district's performance evaluation process has "teeth." Policies and procedures are in place to withhold salary increases for instructional personnel when performance is unacceptable. In addition, in some cases, additional compensation can be paid to outstanding teachers. For example, there is a State Bonus Payment for outstanding teachers in "D" and "F" schools (as rated by FCAT scores) and for teachers working in Alternative Schools serving Violent and Disruptive Youth. Moreover, advance placement teachers are paid a bonus.

Training needs. The District compiles and uses data from employee evaluations to determine training needs. PACES places a particular emphasis on linking teaching and learning with professional development for teachers.

For the most part, the District's performance evaluation system is effectively implemented

Establishing an effective performance evaluation system is "necessary" but not "sufficient" to ensuring productive employee evaluations. In addition, the performance evaluation system must be effectively implemented. The District has taken important steps toward ensuring that the PACES system and process are followed effectively. Most importantly, training, guidance, and coaching are provided to all personnel involved in the evaluation. In addition, training agendas and manuals of procedures have been developed by the district to support implementation of the performance evaluation process. Moreover, interviews with both union leaders and district managers confirm that training, guidance and coaching relating to performance evaluation is a strong component of the evaluation process. Respondents to the employee survey also agree that administrators receive training about the employee evaluation process. More than two-thirds (70.5%) of the administrators responding to the survey "agree" or "strongly agree" that "I have received training and/or coaching in how to evaluate personnel properly."

Notably, the performance evaluation process has been used to support the dismissal of poor employees. (This is a key test of the effectiveness of an evaluation process as in many school districts the evaluation process is not used to dismiss ineffective staff.) Over the past few years the District has litigated and prevailed in the dismissal of 107 instructional staff for non-performance. It should be noted that these dismissals were for Professional Service Contract teachers and therefore a higher level of due process was required than for other employees. Additionally 54 instructional staff (including 15 administrators) were terminated for non-performance. (Six of the 15 administrators were re-directed to other assignments.)

The performance evaluation system is also supported by sound record keeping. In particular, procedures regarding the maintenance of records relating to poor performance, placement on probationary status, and disciplinary action

are in place (and documented in the Professional Standards Manual). In addition, staff from the Office of Professional Standards maintains a database relating to the status of cases of poor performance.

In some areas, the District's performance evaluation system can be strengthened

Despite the overall soundness of the District's performance evaluation system, the system can be strengthened in some areas. In particular, the linkage between performance and compensation can be strengthened. While some outstanding teachers can be rewarded in the current system relatively few opportunities are available to reward outstanding performance. Strengthening this feature of the performance evaluation system would enable the evaluation system to become the cornerstone of an accountability system that has as its driving force improving student performance. In addition, as discussed in a previous section, a more direct connection between evaluation results and training should be established.

The District has established appropriate policies relating to the drug testing of employees and provides appropriate drug or alcohol abuse assistance to employees

District policy follows federal guidelines for a drug-free workplace. Additionally, procedures for providing assistance to employees with alcohol and substance abuse problems comply with federal and Florida law as do District practices relating to notice and random drug-testing requirements. A District provided Employee Assistance Program is also available to employees who have alcohol or substance abuse problems. Moreover, in accordance with federal requirements, a substance abuse professional is contracted with by the District to work with employees who perform safety sensitive job functions and test positive for alcohol and illegal substances.

Recommendations ───────────────

- *We recommended that the linkage between performance and compensation for outstanding educators be strengthened to provide needed financial incentives for improving student performance.*

  Action Plan 7-4 provides the steps needed to implement this recommendation. (See page 7-31)

7 The District has established effective approaches to working with poorly performing employees.

The District's approaches to working with poorly performing employees are effective

Approaches to working with poorly performing employees fall into two broad categories: employees whose performance is merely poor and employees whose performance is unacceptable. With regard to employees whose performance is unacceptable, the District uses the Code of Ethics and the Principles of Professional Conduct of the Education Profession in Florida as the standard for defining unacceptable behavior that is harmful to students. Consistent with Board policy, employees who are identified as exhibiting unacceptable behavior are placed on administrative leave or, as appropriate, assigned to an alternate location.

Overall responsibility for dealing with employees who are not performing effectively is assigned to the Office of Professional Responsibility. Procedures for helping these employees improve their performance, or for dismissing them if their performance does not improve, appear to be in place and to be effectively implemented. One reason for the district's success in addressing issues of poor employee performance is that the District provides training, guidance and coaching to managers in how to work effectively with poorly performing employees. This finding is confirmed by the results of the employee survey. Of the administrators surveyed 71.2% "agree" or "strongly agree" with the statement, "I have received training and/or coaching on the procedures and issues associated with working with poorly performing employees."

The Office of Safety and Security manages allegations of employee misconduct. The prompt investigation and disposition of employee misconduct is critical to the safety and security of students. Prolonged investigations are also costly to the District when employees are placed on administrative leave pending the outcome of investigations. While the Office of Professional Responsibility has a 90 day standard for completion of investigations, staff, union members and site administrators express concern that the 90 day standard is often not met, thereby lengthening the investigation process. The Office of Safety and Security has not been accountable for meeting this standard.

Recommendations

- *We recommend that the District establish standards and performance measures for investigations of employee misconduct.*

  Action Plan 7-10 provides the steps needed to implement this recommendation.

Action Plan 7-10

Improve The Process For Investigating Employee Misconduct	
Strategy	Develop standards and performance measures to improve timeliness and quality of employee misconduct investigations and reports.
Action Needed	Step 1: Convene a task force of stakeholders to review and analyze the process for handling employee misconduct investigations.
	Step 2: Establish standards for timely completion of investigations of employee misconduct.
	Step 3: Establish and develop template and standards for writing employee misconduct investigations reports.
	Step 4: Establish a review process to evaluate the quality of employee misconduct investigation reports.
	Step 5: Establish performance measures to assess improvement in quality and timeliness of the process for investigating employee misconduct.
	Step 6: Evaluate quarterly to ascertain process improvement and to make modifications as needed.
Who is Responsible	Chief of Staff
Time Frame	June 30, 2002 and on-going
Fiscal Impact	This recommendation can be implemented within existing resources.

Source: Berkshire Advisors, Inc.

8 Current communications approaches are not completely effective in part because a systematic process to solicit and receive feedback and input is lacking.

The District uses a variety of approaches to communicate information to employees

The District currently uses a variety of approaches to communicate information to employees including the following:

- **Distribution of materials directly to employees or to work locations.** A great deal of information is distributed directly to employees and is available at their work locations. For example, the District's employee handbook is distributed directly to employees, as is the Employee Benefit Notebook. In addition, collective bargaining agreements are widely disseminated. Moreover, each District department distributes polices and procedures appropriate for the respective area.

- **Dissemination of information via the District's website.** The Office of Information Technology maintains the District's website with input from various District offices. A broad range of information is available to employees through the website (including the employee handbook, benefit information, health benefit enrollment, and school district policies)

- **Dissemination of information using e-mail**. Interviews and focus group discussions suggest that the District makes effective use of e-mail as a means of distributing district news and other relevant information. In addition to information provided by the central and regional offices, principals distribute and post e-mail communication concerning personnel and other relevant matters.

- **Sharing of information with meetings**. Each month region personnel directors meet with central Personnel Management and Services staff to discuss a range of issues and, by all accounts, these meetings are useful. It should be noted, however, that similar meetings do not occur on a regular basis with other district departments.

Current Communications Approaches Are Not Completely Effective

Results of the employee survey suggest that the communications approaches are not completely effective. While improvement is possible in all areas, the survey results suggest the District does a better job of ensuring staff are informed about issues affecting their own jobs than about broader issues facing the District. More than two-thirds of the survey respondents (68.5%) "agree" or "strongly agree" that they are "familiar with the major issues facing the District that affect (their) job(s)." Likewise, staff is generally comfortable that they "have a sufficient understanding of the District's objectives, priorities and initiatives to effective perform (their) job(s)." (Almost two-thirds or 64.6% of the survey respondents, "agree" or "strongly agree" with this statement.) However, survey results are somewhat less favorable with regard to the District's effectiveness in sharing information on its overall objectives and information on major new initiatives. Fewer than half (48.7%) of survey respondents "agree" or "disagree" with the statement, "The District does an effective job of communicating its objectives and priorities to District staff," and more than a quarter of the survey respondents (25.6%) "disagree" or "strongly disagree" with this statement. Moreover, while slightly more than half the survey respondents (54.4%) "agree" or "strongly agree" that "the District does an effective job of communicating information on major new initiatives with District staff," a not insignificant percentage (23.1%) "disagree" or "strongly disagree" with this statement.

Systematic processes are not in place to solicit and receive feedback from employees

The District does not solicit or receive feedback from employees in any systematic fashion. The use of feedback data to guide program, service, support or improvements appears to be completely lacking. Indeed, more than half (51.2 % of the employee survey respondents) "disagree" or "strongly disagree" with the statement, "The District has solicited my feedback when developing a major policy (through surveys, task forces, work groups, or other means)" and fewer than one in ten respondents (9.4%) "strongly agree" with this statement. It is worth noting, however, that some evidence exists that employees have provided at least some input on major policy revisions relating to benefits and teacher evaluation (PACES).

Not only are formal mechanisms for receiving feedback from employees not in place, but informal mechanisms are not in place either. Most notably, senior managers are not perceived as spending a significant amount of time visiting work sites to discuss issues with employees and receive their feedback. Indeed, almost half the survey respondents (49.8%) "disagree" or "strongly disagree" that "Senior District leaders come to my work site periodically to meet with employees," and only 11.3% of the survey respondents "strongly agree" with this statement. Moreover, focus groups findings with staff at school sites suggest that District employees have little interface or connection to District offices. Principals indicate that they get most of their support and interaction at the region level while school based employees look to the local school administrator as the primary source for information.

Recommendations

- *We recommend that the District develop a strategic plan for communication*

   Action Plan 7-11 provides the steps needed to implement this recommendation.

Action Plan 7-11

Improve Communication with Employees	
Strategy	Develop a systematic process to receive feedback and input from employees.
Action Needed	Step 1: Systematically assess the effectiveness of current District communications
	Step 2: Conduct an employee survey to ascertain methods of communication most helpful and useful to employees
	Step 3: Develop and implement a variety of strategies to receive feedback and obtain input from employees.
	Step 4: Communicate to employees how feedback and input is used
	Step 5: Evaluate annually the effectiveness and usefulness of the communication plan and make modifications, as necessary.
Who is Responsible	Chief Personnel Officer and Communications Director
Time Frame	June 30, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Source: Berkshire Advisors, Inc.

9

While the District provides and requires training for substitute personnel, the hiring and deployment of substitutes[11] is neither efficient nor effective.

The District has established some effective policies for managing substitute personnel

While significant improvement in the managing of substitute personnel is needed, the District has established some effective policies relating to substitute personnel. Most notably, training is now required of all new substitutes in the District before they are able to begin work. A Title VI Grant for Substitute Training (STELL) currently supports this training. In addition, information in the New Educator newsletter entitled "Substitute Teacher Survival" is also provided to substitute teachers. (While the District should be commended for requiring this training, the results of the employee survey with regard to the adequacy of this training are mixed. On the one hand, more than one third (34.2%) of the school-based administrators surveyed "disagree" or "strongly disagree" with the statement, "Substitute teachers are well trained." On the other hand, well more than half the school-based administrators surveyed (54.0%) "agree" or "strongly agree" with this statement.)

Another effective practice that the District has initiated is the requirement that permanent substitutes who provide extended substitute service be fully certified. These permanent substitutes have access to the same professional development activities as "regular" teachers, must attend new substitute teacher training, and have their performance evaluated on an annual basis.

To the District's credit it also conducted a study to ascertain recruitment and hiring strategies for substitute teachers. As part of this study, comparative benchmarking with other Florida and large city school districts was performed.

Overall, however, significant improvement is needed in the District's approach to managing substitutes

A number of significant problems have been identified relating to the District's approach to managing substitute teachers including:

- The absence of a system to monitor and manage employee absenteeism
- Ineffective procedures for assigning substitutes to schools
- Insufficient availability of substitutes in some schools
- Lack of needed support from the central office

A discussion of each of these improvement opportunities follows.

Monitoring and managing employee absenteeism. No evidence suggests that a system to monitor and evaluate rates of employee absenteeism currently exists in the District. While the collective bargaining agreement defines an unexplained absence, there is no standard by which excessive absences for employees are assessed. Further, no evidence exists that incentives are in place to discourage absenteeism. Site visits confirm that staff attendance and the lack of available substitutes is a major problem at many schools. Indeed, some schools indicate their substitute allocation was already depleted less than halfway through the school year.

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[11] This section focuses exclusively on substitute teachers. Arranging for substitutes for non-teacher employees who are absent and need to be replaced is not supported by the District's central office.

Substitute assignments. The process for assigning substitutes to schools is neither efficient nor effective. At present, substitutes are hired from a permanent pool of substitutes by each local school.[12] A substitute finder is employed at each school site to contact substitutes from a list provided by the District office. Several calls may be made before a replacement is found for one absence. In addition, because no standards or policies are in place to govern substitute responsibility they may or may not accept an assignment. Even worse they are not required to return to an assignment after one day. Obviously, if they decide not to return, the laborious process of identifying a substitute teacher must be repeated.

Substitute availability. Perspective with regard to whether there is sufficient availability of substitutes are mixed. More than two-thirds of the school-based administrators who responded to the employee survey (68.1%) "agree" or "strongly agree" with the statement, "The District does an effective job of hiring a sufficient number of substitute teachers." On the other hand, slightly less than a quarter (23.5%) of the school-based administrators responding to the survey "disagree" or slightly disagree" with this statement. Moreover, in interviews principals generally indicated that under the present system for hiring and obtaining substitute service neither the allocation nor availability of substitutes is sufficient.

The primary reason for this difference of perspectives relating to the availability of substitutes appears to stem from the fact that some schools experience higher rates of absenteeism than others due to the nature of the school program. School serving exceptional children; alternative schools and inner city schools experience greater needs than others. These schools tend to deplete their allocation earlier and have the greatest difficulty obtaining substitutes.

Lack of central office support. In interviews and focus groups, school site administrators reported inadequate response and support from the District office in maintaining sufficient substitutes. Further, examples were cited where substitute candidates were referred to the District office for hire and were given inadequate or incorrect information, turned away (in spite of severe shortage) or were not contacted to complete the hiring process. Principals also report the loss of potential substitutes for their schools due to this lack of responsiveness on the part of Personnel Management and Services staff.

Recommendations

- *We recommend that the District purchase and implement an automated substitute management system.*

    Action Plan 7-12 provides the steps needed to implement this recommendation.

Action Plan 7-12

Automate the Deployment of Substitute Personnel	
Strategy	Develop and issue a Request for Proposal (RFP) for an automated substitute management system.
Action Needed	Step 1: Establish a task force to assess school substitute needs that includes principals, teachers and region office staff.
	Step 2: Benchmark what other Districts are doing with regard to substitute management
	Step 3: Incorporate local district needs and best practices when developing RFP for Automated Substitute Management System
	Step 4: Issue RFP.
	Step 5: Make recommendations to school board on recommended system

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[12] In addition to "pool" substitutes who are assigned to one school or cluster of schools, a list of "emergency" substitutes is maintained. These emergency substitutes can be called if the substitute pool is depleted on a given day. Emergency substitutes are paid $87 per day and pools substitutes are paid $110 per day. Pool substitutes can work a maximum of 180 days during the school year.

	Step 6: Train school district staff and substitutes on enrollment procedures and use of the automated management system.
	Step 7: Review with task force and make modifications, as necessary.
Who is Responsible	Chief Personnel Officer
Time Frame	June 30, 2003
Fiscal Impact	Initial estimated cost $250,000 plus an estimated $50,000 per year for updates. The costs may be offset by savings associated with reduced substitute costs (as monitoring and management of absenteeism improves) and by eliminating the need for substitute callers at school sites. (The District currently spends approximately $350,000 a year with projected savings of $1.75 million over a five-year period.)

Source: Berkshire Advisors, Inc.

- *We recommend that the District develop and implement a strategic plan to recruit and compensate substitute teachers.*

Action Plan 7-13 provides the steps needed to implement this recommendation.

Action Plan 7-13

Strengthen Process For Recruiting and Compensating Substitute Personnel	
Strategy	Develop and implement a strategic plan to recruit, train and compensate substitute teachers.
Action Needed	Step 1: Establish a task force made up of teachers, administrators, and district/region personnel to examine the District's substitute needs
	Step 2: Develop plans for recruiting, training and compensating of substitute teachers (similar to plan for recruitment presented in Action Plan 7-1)
	Step 3: Develop a District cadre of substitutes similar to pool substitutes who are compensated full-time and must be available each day to work where needed. (This district-wide cadre of substitutes should serve as the priority pool for filling vacancies. These substitutes should be permitted access to health benefits.)
	Step 4: Develop a system with processes to evaluate the performance of substitutes.
	Step 5: Evaluate giving partial experience credit for salary placement purposes for those who have worked in the District as a part of the substitute teacher cadre.
	Step 6: Evaluate the effectiveness of the plan for recruiting, hiring and compensating substitute teachers. Revise and modify for program as appropriate.
Who is Responsible	Chief Personnel Officer
Time Frame	March 2002
Fiscal Impact	Can be implemented using existing resources.

Source: Berkshire Advisors, Inc.

10The District's records management system lacks an adequate and effective records retention schedule.

The District's approach to personnel records management has a number of positive features

Adequate attention to records management can increase department efficiency, decrease the number of misplaced or lost documents, support good customer service, reduce labor and other costs, improve decision-making, improve processing efficiency and reduce litigation exposure and other related problems. As a public entity, school districts are subject to specific record management guidelines mandated by the state as well as federal employment records requirements.

The District's current approach to personnel records management has a number of positive features including the following:

- Policies and procedures have been clearly established
- Responsibility for records management is clearly defined
- Personnel records are accessible
- A system has been established to locate personnel records
- Updating of personnel records is reasonably timely

A discussion of each of these positive features of the District's current approach to records management follows.

Policies and procedures. School board policy sets forth the procedures for maintaining personnel records. The policy is consistent with Florida Statutes and the State Division of Archives, History and Records Management.

Organizational responsibility. The Office of Personnel Operations and Records is responsible for personnel records maintenance and handling open records requests.

Accessibility. Personnel records are generally available to officials with the clearance to view them. Indeed, the school-based administrators responding to the employee survey overwhelmingly indicate that they are able to access personnel records at their work location: 90.5% "agree" or "strongly agree" with the statement, "I am able to access personnel records at my work location" while only 3.8% "strongly disagree" with this statement.

Location of personnel records. The District currently keeps personnel records in three different formats – electronic images, microfiche/microfilm, and paper. Hard copy records are kept in files and boxes around the department. In addition, principals maintain some personnel records at school sites in employee files. Department staff has developed a database to assist in the location of personnel records with the date of hire serving as the guide to where they are stored.

Updating personnel records. The District has established policies to update personnel records on a timely basis. The District's self-assessment reports indicate that personnel records are updated daily on the mainframe and that the updating of hard copy records is done on a timely basis. That records are perceived to be updated in a timely manner is reflected in the results of the employee survey. Most (55.5%) of the survey respondents "agree" or "strongly agree" that "personnel records are updated in a timely manner. It should be noted, however, that 27.8% of the survey respondents are neutral on this issue, which may reflect a lack of understanding of the purpose and content of personnel files. (A general lack of awareness relating to personnel files was also reflected in interviews and focus groups at school sites.)

The District's approach to records management has a number of shortcomings as well

While the District's approach to records management has a number of strengths, current approaches have a number of shortcomings as well (some of which are not completely within the control of Personnel Management and Services). The shortcomings include inadequate technology and the lack of a records retention strategy. A discussion of each of these shortcomings in the District's approach to records management follows.

Technology. While the department has worked hard over the last four years to use technology to support records management, it is victimized by the lack of an integrated Human Resource Information System. There are currently over 50 standalone databases in the department that operate from a mainframe platform. Maintaining so many databases is not only inefficient from a processing perspective but also requires duplicative effort (identical data must be entered into more than one database) and increases the risk of errors (the more times data is entered into a database the greater the likelihood of error). For example, because the current Applicant Tracking System stands alone there is currently no way to transfer applicant information onto payroll and benefit databases once an individual is hired. It should be stressed that maintaining so many databases is not only ineffective and inefficient from the perspective of the central human resource function but maintaining so many databases also makes it more difficult for staff in the field to access meaningful personnel information. While, as noted, personnel data is available to site managers, using databases that stand alone and operate from a mainframe platform limits the ability of site managers to interact with the system in any meaningful way. For example, site managers cannot update or correct the local school assignment such as a change in grade level assignment. At present, school sites are primarily limited to amending attendance information.

Records retention strategy. The District has not developed an effective strategy for records retention. On the contrary, there appears to be a belief by the District that all personnel records must be retained forever. Without a records retention strategy there is no way for the department to determine what paper records should be processed using the Minolta Document Imaging System (currently used for the electronic imaging of personnel records) and what records should be retained in hard copy because they will be first in line to be destroyed. (Sixty seven million images would need to be recorded to clear the backlog of personnel records that currently exists.) At present, personnel records for employees hired before 1983 are on microfiche/microfilm and personnel records for employees hired after August 1998 are imaged. Other than this standard there is no expectation with regard to what form records should be kept. A sample of randomly selected personnel records from employees represented by seven bargaining units revealed that records are currently kept in a wide variety of formats driven by date of hire. In the sample, 70 items (36.6%) had been imaged, 51 (26.8%) were in paper folders, and 70 (36.6%) were on microfiche/microfilm. Some sample items were stored in one or more of these formats.

Recommendations

- *We recommend that the District aggressively develop, implement and support a quality, on-going records management program in compliance with state and federal records retention requirement to include technology upgrading.*

Action Plan 7-14 provides the steps needed to implement this recommendation.

Action Plan 7-14

Develop, implement and support a quality, on-going records management program	
Strategy	Develop a records retention schedule for all personnel records in accordance with state and federal guidelines.
Action Needed	Step 1: Complete a comprehensive records inventory creating a list of all personnel related data and records.

	Step 2: Establish a task force (which should include a representative of each Personnel and Management Services unit) and charge this task force with identifying District employee record issues and with developing a strategic plan for managing department records.
	Step 3: Develop policies for creating, storing and retrieving personnel files.
	Step 4: Implement and post a retention schedule for all personnel documents consistent with requirements set forth in Florida Statutes and established by the State Division of Archives, History, and Records Management.
	Step 5: Assess and establish appropriate methods of records destruction that reflects confidentiality, legal and environmental standards.
	Step 6: Develop a records management manual.
	Step 7: Develop a plan to image all records currently not imaged. (Outsource this project as necessary to eliminate the current backlog.)
	Step 8: Assess records management procedures, identify areas and sources for improved processes, to include technology upgrade, update records management manual annually, train personnel staff regularly and review district, state and federal mandates relating to records retention to ensure compliance
Who is Responsible	Executive Director of the Office of Personnel Operations and Records Management; Executive Director, Office of Information Technology
Time Frame	June 30, 2002
Fiscal Impact	This recommendation can be implemented using existing resources.

Source: Berkshire Advisors, Inc.

11 While the District's use of cost containment practices for its workers' compensation program is commendable, policies and procedures for early return to work should be strengthened.

The District's use of cost containment practices for its Workers Compensations Program is commendable

The District has worked aggressively to control its workers' compensation costs and these efforts have resulted in considerable success. From 1998 to 2001 the District's experience ratings [13] have improved from a rating of .83 in 1998 to a rating of .99 in 2001.These rating gains are not only significant, they have also been consistent. In each year during this period with the exception of 1999, experience ratings improved over the prior year's experience rating. Moreover, the District has received a rating of 100% compliance with no deficiencies from the State of Florida Agency for Health Care Administration (AHCA).

A number of strategies have contributed to the District's success in controlling workers' compensation costs:

- The District makes effective use of information to control costs
- A third party administrator is used to support cost control efforts
- An effective safety program has been established
- Information on workers' compensation procedures is widely disseminated

A brief discussion of each of these strategies follows.

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[13] Claims/loses as a percent of payroll used to establish premium rates.

Information. The District uses information very effectively as a tool for controlling workers' compensation costs. Information on the District's loss experience is carefully tracked and used to develop cost control strategies. In particular, the Medical Savings Detail Report provided through the CorVel Information System is used to monitor costs and cost savings. The District also monitors claims and costs by location and department and produces a Stewardship Report that reports this information. Moreover, competitive benchmarking is used to gauge the success of its efforts and to identify cost control practices used in other organizations. The District aggressively tracks and compares its performance with state and national statistics, peer and area school districts, and government and private industry.

Third party administrator. The District uses a third party administrator to provide on-going loss prevention services. Gallagher-Barrett Loss Prevention Services provides a comprehensive risk control service to the District. According to District managers, the use of this service has contributed significantly to the District's improved experience ratings from AHCA and its success in controlling costs.

Safety program. The District's safety inspection program is included as a part of its contract with Gallagher-Barrett Loss Prevention Services. Under this program, the third party administrator conducts on-site inspections and then prepares follow-up reports to the District with recommendations for corrective action. High-risk areas and professions are inspected on a routine basis.

This program appears to be quite successful. Principals of high-risk schools and programs (e.g., Exceptional Student Education schools) report reductions in workers' compensation claims and prompt response when requests are made for inspection. They further report that employee attendance improves when corrective action plans are implemented.

Information dissemination. Ensuring employees understand the workers' compensation program not only assures that they will benefit from it as warranted but also, by raising awareness, provides a vehicle for reducing claims. The District currently does an excellent job of sharing information about the Workers' compensation program. A comprehensive workers' compensation procedures manual is distributed to all school district employees. This manual provides information to employees on workers' compensation claims ranging from report of injury to advocacy. That employees are familiar with policies and procedures relating to workers' compensation is supported by the results of the employee survey. More than two-thirds of the survey respondents (66.7%) "agree" or "strongly agree" with the statement, "I am aware of District requirements relating to the reporting of on-the-job injuries." (Only 7.3% of the survey respondents "strongly disagree" with this statement.)

Policies and procedures for early return to work should be strengthened

The District is not currently taking full advantage of opportunities to reduce workers' compensation costs by establishing transitional work programs for claimants. The Workers Rehabilitation Alternative allows payment of up to 80% of salary when a claimant returns to work in a transitional work program. This incentive encourages work site supervisors to use transitional program workers while the worker gradually returns to full work capacity and the District gradually assumes the full salary cost of the employee. Early return to work and/or transitional work programs have significantly reduced workers' Compensations claims where school districts have established a definitive policy and procedures for implementation and accountability.

Recommendations ───────────────

- *We recommend that the District develop clear policies and procedures for early return to work to strengthen its workers compensations cost containment efforts.*

Action Plan 7-15 provides the steps needed to implement this recommendation.

Action Plan 7-15

Strengthen Policies And Procedures For Early Return To Work	
Strategy	Assign leadership and responsibility for implementing an Early Return to Work Program.
Action Needed	Step 1: Assign the leadership and responsibility for a Board approved early return to work program to the Office of Risk and Benefits Management
	Step 2: Develop policy and procedures for the early return to work program.
	Step 3: Use the Joint Labor Management Committee on benefits to receive input, feedback and guidance in the development of the program.
	Step 4: Assess and determine areas where transitional work can be performed.
	Step 5: Obtain Board approval for the Early Return to Work Program.
	Step 6: Develop and implement communication strategy for the Early Return to Work Program.
	Step 7: Evaluate the program each year and make modifications to improve effectiveness.
Who is Responsible	Chief Personnel Officer
Time Frame	June 30, 2002
Fiscal Impact	This recommendation can be implemented within existing resources. Savings of 2 percentage of current costs will likely result. Savings of $2.5 million over five years is anticipated.

12 Standards and measures are not used to assess program performance, efficiency, and effectiveness.

Performance measures and data are not used to guide human resource program initiatives

As discussed throughout this chapter, the performance of Personnel Management and Services is sound in many respects. The Department will not be able to reach even higher levels of performance, however, unless its leadership begins to make more effective use of performance measures and data to guide program initiatives. At present, program efforts and initiatives are guided by the past experience of the Department's leadership. While this experience is credible, it does not provide a sound basis for evaluating program strengths and shortcomings, assessing needs, developing programs, improving programs that are in place, and determining what programs should be retained and what programs should be discontinued. Deficiencies in the Department's use of information to guide decision making is reflected in a number of ways:

- Benchmark comparisons or other relevant data are not used to establish program priorities or assess cost efficiency

- Regular evaluations of the performance and costs of the human resources program does not occur

- The use of analysis to determine the potential cost savings of alternative service delivery approaches (such as privatization or contracting services) does not occur as a general practice[14].

- Comparisons with other districts to understand program implementation approaches occurs only on a limited basis (e.g., substitute recruitment strategies)

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[14] It should be noted that the Office of Risk and Benefits Management has analyzed the costs of internal versus external administration of workers' compensation loss prevention services. In addition, school board benefit-funding comparisons have been made with other Florida districts.

- The lack of priority the Department places on using information and performance measures to guide decision making and drive improvement efforts is reflected most clearly in the Department's strategic plan (the Hallmark of Leadership document). While goals and objectives are articulated in this strategic plan, the plan does not provide any baseline indicators that can be used to evaluate improvement or success. In addition, the action plans incorporated in the strategic plan lack standards, which can be used to assess whether the action plan objectives are met.

Recommendations

- *We recommend that the Department of Personnel Management and Services develop and implement a strategic plan that includes specific performance standards and measures*

Action Plan 7-16 provides the steps needed to implement this recommendation.

Action Plan 7-16

Develop Strategic Plan That Includes Performance Standards And Measures	
Strategy	Revise and update the Hallmark of Leadership (current strategic plan).
Action Needed	Step 1: Obtain data and feedback in each of 15 critical success factor areas [15]
	Step 2: Analyze data and feedback
	Step 3: Use analysis to guide strategic planning process
	Step 4: Hire a consultant to lead strategic planning process
	Step 5: Review current vision and mission for relevance
	Step 6: Establish performance goals
	Step 7: Set performance indicators and measures in the critical success areas as determined by the data analysis
	Step 8: Define appropriate responsibilities
	Step 9: Align program activities to expenditures
	Step 10: Evaluate effectiveness of program activities
	Step 11: Make program change and modifications as needed
Who is Responsible	Chief Personnel Officer
Time Frame	June 30, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Source: Berkshire Advisors, Inc.

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[15] Critical success factors for typical human resource management practices should be used to measure the Department's performance. These factors should guide the strategic planning process and serve as the basis for evaluation Department performance. These critical success factors are: leadership and stewardship; visionary and strategic planning; organizational structure; human resources effectiveness measures; operational efficiency; customer service orientation; organizational culture and work environment; recruitment and staffing; employee benefit administration; compensation and salary administration; performance management; training and development; technology; and compliance.

13The structure and staffing of Personnel Management and Services should be assessed on an ongoing basis to determine effectiveness

The organizational structure of Personnel Management and Services is not evaluated on an ongoing basis

The current Personnel Management and Services organizational structure was developed as the result of a staffing retreat held in 1996. The structure was designed, in part, to align with the District's six regions to improve responsiveness to those regions. While this feature of the organizational structure is sound, other features of the current structure are less compelling. For example, while reporting lines with the structure are clear, spans of control do not appear to be by industry standards, benchmark comparisons or any rationale. Indeed, some units and individuals have significantly greater spans of control than others. For example, within the Office of Human Resources and Development the Executive Director for Instructional Staffing and Certification manages and supervises all instructional staffing and all certification activities for the District while the Executive Director for Non-Instructional Staffing has responsibility for supervising and managing non-instructional staffing only. Moreover, the Assistant Superintendent, Executive Officers, Administrative Directors all have the same general level of organizational authority and responsibility but have different titles and compensation.

Despite these shortcomings in the current organizational structure, there has been no review of the organizational structure since it was first established in 1996. Consequently, no reports have been made to the school board regarding changes in organizational structure. [16]

While Personnel Management and Services staff is appropriate, the Department would benefit from more clearly defined staffing standards

Comparison of Personnel Management and Services staffing with the staffing of the human resources function in six other districts (with between 12,000 and 27,000 employees) indicates that Personnel Management and Services staffing is adequate. The Personnel Management and Services staffing ratio of 700 employees served for each human resources employees compares favorably with ratios in the Broward County Public Schools (600 employees served for every human resources employee) and the Palm Beach County Public Schools (450 employees served for every human resource employee). Some districts in the survey had ratios as low as 250 employees served for each human resources employee.

While these comparisons are useful in assessing the overall level of Personnel Management and Services staffing, more detailed benchmark comparisons of, for example, staffing per employee by human resource function would be beneficial. In addition, establishing staffing standards based on service expectations, workload, and the systems used to support human resource function would also be beneficial. At present, no such detailed analysis of Personnel Management and Services staffing is performed.

Recommendations ───────────────────────

- *We recommend a review of the organizational structure and staffing levels of personnel management services using clearly defined criteria be conducted each year.*

  Action Plan 7-17 provides the steps needed to implement this recommendation.

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[16] The Deputy Superintendent for Personnel Management has provided an annual report to the school board on program activities. This report has not provided recommendations for program improvement, however.

Action Plan 7-17

Review Organizational Structure And Staffing Levels		
Strategy	Assess organizational structure and staffing levels using clearly defined criteria.	
Action Needed	Step 1:	Conduct customer surveys to ascertain level of satisfaction with current levels of service.
	Step 2:	Evaluate organizational structure, systems and processes to determine what changes are needed to improve service.
	Step 3:	Benchmark other organizations to understand how they have addressed similar issues
	Step 4:	Determine areas needing modification/change
	Step 5:	Develop criteria recommendations for organizational change and staffing modifications
	Step 6:	Draft revised organizational and structural plans
	Step 7:	Obtain school board approval for any reorganization/restructuring
	Step 8:	Evaluate and update organizational structure annually to meet changing District needs and priorities.
Who is Responsible	Chief Personnel Officer	
Time Frame	June 30, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources.	

Source: Berkshire Advisors, Inc.

14 A systematic process to solicit feedback from clients /customers should be established to guide improvements in service delivery and personnel practices.

Perceptions of Personnel Management and Services response to requests for personnel assistance are mixed

Region directors and principals articulate satisfaction with the level of response to requests for personnel assistance (particularly from the Office of Professional Responsibility). However, interviews and focus group findings suggest that as one moves from managers and leaders to line employees the level of satisfaction with the responsiveness of Personnel and Management Services declines. In interviews and focus groups, staff voiced concern that unless you are a principal/manager you are unlikely to receive a return phone call. Principals, on the other hand, indicate success in using phone, fax and e-mail to make and receive responses on personnel issues.

These findings are supported in the results of the employee survey. As Exhibit 7-13 shows the percentage of non-administrator survey respondents who "agree" or "strongly agree" with the statement "Requests for personnel assistance are handled promptly" is 21.7% less than the percentage of administrators who "agree" or "strongly agree" with this statement. Moreover, the percentage of non-administrators who "disagree" or "strongly disagree" with this statement is 9.4% higher than for administrators.

Exhibit 7-13

Non-Administrators Are Less Satisfied With The Response To Personnel Assistance Than Administrators

	Administrators	Non-Administrators	Difference
Strongly Agree(a)	24.3%	9.8%	14.5%
Agree(a)	37.0%	29.8%	7.2%
Neutral(a)	20.0%	32.3%	(12.3%)
Disagree(a)	12.4%	15.1%	(2.7%)
Strongly Disagree)	6.3%	13.0%	(6.7%)

(a) Agree or disagree with the statement "Requests for personnel assistance are handled promptly."

Source: Berkshire Advisors Employee Survey.

Periodic evaluation of personnel practices and adjustments of these practices is needed to reduce costs and/or improve efficiency and effectiveness

The District has not implemented a review of the human resource program's delivery of service to reduce costs and improve efficiency and effectiveness. Such studies have been conducted in many comparable school districts to assist in improving program service delivery. Systematic evaluation of human resources services have, for example, been performed in the New Orleans Public Schools, the Providence Public Schools, the Rhode Island Public Schools, the Buffalo Public Schools, the District of Columbia Public Schools, and the Houston Independent School District. In the absence of a comprehensive review of personnel services, the Miami-Dade County Public Schools System has relied on the past experience of leadership to guide program changes and modifications.

In addition to a comprehensive review of human resources operations, an accountability system should be established that incorporates a systematic process for soliciting feedback from clients/customers and ongoing evaluation of performance using performance measures (as discussed in Section 12). The annual report presented to the school board by the Office of Personnel Management and Services does not contain such an analysis and does not provide recommendations for program change and/or improvement.

The District does not mandate direct deposit of employee pay

While the District does not mandate direct deposit of employee pay, 70% of all district employees take advantage of direct deposit. The participation of 70% of the District's 39,000 full-time and 12,000 part-time employees is reasonably good. This high participation rate stems in part from the District's efforts to encourage participation though e-mail and direct correspondence to employees.

The best practices defined by OPPAGA and approved by the Commissioner of Education suggest that mandatory direct deposit of employee pay can be an indicator of efficient personnel practices. To maximize the efficiencies obtained through the use of direct deposit, the District should continue to expand its use. For example, the District could routinely require new employees to sign up for direct deposit, unless extraordinary circumstances exist that make direct deposit an unsatisfactory option for an individual employee.

Recommendations

- *We recommend that the District assess the effectiveness and efficiency of service delivery and personnel practices.*

Action Plan 7-18 provides the steps needed to implement this recommendation.

Action Plan 7-18

Assess Service Delivery and Personnel Practices	
Strategy	Conduct a needs assessment and solicit employee feedback with regard to the effectiveness and efficiency of human resource program services.
Action Needed	Step 1: Conduct a needs assessment of the District relative to human resource needs.
	Step 2: Conduct an employee survey to obtain feedback about the efficiency and effectiveness of human resource programs
	Step 3: Use results to set strategic goals and objectives for the program
	Step 4: Define criteria or measurement for services
	Step 5: Identify assumptions, limitations and resources needed to accomplish goals
	Step 6: Re-assess and make program changes, modifications, improvements based on results of assessment evaluation.
Who is Responsible	Chief Personnel Officer
Time Frame	June 30, 2002 and on-going
Fiscal Impact	This recommendation can be implemented within existing resources.

Source: Berkshire Advisors, Inc.

- *We recommend that the District develop policies that increase the use of direct deposit of employee pay.*

Action Plan 7-19 provides the steps needed to implement this recommendation.

Action Plan 7-19

Mandate Direct Deposit of Pay	
Strategy	Develop policies that increase the use of direct deposit of employee pay.
Action Needed	Step 1: Develop policies to increase the use of direct deposit of employee pay, such as requiring it for new employees, and identifying criteria for allowing exceptions to this practice.
	Step 2: Work with labor leaders to establish timelines for implementing this policy and identify exceptions.
	Step 3: Submit policy to the Board for approval.
	Step 4: Communicate policy and timelines to staff.
	Step 5: Implement policy.
Who is Responsible	Deputy Superintendent Personnel Management and Services
Time Frame	June 30, 2002 and on-going
Fiscal Impact	This recommendation can be implemented within existing resources.

Source: Berkshire Advisors, Inc.

15 The District's collective bargaining process is sound but can be strengthen by improving communication and clarifying the role of the District's chief negotiator.

District labor relations practices are generally sound

The Office of Legislative and Labor Relations was established in 1973 and given sole responsibility for managing the District's labor relations program. This office has the responsibility for: negotiating labor agreements: managing labor relations matters including contract implementation and administration: representing the schools in arbitration and impasse proceedings, unfair labor practice charge, and other Public Employee Relations Commission Hearings; and training staff on labor relations issues. The District's approach to labor relations is generally sound and incorporates a number of positive features including the following:

- The District's decision-making process is in compliance with the statutory roles
- The process for reviewing and evaluating negotiations proposals is sound
- Records of negotiations are maintained

Compliance. The District's decision-making process is in compliance with the statutory roles assigned to the Superintendent of Schools and the school board through its Chief negotiator with Chapter 447, Florida Statutes.

Negotiations proposals. The District's approach to requesting and reviewing negotiations proposals is generally sound. This process begins by the District issuing a request for negotiations proposals. These proposals are submitted to the chief negotiator and reviewed by the Collective Bargaining Issues Review Committee. Senior staff members also review the proposals for operational, fiscal and programmatic impact. In addition, the Office of Financial Affairs and the Division of Wage and Salary Administration perform cost analysis of both District and union proposals. The Superintendent of schools makes the final determination as to what proposals are reviewed and recommended to the school board for approval. The chief negotiator then receives authorization from the school board to negotiate on behalf of the District.

One particularly positive feature of this process is the extent to which administrators from throughout the District are involved in the process. Almost half (48.4%) of the administrators who responded to the survey "agree" or "strongly agree" with the statement "I have the opportunity to provide substantive input during the contract negotiations process."

Records. The Office of Legislative and Labor Relations has maintained negotiations records since 1974. These records are referenced chronologically and serve as negotiation history.

The District should ensure that an attorney supports the contract negotiations process

During recent teacher and school police negotiations an attorney was not at the table during negotiations. This had not been a problem during prior negotiations because the chief negotiator who preceded the current incumbent was also an attorney. Given the importance of contract issues to the District's overall management ensuring a legal expert is available to support the negotiations process is extremely important.

It should be noted, however, that District legal counsel is retained for representation on all labor relation matters. Legal Counsel is also retained for representation on litigation issues to provide as needed advice, representation, and counsel.

The role of the District's chief negotiator should be clarified

Allegations of unfair labor practices have risen during recent negotiations with teachers. This resulted in large part due to written communication to the school board from the previous Superintendent of Schools that unilaterally stopped the negotiation process with the Dade Federation of Teachers. In addition, in interviews union leaders expressed legitimate concern about the level of authority granted to the Chief negotiator. In particular, they were concerned that the Chief negotiator had not been given clear authority to reach tentative agreements of behalf of the District to resolve economic issues during the recent negotiations with the teachers' union and the safety and security union. Confidence and trust on the part of all parties is critical to the success of the collective bargaining process. Consequently, with the change in school district leadership, a restatement of the District's negotiations philosophy and process may be helpful. Likewise, the role of the District' Chief negotiator should be clarified.

The District's initial efforts to establish interest-based decision making should be expanded and supported by improved communications

While interest-based problem solving [17] does not define the District's approach to making all decisions that affect employees, in some areas the District has taken advantage of this process when making decisions. In particular, union leaders and the chief negotiator report that many labor negotiations issues are resolved using a joint District and union committee structure. For example, the District's joint labor management committee recently completed a review of health benefits. Rising premium costs, provider access, choice of plans and providers and plan design were the issues under review. In interviews, union leaders expressed strong satisfaction with the review and decision-making process in part because it gave them a sense of ownership for the outcome. As a result of this effort, the school board has approved a new health benefit program with changes to minimize the impact of rate increases. This was an excellent process and one that should serve as a model for decision-making using interest-based problem solving.

While the District's process for reviewing health benefits was excellent, it would have been even more effective had it included a strong communications component. Interviews and focus groups with staff and school sites indicated that these employees lack a clear understanding about the changes, why the changes were needed, and what the impact of the changes would be. In short, confusion and lack of understanding was evidenced by those affected by the decision. These findings underscore the need for strategic communications to be included as a key component of a model of interest-based decision making. The primary shortcoming of the District's approach to reviewing health benefits was not the quality of the process used to make the decisions but the failure to effectively communicate the results of this process to interested stakeholders. Missing from this process was a strategic communication design.

Recommendations

- *We recommend that the District use an interest-based approach to collective bargaining and problem solving.*

  Action Plan 7-20 provides the steps needed to implement this recommendation.

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[17] Interest based decision-making is a process whereby the interests of all parties are considered in the decision-making process.

Action Plan 7-20

Strengthen Interest-Based Decision Making/Bargaining	
Strategy	Engage in training for interest-based bargaining and decision making for school board members, the Superintendent, key District administrators, union leaders and negotiations team members.
Action Needed	Step 1: Obtain agreement from all parties to participate in training.
	Step 2: Obtain approval from school board including budget
	Step 3: Request proposals for training
	Step 4: Solicit trainer
	Step 5: Conduct training
	Step 6: Use interest-based bargaining to support future negotiations and decision-making
	Step 7: Evaluate the effectiveness of interest-based bargaining.
	Step 8: Report and make improvements as needed
Who is Responsible	Chief of Staff; Chief negotiator
Time Frame	June 30, 2002 and on-going
Fiscal Impact	Requires a one-time investment of $30,000, which should be shared between the District and the Union.

Source: Berkshire Advisors, Inc.

- *We recommend that the District ensure an attorney is available to support labor contract negotiations.*

Action Plan 7-21 provides the steps needed to implement this recommendation.

Action Plan 7-21

Strengthen Support to Labor Contract Negotiator	
Strategy	Engage school district attorney as a member of the District's negotiation team.
Action Needed	Step 1: Recommend to Superintendent that school district's attorney be place on the district's negotiation team
	Step 2: Develop role and responsibility of the attorney in the negotiation process
	Step 3: Assign attorney to the negotiation team
Who is Responsible	Chief of Staff; Chief negotiator
Time Frame	June 30, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Source: Berkshire Advisors, Inc.

- *We recommend that the District clarify the role of the Chief negotiators.*

Action Plan 7-22 provides the steps needed to implement this recommendation.

Action Plan 7-22

Improve Confidence in Negotiation Process	
Strategy	Clarify role of Chief negotiator through clear communication of negotiations authority and direction.
Action Needed	Step 1: Determine district strategy for negotiations
	Step 2: Establish process for giving direction and authority to the Chief negotiator on District issues
	Step 3: Establish process for obtaining direction and authority on union issues
	Step 4: Establish priorities for bargaining and school district interests
	Step 5: Give Chief negotiator clear direction and authority to resolve issues in step 4
	Step 6: Establish clear process for communication between Superintendent, school board, and Chief negotiator
Who is Responsible	Chief of Staff
Time Frame	June 30, 2002 and on-going
Fiscal Impact	This recommendation can be implemented within existing resources.

Source: Berkshire Advisors, Inc.

8 Use of Lottery Proceeds

The district has defined enhancement, allocates lottery proceeds to School Advisory Councils and charter schools as required by law, and reports the costs of specific activities supported with lottery proceeds.

Conclusion

The Miami-Dade County School District is using all five best practices for the use of lottery proceeds. The district has defined educational enhancement and is spending its lottery proceeds consistent with its definition. District lottery proceeds are spent primarily for salaries and benefits of school-based personnel whose activities meet the district's definition of enhancement.

Overview of Chapter Findings

Berkshire Advisors, Inc. reviewed the district's use of lottery proceeds using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. We employed several methodologies to develop chapter conclusions and action plans. The district maintains detailed financial records of lottery transactions. Additionally, the district's Office of Budget Management manages and monitors lottery program activity, including school advisory councils and school improvement plans. We reviewed financial and program records in an effort to determine the extent to which the district was using the best practices. Where necessary, we verified the information contained in these records. We conducted site visits and public forums to identify potential issues related to the use of lottery proceeds. During our site visits, we interviewed district financial and administrative staff to strengthen our understanding of district processes related to the management and monitoring of lottery activity. At our public forums, we received participation from the general public.

An overview of chapter findings is presented below.

Educational Programs

1. The district has defined "enhancement" in a way that the public clearly understands. (Page 8-4)
2. The district uses lottery proceeds consistent with its definition of enhancement. (Page 8-4)
3. The district allocates lottery proceeds to school advisory councils as required by law. (Page 8-5)
4. The district accounts for the use of lottery money in an acceptable manner. (Page 8-6)
5. The district reports the use of lottery proceeds on a regular basis and lottery-funded programs are evaluated annually. (Page 8-6)
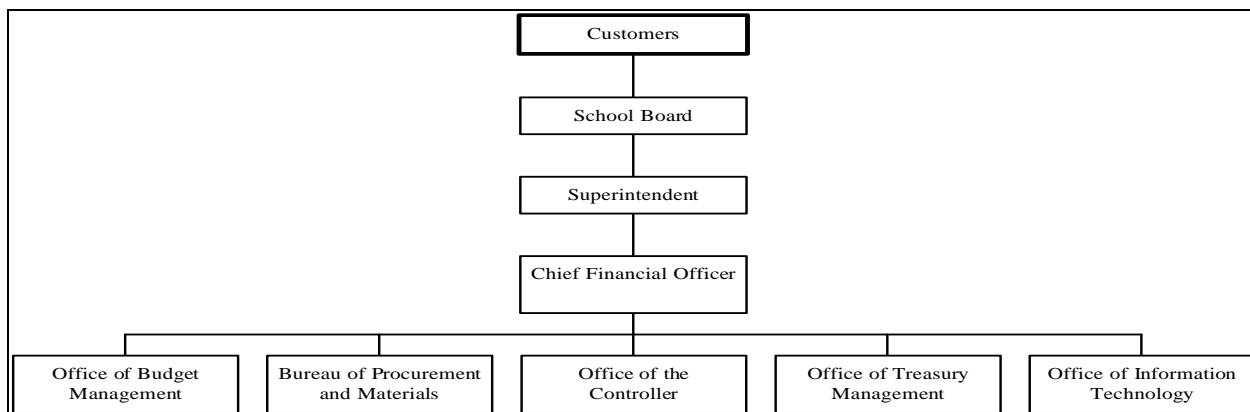
Fiscal Impact of Recommendations

There are no recommendations relating to the district's use of lottery proceeds.

Background

The district has assigned the responsibility for accounting for the use of lottery proceeds to the Office of Budget Management. Exhibit 8-1 shows the organization of the finance function.

Exhibit 8-1

The Office of Budget Management is Responsible for Accounting for the Use of Lottery Proceeds

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                          ┌─────────────────┐
                          │    Customers    │
                          └─────────────────┘
                                   │
                          ┌─────────────────┐
                          │  School Board   │
                          └─────────────────┘
                                   │
                          ┌─────────────────┐
                          │  Superintendent │
                          └─────────────────┘
                                   │
                    ┌──────────────────────────────┐
                    │  Chief Financial Officer      │
                    └──────────────────────────────┘
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| Office of Budget Management | Bureau of Procurement and Materials | Office of the Controller | Office of Treasury Management | Office of Information Technology |

Source: Miami-Dade County School District.

State Funding

The Legislature intends that the net proceeds of lottery games be used to support improvements in public education and that such proceeds not be used as a substitute for existing resources for public education.

Each fiscal year, at least 38% of the gross revenue from the sale of lottery tickets and other earned revenue, excluding application processing fees, is deposited in the Educational Enhancement Trust Fund which is administered by the Department of Education. The Legislature apportions money in the trust fund among public schools, community colleges, and universities. The 2001 Legislature apportioned $170,250,000 of discretionary enhancement moneys to school districts. These moneys are allocated to the districts by prorating each district's K-12 base funding to the amount of the appropriation.

School District Proceeds

In the 2000-01 fiscal year, Miami-Dade County School District received lottery proceeds of $30,699,104. The district estimates lottery proceeds for the 2001-02 fiscal year will be $36,986,772. Exhibit 8-2 presents a historical perspective of lottery proceeds received by the district over the last five years plus projected lottery proceeds for the 2001-02 fiscal year.

Exhibit 8-2

District Lottery Proceeds Have Declined
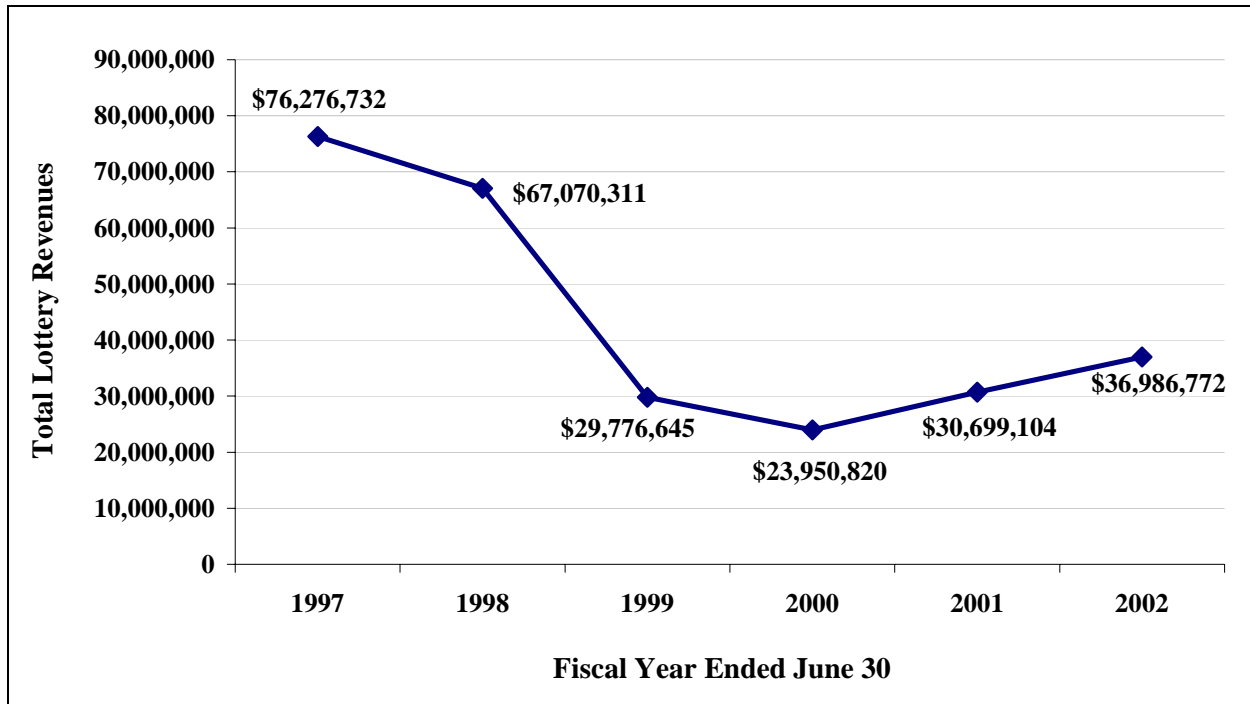
Source: Miami-Dade County School District – Superintendent's Annual Financial Reports (Form ESE 145) and 2001-02 budget documents.

The significant decline that occurred beginning with the 1998-99 fiscal year is attributed to the Legislature appropriating a greater portion of the lottery moneys to support the Bright Futures Scholarship Program, Classrooms First, and 1997 School Capital Outlay Bond programs.

School District Lottery Expenditures

Once each school district receives its lottery allocation for a fiscal year, the allocation is further reduced for amounts required to be allocated to each school advisory council (SAC) and to charter schools. For example, for the 2001-02 fiscal year, the district projects its lottery allocation to be $36,986,772. From this money the district is required to allocate $10 for each UFTE student to each school for use by the school advisory council. Also, if the district has charter schools, the district is required, pursuant to Section 228.056(13)(b), FS, to provide each of the charter schools its allocable share of lottery moneys based on the number of students attending the charter schools. The district allocated these proceeds as shown in Exhibit 8-3.

Exhibit 8-3

The District's Distribution of 2001-02 Lottery Proceeds

District Allocation	2001-02 Projected
Lottery Enhancement (Discretionary)	$32,762,606
School Advisory Councils	3,692,000
Charter Schools	532,166
Total	**$36,986,772**

Source: Miami-Dade County School District Board Reports.

1 The district has defined "enhancement" in a way that the public clearly understands.

The District Has Defined Enhancement

According to Florida law, prior to the expenditure of educational enhancement (lottery) proceeds, each school district is required to:

- Establish policies and procedures that define enhancement,
- Identify the types of expenditures that are considered consistent with its definition, and
- Provide the Florida Department of Education a copy of all procedures that relate to the use of enhancement moneys.

The district's definition for enhancement identifies the allowable categories of expenditures that the district considers enhancing education. For the 2001-02 fiscal year, these categories include:

- Implement new programs not previously funded, and
- Continue existing programs to the extent that State (excluding lottery funds) and local revenues are inadequate to continue all existing programs.

To ensure that the general public understands what programs will be funded with lottery proceeds, the district specifically identifies programs to be funded with lottery proceeds. The district solicits public comment on the appropriateness of the programs funded from lottery proceeds. In addition, the district provides the State with information on lottery expenditures within the required timeframes.

2 The district uses lottery proceeds consistent with its definition of enhancement.

The District can Demonstrate that it Uses Lottery Proceeds Consistent with its Definition of Enhancement

After allocating funds to the SACs and charter schools, the district uses the remaining lottery proceeds for educational enhancement. The district uses its lottery enhancement proceeds to support activities consistent with its definition of enhancement. Our review of district records showed that over the past three years, the district has consistently spent lottery enhancement (discretionary) proceeds on salaries and benefits for school-based personnel supporting enhancement programs, such as elementary and secondary school counselors. Exhibit 8-4 shows the district funding of these programs for the three-year period.

Exhibit 8-4

The District Uses Discretionary Lottery Proceeds for Counselors

	Uses of Discretionary Lottery Proceeds		
Program	**1999-00**	**2000-01**	**2001-02[1]**
Elementary Counselors	$14,475,075	$15,672,302	$15,725,858
Secondary Counselors (Partial)	$6,255,991	$11,499,822	$17,036,748
Total	**$20,731,066**	**$27,172,124**	**$32,762,606**

[1] Amounts budgeted as of December 12, 2001.

Source: Miami-Dade County School District Board Reports; Amounts expended per State Form ESE 656.

3 The district allocates lottery proceeds to the school advisory councils as required by law.

Each School Has an Approved School Improvement Plan

Prior to allocating $10 per UFTE to a school's educational excellence school advisory council (SAC), the school must have a school improvement plan. Section 230.23(16), FS, requires school boards to annually approve and require implementation of a new, amended, or continuation school improvement plan for each school in the district. These plans should be designed to achieve the state education goals and student performance standards. The board has approved school improvement plans for all district schools and centers. Copies of these plans are available at the district office and on the district's web site at http://www.dade.k12.fl.us/edp/. Interviews with school site administrators and a review of selected school spending plans and district records confirm that the SACs determine the program or project where these proceeds will be spent and these decisions may not be overridden by the school principal.

SAC Lottery Allocations Are Used to Implement School Improvement Plans

The district has been proactive in ensuring that the SACs understand their roles and use the lottery proceeds wisely. In particular, the SACs are provided with district procedures that define the role of the SAC and describe the process for developing their school improvement plans. In addition, the district has prepared and distributed a manual entitled "Promoting Continuous School Quality Improvement" to each SAC. The district provides SAC training which covers, among other topics, legal restrictions on how lottery proceeds may be spent. At least a portion of the SAC lottery proceeds should be used for implementing the school improvement plans. At the same time, the Legislature intentionally provided SACs considerable flexibility in how they spend their lottery proceeds. Our review of district records and school improvement plans showed that significantly all SAC lottery proceeds were used to implement the school improvement plans. Unspent proceeds at the end of each fiscal year are re-budgeted for use in the subsequent fiscal year by each SAC that had the unspent funds.

4 The district accounts for the use of lottery money in an acceptable manner.

The District Uses a Unique Funding Code to Account for Lottery Proceeds

School districts are required to use a uniform chart of accounts established by the Florida Department of Education to record accounting transactions. The Florida Department of Education has established a specific revenue account code to account for lottery moneys received by the districts. Miami-Dade County School District uses this revenue code to account for its lottery collections.

The District Has Established Specific Project Codes to Account for Expenditures of Lottery Proceeds

The district uses project, location, and object codes to separately account for SAC expenditures and lottery (enhancement) expenditures. Use of these codes allows district staff to monitor lottery expenditures through the use of expenditure reports or by viewing the information on-line. Information available includes budget, year-to-date expenditures, encumbrances (outstanding purchase orders), outstanding requisitions, and available balances.

While district discretionary lottery proceeds are used to pay the total cost for elementary counselors, remaining proceeds only cover a portion of the expenditures for secondary counselors. Other unrestricted revenue sources are used to pay for the remaining expenditures for secondary counselors. The district reports expenditures for secondary counselors on the state discretionary lottery funds expenditure report (form ESE656) only to the extent that lottery proceeds were received and available for this purpose.

5 The district reports the use of lottery proceeds on a regular basis and lottery-funded programs are evaluated annually.

The District Annually Reports Lottery Expenditures to the Department of Education

As required by law, the district submits an annual report to the Florida Department of Education that identifies the expenditures of its lottery proceeds within 60 days of the end of the fiscal year.

The District Reports Lottery Expenditures to the Public

Florida law requires each school district to make available and distribute to the public on a quarterly basis the expenditure of lottery proceeds in an easy to understand format. The district prepares summary reports for the board and the public on a quarterly basis. This report shows the expenditure of lottery proceeds by category, including expenditures for elementary and secondary counselors and allocations made to SACs. These reports detail the annual budget, expenditures for the quarter, and year-to-date expenditures. The district encourages principals to make these reports available to SAC members and the public. These reports are also available in summary form on the district's web site.

In addition, the district annually prepares a school public accountability report for each school. This report, in multilingual pamphlet form, provides summary information on lottery expenditures.

Assessments are Made at Both School and District Levels to Determine the Contribution that Lottery Expenditures Have Made to Student Education

Each school annually makes an assessment and reports whether or not the goals and objectives of the school improvement plan have been met. As a part of this assessment, SACs specifically address how the lottery proceeds were used. Interviews, documentation review, and observation of SAC meetings confirm that SACs judiciously use lottery proceeds and that the SACs are committed to tracking the use of lottery proceeds. SACs also make adjustments to school improvement plans as needed to ensure effective use of the lottery proceeds.

At the district level, the lottery proceeds are expended for elementary and secondary counselors. In an effort to ensure that these resources were used effectively, the district's Student Support Services unit recently performed a systematic assessment of the effectiveness of counseling and support services. As a result of this review, the unit initiated a new program model.

9 Use of State and District Construction Funds

The Miami-Dade County Public School District is generally using construction funds appropriately and for their intended purposes. The District does not use SMART school designs but does incorporate the SMART school design standards into its design prototypes. The District can incorporate lifecycle cost data more effectively into the design process.

Conclusion

The Miami-Dade County Public Schools District has generally established effective practices relating to the use of state and District construction funds. The District has established procedures to approve the use of construction funds by including all planned projects in the five-year capital work plan. The budget office then identifies funding based on the statutory restrictions for each funding source. The District's extensive use of locally produced prototype school designs has resulted in the District consistently building schools at or under the state-wide District average cost per student station.

Exhibit 9-1

**The District Has Had Some Notable Accomplishments
in the Use of State and District Construction Funds**

- The District has consistently built schools at or under the state-wide average cost per student station while operating in the area with the most expensive land acquisition costs in the state.

- The District has successfully maximized its local construction funds by leveraging available funding streams such as impact fees and receiving authorization to issue federally subsidized low interest Qualified Zone Academy bonds.

- The District conducts thorough post occupancy reviews of selected new school construction projects.

- The District has conducted studies of the efficacy of certain design standards and based on these studies have made changes to design standards that resulted in reduced operating and maintenance costs.

- The District has continued a concept of building primary learning centers and middle learning centers on existing school sites to avoid the cost of acquiring land.

Source: Miami-Dade County Public Schools.

Overview of Chapter Findings

Berkshire Advisors reviewed the District's use of state and local construction funds using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. The consulting team employed several methodologies to develop chapter conclusions and action plans. Berkshire Advisors activities included conducting on site interviews with District level managers and school level administrators and staff, examining the approved Executive Budget Summary, Annual Financial Report, the adopted Five-Year Facilities Work Plan, Post Occupancy Reports and other pertinent documents. Moreover, four community forums were held

at locations throughout the District where community members could "drop in" to provide input on the District. Likewise, an e-mail address and 800 number were established so District stakeholders could provide input to the study process.

An overview of chapter findings is presented below.

Compliance With Legal Mandates

1. The District does not aggressively consider alternatives to construction. (Page 9-3)
2. The District uses capital outlay and operational funds appropriately, however, concerns remain regarding two-mill funds, the District's funding on the five-year facilities work plan and staffing in the Construction and Maintenance and Operations departments. (Page 9-9)
3. The District minimizes construction costs by using locally produced design prototypes that incorporate appropriate measures from the SMART (Soundly Made, Accountable, Reasonable and Thrifty) Schools Clearinghouse Frugal Constructions Standards. (Page 9-10)
4. When designing and constructing new educational facilities, the District incorporates factors to minimize the maintenance and operations requirements of the new facility. (Page 9-11)

Fiscal Impact of Recommendations ———————

Exhibit 9-2

One Use of State and District Construction Funds Action Plan Recommendations Has A Fiscal Impact

Recommendation	Five-Year Fiscal Impact
• Action Plan 9-2: We recommend that the District re-consider and expand its minimal use of double sessions in high schools and middle schools and that it expand year-round schooling in elementary schools.	• This recommendation could avoid $89,700,000 of construction costs in year 1 and $365,300,000 over the next five years.
• Action Plan 9-5: We recommend that the District increase the staff in the Capital Construction Budget office by one professional position. This position will be charged with reducing the risks of misspending or misallocating capital construction funds.	• This recommendation will require an investment in fiscal year 2001-2002 of an estimated $75,000 per year, or $ 375,000 over the next five years.

Source: Berkshire Advisors, Inc.

Background ———————

The Miami-Dade County Public Schools manages state and local construction funds through the Budget Office, the Facilities Planning and Construction Office and the Capital Construction Budget Office. These offices control and track construction funds needed to finance the five-year facility work plan. The District projects that it will have $1.3 billion in state and local capital outlay funds available during the 2001-2002 fiscal year. Of the funds needed, nearly $596 million will be from state and local funds and $680 million will come from fund balances from prior years. (See Exhibit 9-3)

Exhibit 9-3

Miami-Dade County Public Schools Tentative Capital Outlay Budget—Revenues 2001-02		
State		
CO & DS Distribution	$464,963	
Public Education Capital Outlay (PECO)	$44,437,037	
Deferred Revenue (PECO)`	$22,958,780	
Effort Index Grants	$35,255,316	
Charter School Capital Outlay Flow Through	$6,900,117	
Total State		**$110,016,213**
Local		
Optional Millage Levy	$201,912,065	
Interest on Investments	$24,739,000	
Gifts/Contributions	$0	
Deferred Revenue-Biscayne Nature Center	$750,912	
Impact Fees	$18,000,000	
Total Local		**$245,401,977**
Total Revenues		**$355,418,190**
Fund Balances from Prior Years		**$680,310,717**
Interfund Transfer (Among Capital Projects)		**$7,598,000**
Non-Revenue Sources		
Master Lease COP's Issuance (Impact Fees)	$42,700,000	
s.237 Loans for Capital Projects	$173,000,000	
s.237 Loans for Land	$16,810,562	
SBE Bonds	$300,000	
Total Non-Revenue Sources		**$232,810,562**
Total Revenues and Other Sources		**$1,276,137,469**

Source: 2001-2002 MDCPS Tentative Budget- Executive Summary.

Compliance with Legal Mandates

1   The District does not aggressively consider alternatives to construction.

The District has considered a number of alternatives to new construction

The District has explored and implemented a number of a number of alternatives to new construction. These alternatives include:

- making use of relocatable classrooms to address an overcrowded school's needs while more permanent solutions are developed;

- making appropriate modifications to attendance boundaries;
- establishing double sessions;
- establishing a year-round school schedule; and
- building learning centers on existing school sites

A discussion of each of these alternatives to new construction follows.

Using relocatable classrooms. District staff generally view relocatables as a "stop gap" measure. If new construction that will alleviate a school's overcrowding is planned, relocatables will be used to address the school's needs while a new facility is being designed and constructed.

Evaluating attendance boundaries. If the District's Five Year Facilities Work Plan has no construction planned to relieve a particular school's overcrowding, then the school is referred to the Attendance Boundary Committee (ABC). ABC committee members, who are selected to represent various civic and educational advocacy organizations, consider numerous factors including feeder patterns, transportation costs, use of available student stations in contiguous areas, impact on student racial ratios, and the planned construction of new schools among others when evaluating attendance boundaries. The results of these deliberations are then used to develop a series of recommendations to the Miami-Dade School Board for changes in attendance boundary and grade configurations. Over the past three years 10,328 students were shifted among under and over-enrolled schools through this boundary review process. OPPAGA estimates that the District could avoid $166 million in land acquisition and construction costs by aggressively continuing this process.[1]

Using double sessions. The District has implemented on a very limited basis the use of double sessions to increase available student stations without resorting to construction. One school, the Miami Springs Senior High School, is currently on double sessions.

Establishing year-round schools. The District also makes limited use of year round schools to address facility needs without constructing new facilities. Four schools are on an extended school year schedule:

- Opa Locka Elementary School;
- Toussaint L'Overture Elementary School;
- Charles Drew Elementary School; and
- North Miami Elementary School.

The four schools above were selected based on the need for additional days of instruction for students served by the schools. In part, because the principals who oversee these schools have strong leadership skills, implementation of the extended school year concept has reportedly been successful. The success of this effort has also been supported by the State of Florida, which currently provides supplemental funding that varies from $353,000 to $737,000 for each of the four schools. Note that the extended school year program as implemented by M-DCPS does not result in more efficient space utilization. This provides a longer school year, but is not a multi-track year round program.

Building learning centers on existing school sites. In addition to boundary changes, year-round schooling and double sessions, the District has implemented programs to modify the use of its existing schools in ways that minimize construction costs and avoid the costs of building new schools. The most successful of these efforts was the development of the primary learning centers and the middle school learning centers concept. Primary learning centers average 250 students and middle learning centers average 485 students. These learning centers are built on the sites of existing elementary or middle schools. While these learning centers result in construction and site preparation costs, for the most part they avoid the expense of purchasing land since they are built at existing schools. The result is increased capacity in a stand-alone building. Since 1999-98, Miami-Dade County Public Schools has opened 13 primary learning centers and 5 middle learning centers that added a total of 3,768 and 2,316 student stations respectively.

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[1] *Land Acquisition Practices of Miami-Dade County School District*, OPPAGA Report No. 01-26, May 2001.

While the District has several alternatives to new construction it is not sufficiently aggressive in using these tools

At present, the District generally considers alternatives to construction only after determining that construction is not feasible. Indeed, formal analyses of alternatives to construction are typically not prepared prior to adding projects to the District's five-year capital outlay plan. [2] Rather, District budget office staff, capital projects staff, the Deputy Superintendent for Operations, and regional instructional staff tend to meet and discuss alternatives to construction at planning meetings only for schools not included in the five-year plan. Based on interviews with District staff, these alternatives to construction typically are part of an overall discussion of how to address school overcrowding. These discussions, however, are rarely memorialized.

In addition, the District has been anything but aggressive in pursuing double sessions as a means of addressing facility needs while avoiding the time and cost of new construction. Indeed, District staff has advised that the use of double sessions is a last resort for severely over crowded schools. However, OPPAGA, in its recent Special Review of Miami-Dade County Public Schools land acquisition practices estimated scheduling one-half of the middle and high schools with double sessions would avoid nearly $1.6 billion in future construction and land acquisition costs. [3] Miami-Dade's unwillingness to expand the double session alternative beyond the Miami Springs High School will place a huge financial burden on the District and will undoubtedly lead to greater use of eminent domain for land acquisition. Moreover, unless alternative approaches are considered, the District's ability to address overcrowding for middle and high schools will be extremely limited because these schools need more land than do elementary schools and the availability of appropriately sized and located parcels is limited. Based on the projects identified in the District's Five-Year facilities Work Plan, implementation of double sessions could avoid $466.5 million and $162.6 million for construction and land acquisition costs for new high schools and middle schools respectively.

Likewise, District staff advises that the District could not afford to expand the number of schools in the year-round program without additional state funding. OPPAGA estimates however that putting all elementary schools on year round schedules could increase elementary school capacity by approximately 25% and result in the avoidance of over $1.2 billion in future school construction and land acquisition costs. Rather than examine any one alternative to construction in isolation, a comprehensive approach would be to include year-round multi-track scheduling, double sessions, modification of attendance boundaries and the reduction in the use of relocatables in the MDCPS long range planning strategy. For example, the District has 37,000 student stations in relocatable classrooms and is 32,000 student stations over capacity in permanent student stations. Using an average cost per student station of $15,000, MDCPS would need $1.035 billion to eliminate relocatables and meet current space standards. To slow the rate of new construction, MDCPS can institute double sessions and multi-track year round scheduling in schools to alleviate overcrowding and avoid requirements for land acquisition and new construction. With a shortage of 69,000 permanent student stations, the District should develop a transition plan to reduce overcrowding and use of relocatables by 10% per year. This would involve reducing overcrowding and relocatables by 6,900 student stations in year one, placing 6,200 in year two, 5,500 in year three, until there was no more overcrowding. Assuming that there would be a $2,000 per student station cost for improvements to existing schools, and as an incentive for year round, multi-track scheduling or double sessions, the institution of these changes would save $89.7 million in year 1 (Cost per student station $15,000-$2000=$13000 X 6,900) = $89.7 million. (Over five years the District could avoid $365,300,000 in construction costs.)

Exhibit 9-4

Year 1	Year 2	Year 3	Year 4	Year 5	Total
6,900 student stations	6,200 student stations	5,500 student stations	5,000 student stations	4,500 student stations	28,100 student stations
@ $13,000	@ $13,000	@ $13,000	@ $13,000	@ $13,000	@ $13,000
$89,700,000	$80,600,000	$71,500,000	$65,000,000	$58,500,000	$365,300,000

Source: Berkshire Advisors, Inc.

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[2] This five-year capital outlay plan, which is approved by the MDCPS Board of Education, details the District's overall construction plans.

[3] Report No. 01-26

The District's use of "two-mill" money may not be consistent with Florida Statute

The District cannot demonstrate that it is in compliance with s. 36.25, *Florida Statutes*, regarding appropriate uses of millage levy funds ("two-mill" funds). This section places limits on the amounts a District can expend from this source for purposes not directly related to the construction and maintenance of the educational plant or the delivery of student instruction and servicing of debt related to any purpose prior to the effective date of the statute. In 2000-2001 the limit was 40%. The District's 2000-2001 Annual Financial Report and other subsidiary records identified that nearly $84 million of "two-mill" funds were transferred into maintenance. Budget Office staff could not document how much and what percentage of the "two-mill" funds allocated to maintenance was used for the authorized purposes. Budget Office staff advises that the Maintenance Department does not provided them with the data necessary to accurately calculate compliance. However, Budget Office staff point out that the Maintenance Department would have had to have spent 40% of the nearly $84 million of "two-mill" funds transferred to maintenance (or $38.437 million) on either unapproved purposes (e.g., custodial salaries) or on expenses not directly related to construction and maintenance of the educational plant (e.g., the maintenance of administrative buildings) not to be in compliance with Florida Statutes regarding the use of "two-mill" money. Failure to properly account for "two-mill" funds may result in the State recouping these funds from Miami-Dade County Public Schools.

Public Education Capital Outlay (PECO) funds are always used first by the District's budget office to fund projects. This is a direct result of the requirement that PECO funds must be committed within 36 months or they are subject to re-coupment by the State.

The existing accounting system does not adequately support accounting for construction projects

The District has not exceeded the statewide average cost per student station for any new construction of educational space in part because projects costs are carefully controlled from pre-programming through project close-out. However, controlling costs is unnecessarily cumbersome because the District does not maintain an integrated project cost accounting system. Instead, accounting expenditure data and change orders must be downloaded by the Executive Director of Capital Construction Budgets into a home-made project tracking excel spreadsheet. In addition, efforts to manage costs are complicated because there is currently only two professional staff in the Capital Construction Budget Office (including the executive director). These two employees are directly responsible for ensuring that an estimated $1.3 billion in state and local revenues will be spent in accordance with various Florida Statutes.

Strengthening accounting systems and providing more staff capacity to track project costs is a sound investment. Failure to properly account for all project costs could result in the State of Florida recouping these funds from the District.

Recommendations ———————————————

- *We recommend that the District prepare an analysis of various alternatives to construction including double sessions, year-round schools and boundary and grade configuration changes prior to including projects in the five-year facilities work plan.*

  Action Plan 9-1 provides the steps needed to implement this recommendation.

- *We recommend that the District re-consider and expand its minimal use of double sessions in high schools and middle schools and that it expand year-round schooling in elementary schools.*

  Action Plan 9-2 provides the steps needed to implement this recommendation.

- *We recommend that the District prepare an annual accounting of its compliance with statutory restrictions on the use of "two-mill" funds.*

Action Plan 9-3 provides the steps needed to implement this recommendation.

- *We recommend that the District obtain a project cost accounting system that is integrated into the District's general ledger to ensure that all construction project cost are properly accounted for.*

Action Plan 9-4 provides the steps needed to implement this recommendation.

- *We recommend that the District increase the staff in the Capital Construction Budget office by one professional position.*

Action Plan 9-5 provides the steps needed to implement this recommendation.

Action Plan 9-1

Alternatives to Construction	
Strategies	Systematically consider alternatives to construction prior to authorizing the expenditure of capital funds.
Actions Needed	Step 1: An analysis of specific alternatives to construction should be prepared prior to including projects in the five-year capital plan.
Who is responsible	Executive Director of Capital Construction Budgets
Time Frame	June 2002
Fiscal Impact	This recommendation will require establishing an additional position in the Capital Construction Budget office. See Action Plan 9-5

Source: Berkshire Advisors, Inc.

Action Plan 9-2

Make More Extensive Use of Double Sessions and Year-Round Schools	
Strategies	Make more extensive use of double sessions and year round schools as a way to relieve current and projected overcrowding at the middle and high school levels.
Actions Needed	Step 1: Identify middle and schools and high schools where overcrowding can be relieved by implementing double sessions.
	Step 2: Assign responsibility to the School Operations Department for developing site-specific plans for converting these overcrowded schools to double sessions by the opening of school in September 2002.
	Step 3: Assign responsibility to the School Operations Department for surveying elementary schools to determine which ones have staff and parents who might be willing to convert to a year-round schedule.
	Step 4: Once candidate schools are identified, consult with affected unions and develop site-specific plans for effecting the change at the start of the 2002-2003 school year.
Who is responsible	Deputy Superintendent of Operations
Time Frame	September 2002
Fiscal Impact	Based on a savings of $15,000 for each student station not built minus $2,000 in implementation costs per station, this recommendation could avoid $365,300,000 in construction costs if the District converted 28,100 total student stations over a 5-year period.

Action Plan 9-3

Ensure Compliance With Statutory Requirements Regarding The Use of "two-mill" Funds	
Strategies	MDCPS should make an annual determination of its compliance with the spending limits imposed by s. 236.25, *Florida Statutes*.
Actions Needed	Step 1: Prepare an annual accounting of the use of "two-mill" funds at the end of each fiscal year. (This accounting should delineate each use of "two-mill" funds consistent with the categories shown in s. 236.25, *Florida Statutes*. A calculation should also be made to determine if the annual limits on certain uses have been exceeded.)
	Step 2: Notify the Florida Department of Education immediately if spending limits have been exceeded.
	Step 3: Establish budget controls to ensure that the spending limits are not exceeded in future years.
Who is responsible	Chief Budget Officer
Time Frame	September 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Action Plan 9-4

Acquire Integrated Project Cost Accounting Software	
Strategies	Acquire an integrated project cost accounting software package for capital projects.
Actions Needed	Step 1: Develop and issue an RFP for project cost accounting software and software implementation services.
	Step 2: Select staff to serve on a proposal review committee.
	Step 3: Review proposals and make recommendation for award to the Board of Education.
	Step 4: After receiving Board approval, enter into contract negotiations and award contract.
	Step 5: Identify members of a project cost accounting executive steering committee.
	Step 6: Review and approve a project implementation schedule.
	Step 7: Conduct fit analysis.
	Step 8: Perform functional testing.
	Step 9: Perform acceptance testing.
	Step 10: Schedule staff training and design-standardized reports.
	Step 11: Begin tracking project costs using the new software.
Who is responsible	Chief Financial Officer and Chief Technology Officer
Time Frame	February 2003
Fiscal Impact	To Be Determined-The acquisition cost of the project cost accounting software and the implementation services.

Action Plan 9-5

Increase the Staff of the Capital Construction Budget office	
Strategies	Improve control of capital construction funds by hiring additional budget analyst.
Actions Needed	Step 1: Obtain funding for additional budget analyst position.
	Step 2: Post position announcement
	Step 3: Interview candidates.
	Step 4: Select person for new position and commence on the job training.

Who is responsible	Chief Budget Officer & Chief Facilities Officer-Construction
Time Frame	June 2002
Fiscal Impact	Additional funding of approximately $375,000 needed over five years.

2   The District is generally using construction and operational funds appropriately but significant concerns remain.

The District uses information from a number of sources to determine whether facilities needs are met

Information from a number of sources is used to assess the District's current and expected future facility needs. Most notably, the District uses DOE growth projections and county growth projections to determine future facility needs (see also Chapter 10, section 4). In addition, information from the Florida Inventory of School Houses (FISH) is used to assess facility needs. The results of the District's analysis of facilities needs are incorporated into its Five Year Capital Work Plan.

The **District Uses Local Revenue Sources To Fund Facility Needs**

The District has used local revenue sources to fund facility needs. In particular, the District and the county entered into an inter-local agreement that allows impact fees to be charged to support facility needs. [4] Moreover, the District routinely borrows money through the issuance of certificates of participation (COPs) to finance various construction projects. [5] The District leverages some of these impact fees to fund the debt service on a portion of the COP's that are issued.

These creative financing approaches have proved quite successful. During the 2000-2001 fiscal year, the District received $25.6 million in impact fees and realized $325.2 million from the sale of COPs. Approximately $100 million of these COPs will be funded from local impact fees and an additional $39.5 million of the COPs will be funded through Qualified Zone Academy Bonds (QZABs). Interest on QZABs is paid by the Federal government through the issuance of federal income tax credits. Miami-Dade County Public Schools is one of a few school Districts in the country to take advantage of this complicated Federal program.

Concerns remain regarding two-mill funds and the five-year facilities work plan and staffing in the Construction and Maintenance and Operations departments

While the District complies with statutory limitations such as the maximum cost per student station and uses of local funds, four concerns limit the District's ability to meet the best practice. First, as described in section 1 of this chapter, the District cannot document that it spends its two-mill money on legally designated operational activities. Second, as section 7 of Chapter 10 describes, there is at least a perception that political influences play an undue role in setting facilities priorities. This could result in the District placing lower priority projects on the facilities work plan while more pressing needs remain unmet. Third, as discussed in section 14 of Chapter 11, the District's Maintenance and Operations department has become overly dependent on overtime to meet its workload. Fourth, as discussed in section 17 of Chapter 10, the District has a disproportionately high level of capital staffing.

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[4] An impact fee is a charge to real estate developers to partially offset the District's cost of building new schools to serve the additional students resulting from the construction of a housing development

[5] A certificate of participation is a long-term municipal bond.

Recommendations —————————————————————————

- *We recommend that the district prepare an annual accounting of its compliance with statutory restrictions on the use of 2 Mill funds.*

Action Plan 9-3 (presented above) provides the steps needed to implement this recommendation.

- *We recommend that the district School Board create a board based standing committee to develop capital budget priorities based on the recommendations in the master plan and to advise the District on site selection.*

Action Plan 10-6 (section 3 of Chapter 10) provides the steps needed to implement this recommendation.

- *We recommend a systematic review of the cost and organization of the capital program management with the objective of reducing staffing of the capital management, operations and oversight by 20-35% within 3 years.*

Action Plan 10-17 (section 17 of Chapter 10) provides the steps needed to implement this recommendation.

- *We recommend that the district reduce its growing dependence on overtime and immediately establish a staffing formula based on historical work order activity data for maintenance staff.*

Action Plan 11-15 (section 8 of Chapter 11) provides the steps needed to implement this recommendation.

3   The District minimizes construction costs by using appropriate measures from the SMART (Soundly Made, Accountable, Reasonable and Thrifty) Schools Clearinghouse Frugal Construction Standards.

The District uses locally produced design prototypes that incorporate SMART School design guidelines

The Facilities Construction Department does not regularly use school designs included in the SMART school design directory due its belief that the designs are not compatible with the unique conditions found in Dade County (e.g. MDCPS uses smaller footprints than typical Florida suburban schools) and because evidence shows that its own design prototypes are less expensive than some of the state prototypes. This contention is supported by the results of a recent District prepared comparison of the cost of building a MDCPS prototype primary learning center with the cost of building a Florida DOE prototype primary learning center. This analysis revealed that the District's design is 25% cheaper to build and provides 30 more student stations than the state prototype. The finding that the District designs cost-effective schools is also borne out by the fact that the District has consistently built schools at or below the statewide average cost per student station. It should be noted, however, that no MDCPS design professional has completed a SMART school design information form to share its design expertise with other Florida school Districts.

It should be stressed that while the District does not use SMART school prototype designs to build new facilities it does use these designs to in its own design practices. Indeed, the Facilities Construction Department has evaluated the SMART school guidelines and frequently compares District design standards to the SMART schools standards to ensure that the District designs remain thrifty.

Recommendation

- *We recommend that the District encourage its design professionals to complete SMART school design forms and submit them to the SMART Schools Clearinghouse so that other Districts can benefit from using these designs.*

Action Plan 9-6 provides the steps needed to implement this recommendation.

Action Plan 9-6

Encourage The Submittal of Efficient School Designs to The SMART Schools Clearinghouse		
Strategies	Make the District's efficient school designs available to other Florida Districts.	
Actions Needed	Step 1:	Identify the most efficient MDCPS school proto-types.
	Step 2:	Contact each design firm and request that it submit the SMART school design information form to the SMART Schools Clearinghouse.
Who is responsible	Facilities Planning and Standards	
Time Frame	June 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

4 When designing and constructing new educational facilities, the District incorporates factors to minimize the maintenance and operations requirements of the new facility.

Ongoing maintenance and energy costs are generally considered when designing new facilities. However, systems have not been established to facilitate the flow of information from facilities maintenance to the staff responsible for developing construction standards

The District does a generally good job of ensuring that ongoing maintenance and energy costs are considered when designing new construction projects. To this end, the Facilities Construction Department receives maintenance and energy cost recommendations from the Maintenance Department as part of its annual update of design criteria and educational specifications. In addition, Maintenance Department staff provides ongoing advice to the Facilities Planning and Standards Office as issues arise that may have an impact on the cost efficiency of building components. The Energy Office also provides data on the energy efficiency of various building components to the Facilities Planning and Standards Office.

It should be noted, however, that the formal systems needed to ensure the effective flow of information between Facilities Construction and Facilities Maintenance are not in place. For example, the District currently collects information on energy and maintenance costs by site but does not routinely pass this data to the Facilities Construction Department. Likewise, the Maintenance Department's COMPASS system does not interface with the Construction Department's PMIS system. In addition, the Maintenance Department is no longer represented on the Technical Review Committee (TRC) charged with reviewing all requests for construction change orders.

The Facilities Planning And Standards Office Has Commissioned A Small Number Of Studies To Systematically Evaluate Designs

The Facilities Planning and Standards Office frequently prepares or commissions the preparation of engineering studies of various designs. These studies have proved useful in making comparisons among different types of physical education shelters, food service shelters and trash compactors. In addition, the results of these analyses have been used to achieve significant savings in construction costs and in on going maintenance life cycle cost savings. Implementation of these design changes will generate over $4.0 million dollars in construction cost savings and approximately $250,000 in life cycle cost savings over the next five years.

It should be stressed, however, that the number of such studies currently being performed is limited. At present, only two professionals in the Facilities Planning and Standards Office are responsible for preparing these studies. The number of studies performed is, therefore, limited by the ability of these staff to conduct or oversee them. In addition, the benefits of these studies may not be being fully realized because no one is currently responsible for following up with contractors to determine if specification changes are in fact being implemented.

Likewise, the Facilities Planning and Standards Office currently has only one professional staff member conducting post occupancy reviews. Such reviews can be extremely helpful both in assessing the adequacy of design and in ensuring that contractors have fulfilled all of their contractual obligations.

The District does not have a method for ensuring that staff responsible for confirming that design standards are adhered to during construction have input into project management process

The District's Facilities American's with Disabilities Act Compliance/Design and Quality Control office is responsible for confirming that design standards and education specifications are adhered to during the construction process. Quality assurance inspectors, also known as trades-masters, perform periodic inspections of construction projects at different phases of the process. However, the trades-masters who perform this task are not actively involved in the management of construction projects. The trades-masters receive little or no feedback from project managers regarding whether or not their findings have been corrected or penalties have been assessed. Adherence to District mandated design standards and educational specifications are essential for the District to have cost efficient buildings.

Recommendations ────────────────────────────

- *We recommend that the Maintenance department periodically generate detailed work order reports by location and forward this data to the Facility Planning and Standards Department so that life cycle cost data may be more easily incorporated into design standards.*

Action Plan 9-7 provides the steps needed to implement this recommendation.

- *We recommend that the Facilities Construction Department increase the number of post occupancy reviews and studies on the adequacy and efficiency of the Districts design standards and begin conducting compliance reviews of design standards.*

Action Plan 9-8 provides the steps needed to implement this recommendation.

Action Plan 9-7

Develop Systems To Ensure The Regular Transfer of Maintenance Cost Data to Facilities Planning and Standards Office

Strategy	Generate COMPASS reports that will provide maintenance life cycle cost data to the Facilities Planning and Standards Office so that this data can be used to develop designs that reduce maintenance and operations costs.	
Action Needed	Step 1:	Assign responsibility for coordinating the design of useful work order reports to the Executive Director of Operations Management.
	Step 2:	Meet with Facilities Planning and Standards staff to finalize report design.
	Step 3:	Obtain timeline for completion of report coding from the Office of Information Technology.
	Step 4:	Review draft of work order report with Facilities Planning and Standards staff.
	Step 5:	If report is satisfactory, jointly agree on a reporting schedule.
	Step 6:	Upon receipt of quarterly report, Facilities Planning and Standards should incorporate conclusions into design standards.
Who is Responsible	Chief Facilities Officer-Maintenance	
Time Frame	June 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

Action Plan 9-8

Establish Additional Architect or Engineer Position To Conduct Life Cycle Cost Studies		
Strategy	Increase professional staff by one position in order to double the number of post occupancy reviews, adequacy of design reviews and design standards compliance reviews.	
Action Needed	Step 1:	Interview and select an additional architect or professional engineer.
	Step 2:	Train new professional in District design standards and the need for cost estimates or cost savings estimates.
	Step 3:	Prepare quarterly review schedule.
	Step 4:	Commence reviews and report results to Chief Facilities Officer-Construction. These results should include recommendations to change design standards.
	Step 5:	Immediately refer to the Executive Director of Project and Contract Management the results of any reviews that disclose the failure of contractors to adhere to District design standards.
Who is Responsible	Assistant Chief Facilities Officer-Construction	
Time Frame	September 2002	
Fiscal Impact	This recommendation will require an additional professional position in the Facilities Planning & Standards office. The costs of this position will be offset by projected maintenance and construction cost savings from improved facility design.	

Source: Berkshire Advisors, Inc.

10 Facilities Construction

The Miami-Dade County Public School District manages an ambitious school construction program. By improving information management, creating a planning department and improving support for project management, the already sound performance of school construction activities will be enhanced.

Conclusion

Since the beginning of the 1988 bond program, the Miami-Dade County Public School District has developed substantial internal capacity to manage school design and construction projects. In addition, the District has established high standards for educational specifications, kept their design criteria and master specifications up-to-date, established effective procedures for project management and has instituted checks and balances to protect the District from waste, fraud, or abuse. To its credit, the District has also exhibited a willingness to explore new and different approaches to project delivery. The project delivery approaches the District has explored range from a problematic experiment to assign a capital program manager responsibility for managing the entire bond program[1] (at the beginning of the 1988 bond program) to current efforts to hold contractors "at risk" for project overruns and to engage a single firm to both design and construct projects (i.e., "design build"). While not all of these project delivery approaches have been successful, the District should be commended both for experimenting with new and different approaches to managing construction projects and for discontinuing project management practices that have proven unsuccessful. The Facilities Planning and Construction Division has also established a constructive working relationship with the Board of Education. Division staff keep Board members informed about construction progress and help to support their construction related decision-making.

There are six major elements to a well-managed capital program: good information systems; comprehensive planning; a clear decision-making process that involves the public; expert project management; stable and sufficient funding; and regular monitoring and oversight. The Miami-Dade County Public Schools has many of these elements in place. Where they do not, for example in the area of long range District-wide planning and information management, they are aware of their shortcomings and are working to eliminate them.

The size of the workforce dedicated to the management, operation and oversight of the capital program has grown steadily since the start of the 1988 school construction program. There is a need to realign and train staff to support shortcomings in information management, District-wide planning and project management. There needs to be a phased in, planned reduction in the size of staff dedicated to the capital program and some reorganization of the management of the capital program to increase the effectiveness and efficiency of capital planning, project management, and quality control. In addition, the District needs to implement some year round multi-track schooling and double sessions so it can reduce the intensive overcrowding in classrooms.

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[1] This experiment was unsuccessful primarily because of a complete lack of control on the program manager and an undeveloped capacity, particularly on the part of small, local minority contractors—architects, engineers and buildings-- to handle the level of work suddenly available. .

Exhibit 10-1

The District Has Had a Number of Notable Accomplishments in Facilities Construction in the Last Five Years

- Designed and built 57 new facilities and 104 major additions (and in so doing added 41,642 new student stations and 5.4 million square feet of permanent building space).

- Received $39.5 million in federal Qualified Zone Academy Bonds (QZAB) monies for facility improvements and professional development.

- Purchased 64 new sites for schools.

- Reformed policies and procedures for land acquisition such that the Land Acquisition and Facilities Oversight Board recommended to the legislature that they certify that the District has implemented nearly every change recommended in last year's state review of its land-buying procedures.

- Expanded construction management capabilities by introducing construction management at risk and design build to the repertoire of construction management approaches used by the District.

- Improved electric service in schools so that more than 10,000 computers could be added to more than 2,000 classrooms and, in so doing, facilitated efforts to integrate instruction with technology.

Source: Miami-Dade County Public Schools, 1996-2001 Major Accomplishments, February 13, 2001; Miami Herald, January 16, 2002 Dade Schools Closer to Funds.

Overview of Chapter Findings

Berkshire Advisors reviewed the District's school construction program using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. The consulting team employed several methodologies to develop chapter conclusions and action plans. For example, the consultants conducted on-site interviews with District level managers and reviewed information on staffing, Board policies, design standards, project management and procurement procedures, and capital program budget and funding guidelines. The consultants spoke with members of the Land Acquisition and Facilities Advisory Board that was created in 2001 with members appointed by the Governor and the Legislature. The consultants also analyzed electronic data from Florida Inventory of School Houses (FISH) supplied by the District. In addition, the consultants visited six recently completed school construction or renovation/addition projects to see the results of the capital planning and management processes. Moreover, four community forums were held at locations throughout the District where community members could "drop in" to provide input on the District. Likewise, an e-mail address and 800 number were established so District stakeholders could provide input to the study process. Follow up interviews were done with individuals who contacted the study team via email. A survey was also administered to a representative sample of employees from throughout the District. (Approximately 13,000 surveys were sent to employees, of which 3,919 were returned.) The consultants also interviewed and surveyed facility managers from other Florida School Districts to compare staffing levels in their school construction divisions with staffing levels in the Miami-Dade County Public Schools.

An overview of chapter findings is presented below.

Facilities Assessment and Planning

1. The community-based facilities planning committee mandated in School Board policy has been inactive. (Page 10-8)

2. No single entity is currently responsible for District wide capital planning. (Page 10-10)

3. The five-year work plan is aligned to a responsible budget plan, but there is no master plan that sets construction priorities consistent with the District's long-term needs. (Page 10-12)

4. Although the District considers enrollment and factors that affect enrollment in developing its five-year facilities work plan, current needs are so compelling that they dominate the planning process. (Page 10-16)

5. While the five-year work plan focuses on critical needs, efforts to improve the planning process (and to track capital budget expenditures more effectively) are frustrated by the lack of needed information systems. (Page 10-17)

6. The District's need for additional space to meet its educational mission is compelling; yet it does not consider a broad range of approaches to meet those needs. (Page 10-19)

7. The District has not established a systematic process for setting work plan priorities. (Page 10-20)

8. The District complies with all state reporting requirements and with the current Laws of Florida. (Page 10-21)

9. The District is prepared to comply with new Florida Building Code when it comes into effect. (Page 10-22)

10. Information on the construction program and the five-year facilities work plan is not readily available to the public. (Page 10-22)

Educationally Appropriate Facility Design Standards

11. Prototypical Educational Specifications are aligned with educational needs. (Page 10-23)

12. Educational specifications for new construction, remodeling, and renovations include a description of activity areas. (Page 10-25)

13. Design follows District specifications, but in some cases these specifications may not reflect a practical assessment of how facilities will actually be used. (Page 10-26)

14. While safety features are incorporated into design documents, greater attention needs to be devoted to ensuring that the safety features and equipment reflected in these designs are actually in place and operational in schools. (Page 10-29)

Timely and Economical Site Selection

15. The site selection process has slowed down school construction and contributed to overcrowding and loss of confidence in the District, but the District has developed new policies and procedures for site selection and acquisition. (Page 10-31)

16. The School Board considers the most economical and practical locations for future schools. (10-32)

Construction Cost Controls

17. The District has established and implemented accountability mechanisms, however, they have not prevented high staffing levels and do not always translate into better construction. (Page 10-32)

18. The District has incorporated cost saving measures in its design criteria and master specifications. (Page 10-35)

19. The District minimizes construction costs through the use of prototype school designs and frugal construction practices. (Page 10-37)

20. The District employs effective practices in securing appropriate professional services to assist in facility planning, design, and construction. (Page 10-37)

21. Funds collected for school projects are raised appropriately. (Page 10-39)

Construction Projects on Time and Within Budget

22. District planning provides realistic time frames for implementation that are coordinated with the opening of schools. (Page 10-40)

23. For each project or group of projects, the architect and District facilities planner develop a conceptual site plan and building specifications. (Page 10-41)

24. The District follows generally accepted and legal contracting practices to control costs. (Page 10-42)

25. The District has assigned one person with the authority and responsibility to keep facilities construction projects within budget and on schedule. (Page 10-44)

26. Changes to facilities plans after final working drawings are completed are minimized in an effort to control project costs. (Page 10-45)

27. District architects recommend payments for construction projects based on the percentage of work completed and a percentage of the contract is withheld pending completion of the project. (Page 10-47)
28. The District requires the appropriate inspection of all school construction projects. (Page 10-48)

Evaluation of New Construction and Training for New Users

29. The extent to which the District conducts a comprehensive orientation to new facilities prior to their use is inconsistent. (Page 10-48)
30. A formal post occupancy review process has not been designed to provide feedback on projects under review. (Page 10-49)
31. No reliable feedback loop on post occupancy evaluations has been established. (Page 10-50)
32. The District collects but does not analyze or forward maintenance cost data to staff responsible for developing facility plans and standards. (Page 10-50)

Fiscal Impact of Recommendations

The fiscal impact of the recommendations in this report will result from 1) identifying new revenue for school construction—by leasing schools during non-school hours and revising procedures for enrollment projects of the state; 2) reducing the cost of capital management by downsizing central office staff and increasing information management technologies; 3) reducing the special design and construction requirements and amenities in secondary schools to reduce cost; and 4) increasing the utilization of existing schools through double sessions and year round schools to reduce over-crowding and demand for new construction.

The total potential impact of these recommendations is large. However, the total value of the savings is urgently needed for new construction and renovations beyond what can be alleviated with alternative scheduling.

Ultimately, implementation of the recommendations in this report should help the District increase the confidence of the public in its effectiveness and efficiency, clarify the urgency for a new building initiative, and provide the District with a strategic educational facilities master plan to set the goals, objectives and budget for this undertaking.

Exhibit 10-2

Facility Construction Action Plan Recommendations
That Have Fiscal Impacts

Recommendation	Five Year Fiscal Impact
• Action Plan 10-7: Improve information management.	• Requires an initial investment of $1.5 million but should enable the District to reduce staffing over time.
• Action Plan 10-17: Review the organization and staffing of capital program.	• Based on an estimated 20% staff reduction phased in over three years with average salary and benefits of $50,000 and a $100,000 study to review the capital program organizational structure, the District will save $7.8 million.
• Action Plan 10-18: Develop asset management function in Government Affairs and Land Use Policy and Acquisition unit.	• Can generate $3 million by phasing in leasing and use policies; will change if District increases double sessions and initiates year-round schooling.

Background

The background information on facilities construction activities in the Miami-Dade County Public Schools presented in this section is divided into four subsections. The first subsection presents general information on the scope of the District's facilities construction activities. The second subsection presents the mission and goals of Facilities Planning and Construction (the unit responsible for coordinating facility construction activities for the District. The third subsection provides an overview of how Facilities Planning and Construction is organized and the final subsection presents information on how the unit is staffed.

Scope of Operations

The Miami-Dade County Public Schools is the fourth largest school system in the nation. Only New York City, Los Angeles, and Chicago have more students and more buildings than MDCPS.

There are 309 elementary, middle, senior high, and combined schools in the District. These schools encompass 32.4 million square feet of covered space. In addition there are nearly 100 other specialized facilities for adults, adjudicated youth, and administration. The school facilities are located on approximately 4,074 acres of land. [2]

The average age of the operating school buildings is 36 years. The oldest school was built in 1911 and new schools were added to the inventory at an average rate of about 7 schools per year between 1994 and 1998.

Exhibit 10-3

Over Half of the Currently Operating Schools Were Built Before 1970
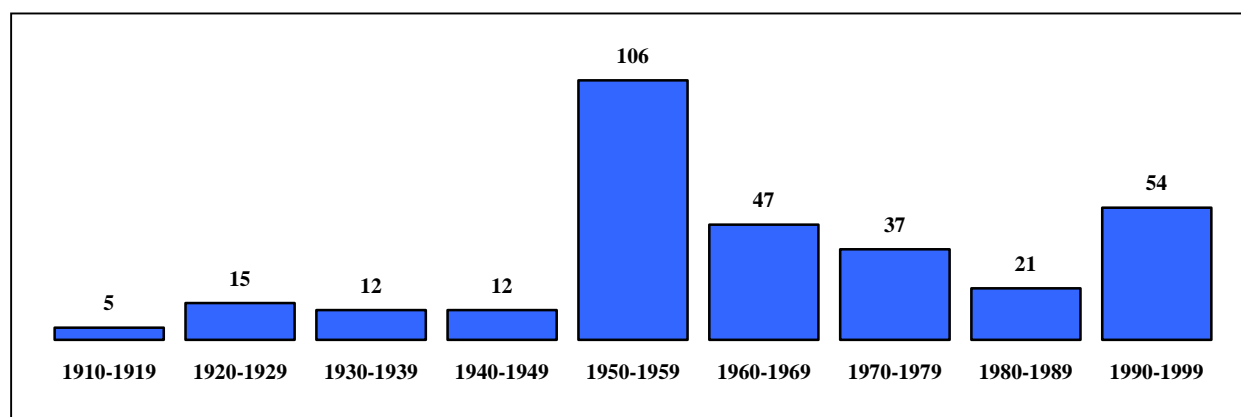
Source: Electronic file from Director of Facilities and Inventory M-DCPS.

M-DCPS facilities are overcrowded. They average only 92 square feet per student and range from a low of 43 actual square feet per student (Leisure City and Palm Springs elementary schools) to a high of nearly 200 square feet per student (Moton and Olinda elementary schools). By comparison, the Duval County Public Schools average 124 square feet per student and the Hillsborough County Public Schools average 122 square feet per student.

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[2] Florida Department of Education Office of Educational Facilities, School Land Inventory in Agency/Facility/Parcel Sequence. May 25, 2001.

Mission and Goals

To meet the demands of an increasing student population, an aging building inventory, and demands from the educational program for technology, smaller class size, special subjects and appropriate teaching and learning environments for Exceptional Student Education students, MDCPS has undertaken an aggressive school construction program. The overall mission of this Capital Improvement Construction Programs is:

> *To develop and implement innovative and financially sound design, construction and maintenance solutions in order to create and maintain the best educational facilities possible for the students of Miami-Dade County Public Schools.* [3]

Facilities Planning and Construction is the unit that is charged with overseeing and managing the Capital Improvement Construction Program. This unit, which is responsible for site acquisition, planning, design, new construction and major building improvements, has four goals that guide its approach to the design and construction of facilities:

- Timeliness
- Cost-effectiveness
- Safety
- Quality.

Organization

The management of facilities construction is centralized, even though much of the management of school operations is done through the 6 regions. As Exhibit 10-4 shows, the Chief Facilities Officer, who oversees Facilities Planning and Construction, has four units directly reporting to her – Design and Construction, Facilities Support Services, Capital Construction Budgets, and Capital Construction Compliance. The Design and Construction unit, which is led by an Assistant Chief, is responsible for the selection and negotiation of professional services contracts, plan reviews, facility design and quality control and for the management of all construction projects. Facilities Support Services, which is also overseen by an Assistant Chief, is responsible for government affairs and land use and acquisition, and site-specific facilities planning and design and construction standards. The Capital Construction Budgets unit is responsible for identifying the funding for all capital construction projects in the 5-Year Capital Improvements Plan and tracking construction expenditures through to closeout. An Executive Director leads this unit. The Capital Construction Compliance unit, which is led by an Administrative Director, oversees offsite utilities planning and development, supports and maintains information systems and database programs for school facilities, manages and operates procurement functions, and provides legal support on contracts, litigation, and claims support.

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[3] M-DCPS Facility Planning, Design & Construction Procedures Manual; Final Draft November 7, 2000.

Exhibit 10-4

Facilities Planning and Construction Is Organized Into Four Key Units
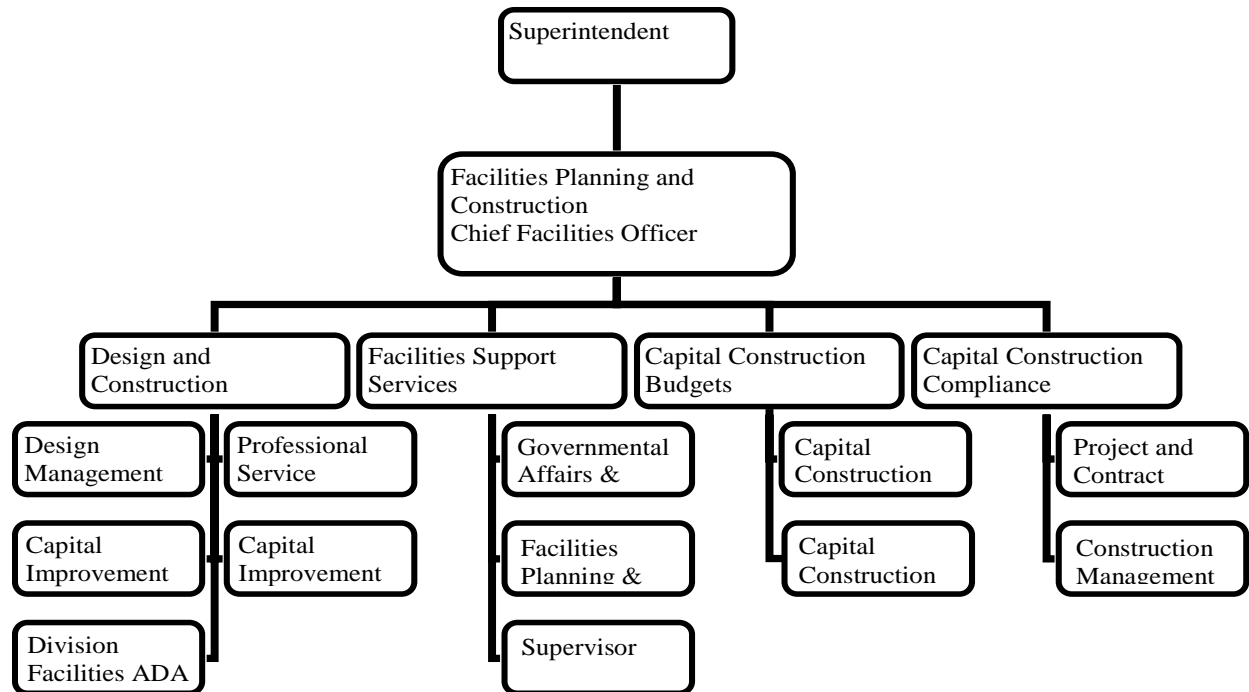
Source: Miami-Dade County Public Schools.

The District has acknowledged some inefficiencies and missing elements in their organizational structure. Modifications to the organization are being explored.

Staffing

To manage the site acquisition, planning, design and construction, of school facilities, Miami-Dade County Public Schools maintains considerable in house capabilities. As Exhibit 10-5 shows, there are approximately 265 employees working to manage the capital budget and to oversee capital projects to improve existing facilities or construct new facilities. As a result of a hiring freeze, an estimated 10% of these positions are not filled. In addition, some positions are not directly related to construction management and could be reclassified to other departments.

Exhibit 10-5

265 Employees Work To Manage The Capital Budget And To Oversee Capital Projects

Division Name	Positions
Capital Construction Compliance	11
Capital Improvement Projects	86
Facilities Support Services	7

Division Name	Positions
Construction Support Services	16
Plan Review	6
A/E Selection Negotiations & Design Management	8
Project and Contract Management	37
Job Order Contracts	11
Facilities Planning and Construction	3
Facilities Planning and Standards	17
Government Affairs and Land Use	16
Facilities ADA Compliance	2
Facilities Design and Quality Control	45
Total	**265**

Source: Personnel report for function code 7400 and program code 9900's, 8/18/01.

Facilities Planning and Assessment

1 The community-based facilities planning committee mandated in School Board policy has been inactive.

The District's Capital Improvement Committee is not only inactive but also lacks adequate citizen involvement

Although School Board policy requires a broad based planning committee consisting of both in-house and outside members, the District currently uses only in-house facilities personnel for capital planning. The District's Board policy specifies a Capital Improvement Committee that includes citizens and other stakeholders. This committee meets most of the expectations of the best practices. However, the committee met in 1997 and then again in July 12, 2001 and, as of early November 2001, had not met again. [4] Moreover, it should be noted that even if the Capital Improvement Committee was active its community representation is limited to a representative of the Family and Community Involvement Advisory Committee and a representative of the Executive Board of Dade County Council PTA/PTSA.

Public participation is critical to sustaining public support for a capital program

Engaging the participation of a broad cross-section of the public is essential to obtaining and sustaining taxpayer support for school construction programs. Ensuring the public is aware of and actively involved in school construction programs increases the likelihood that efforts to pass subsequent bond issues will be successful. If the public is not actively involved in the construction program, they are unlikely support increased taxes, even if the District has the capacity to assume more debt. In addition to building support for future bond issues, the participation of the business community and individuals with experience from the private sector in the construction

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[4] The School Site Selection Committee is responsible for advising the Superintendent and the School Board on site selection, from both a District and a site-specific perspective.

program can help bring to the table new ideas for alternative ways to address facility issues. Although appointed by the Governor and Legislature, the Land Acquisition and Facilities Advisory Board is one mechanism to help the District receive stakeholder advice.

If given information in a straightforward, clear format citizens can help monitor public decision-making and spending and can facilitate the dissemination of information to a wider public. Furthermore, because in some cases they can speak more frankly than department representatives (who may be inhibited for fear of loosing their job) citizens are in an excellent position to bring information on public perceptions and concerns to a sometimes isolated School Board and administration. Citizens can also bring information to decision makers on unique situations in communities that do not show up in Florida Inventory of School Houses (FISH) reports or plant surveys. Likewise, they can help administrators understand the values, priorities and concerns of the public.

Recommendations ─────────────────────

- *We recommend that the School Board activate its School Site Planning and Construction Committee assign it appropriate responsibilities, and staff it appropriately.*

- *We recommend that the School Site Planning and Construction Committee be asked to work with the administration to review and make recommendations on its most effective and appropriate role*

Action Plan 10-1 provides the steps needed to implement these recommendations.

Action Plan 10-1

Reactivate School Site Planning and Construction Committee		
Strategy	The District should activate the new School Site Planning and Construction Committee facility planning committee, assign it appropriate responsibilities and staff it appropriately.	
Action Needed	Step 1:	Convene School Site Planning and Construction Committee and ask committee members to reformulate the proposed new School Board Rule (October 10, 2001) to reflect the best use for its input and oversight.
	Step 2:	Take revised section on the external educational facilities committee to School Board for approval.
	Step 3:	Based on the recommended scope of the Committee's work, assign sufficient resources to staff the Committee.
	Step 4:	Maintain a regular meeting schedule with timely notice, well-formulated agendas, minutes and specific topics for public input.
Who is Responsible	Chief Facilities Officer	
Time Frame	June 2002	
Fiscal Impact	None	

Source: Berkshire Advisors, Inc.

2 No single entity is currently responsible for District wide capital planning.

Although Board rules specify the establishment of a number of construction committees no single committee is currently responsible for District wide capital planning

The Construction Related School Board Rules, dated 05/04/01, require the establishment of three construction related committees (a Capital Improvement Committee, a Building Committee and a Technical Review Committee) and one School Site Selection Committee. None of the committees is responsible for District wide capital planning. As noted in Section 1, the Capital Improvement Committee (which potentially might be responsible for capital planning) is largely inactive. The other committees are all part of the in-house approval process for design (in the case of the Building Committee), construction and budget (for the Technical Review Committee) and site selection (for the Site Selection Committee). It should be noted that while the Building Committee is involved with planning issues, these planning issues relate primarily to the planning and design for individual projects. For example, the Building Committee (whose members change depending upon the project being planned and designed) is an active participant in the decision to approve new school design. Committee members review and approve concept, schematics, design development documents, and construction documents. They do not address issues relating to District wide planning, however.

The current approach to designing new facilities has a number of shortcomings

In interviews, significant dissatisfaction with the current approach to designing new facilities was voiced. Many interviewees view the process as being both lengthy and inefficient. In addition, the current process is particularly ill suited to the design build project management approach the District is using with increasing frequency. When a design build project management approach is used, design decisions must be made early in the design process because construction may begin on site related work early and design changes may not just affect what is on paper, but may cause construction change orders to be required. However, school staff and representatives of the education unit are not currently involved until late in the design process—at design development, for example. When requests for design changes are made at this stage in the process, a costly redesign must be performed that could have been avoided had school and District level education staff participated in the process from the beginning.

The new planning policy that has been adopted by School Board places too much responsibility for overall planning on a volunteer committee

The school District is aware of these problems with District-wide capital planning and proposed a new Educational Facilities Planning, Site Selection and Construction planning policy to the Board of Education on October 10, 2001 to address these shortcomings. Incorporated in this policy is the recommendation that an external committee of volunteers be established and charged with:

- Providing input, priorities and monitoring for the 5-Year Work Plan
- Providing input and monitoring for the educational plant survey
- Providing input, monitoring and making recommendations on the capital budget
- Providing input, monitoring and making recommendations on site planning, selection, acquisition and alternatives
- Reviewing and transmitting reports to the Board of Education, including providing supporting documentation for Board of Education review and final action

- Reviewing status reports on site selection and acquisition on a quarterly basis
- Evaluating site acquisition activities, facility planning and construction programs and providing the Board of Education with an annual report on them that includes recommendations for improvement
- Reviewing and making recommendations on the award or rejection of construction bids that exceed project budget by 5% or more and by at least $250,000
- Providing other advice and input as may become necessary.

The proposed policy recommends that this new committee, which would serve in an advisory capacity and report directly to the School Board, be composed of parents, business community representatives, construction and real estate professionals and other community stakeholders. The District Director of Governmental Affairs and Land Use Policy and Acquisition, and the Director of Site Acquisition and Leasing would staff the committee. The School Board Attorney would provide legal support.

While establishing the proposed committee would ensure that capital planning is coordinated by a single entity, establishing a volunteer committee with such broad responsibilities is not practical. As currently envisioned there is not appropriate alignment among the duties of the committee (as described in the proposed new Board rule), the staff that would support this work, the frequency of committee meetings (once a month), and the type of committee members. In short, the responsibilities of this committee appear to be too extensive for a volunteer citizen's committee that meets but once a month. The scope of work described in the proposed Board rule would better be assigned to a planning office within Facilities Planning and Construction that could be supported by a volunteer citizen's committee.

Recommendations —————————————————

- *We recommend that the District create a planning office that aligns site, boundary, and capital planning functions and ensures that decision-making about facilities is consistent with educational operations.*

Action Plan 10-2 provides the steps needed to implement this recommendation.

Action Plan 10-2

Establish facilities planning department		
Strategy	Create a planning office that aligns site, boundary, and capital planning functions and ensures that decision-making about facilities is consistent with educational operations.	
Action Needed	Step 1:	Create a planning department that reports the Chief Facilities Officer for Planning and Construction.
	Step 2:	On an interim basis establish the planning department in the Government Affairs and Land Use Policy and Acquisition Office.
	Step 3:	Prepare description of planning functions.
	Step 4:	Develop job descriptions and job qualifications for planning office staff and determine appropriate pay grades for these staff.
	Step 5:	Post the new positions and encourage existing staff with capital facilities, maintenance, and education experience to apply.
	Step 6:	Interview applicants.
	Step 7:	Identify personnel to be assigned to the planning department.
	Step 8:	Establish a four to six month training program for newly reassigned planning staff.

Who is Responsible	Chief Facilities Officer and Director of Government Affairs
Time Frame	September 2002
Fiscal Impact	Can be implemented using existing resources.

Source: Berkshire Advisors, Inc.

3 **The five-year work plan is aligned to a responsible budget plan, but there is no master plan that sets construction priorities consistent with the District's long-term needs.**

Coherent, comprehensive facilities planning saves time and money

Coherent, comprehensive facilities planning is critical because it saves time and money and also because it makes a more equitable allocation of scarce resources possible. Without strong District-wide planning capabilities that involve the community in a transparent planning process, perceptions of favoritism, influence, and the "squeaky wheel getting the grease" are all but unavoidable. In addition, costs increase when insufficient attention is focused on planning. One recent example typifies how ineffective planning can lead to increased costs. Only five years ago an addition was made to Key Biscayne Elementary School. Before the addition was complete, a determination was made to turn the elementary school into a K-8 school. However, because the addition had been designed for an elementary school it did not include the special spaces and amenities required for middle schools. Consequently, soon after the initial project was completed, it was determined that a middle school addition was warranted. [5] With more effective planning, the District could have avoided the added cost of restaging construction, administering two design contracts and two construction contracts and conducting inspections for two projects.

In many respects District planning and capital budgeting processes are sound

Facilities planning. The District has a well-defined process for facilities planning. As documented in the District's Planning, Design and Construction Procedures Manual the planning process *The Planning process starts with the Board adopted 5-Year Capital Outlay Plan. Projects are generated on an as needed basis.*

There are three types of planning processes that occur in this stage. The long range planning or Five-Year Work Plan and Budget Process; the advance planning or project specific activities leading to the creation of the scope definition program book; and the physical planning or building and other design components location within the school site.

Capital budgeting. The District's approach to developing capital budgets for its five-year work plan is sound. Estimators work to establish construction cost estimates that will not exceed or underestimate actual bids. These cost estimates include all costs associated with a project including site acquisition, site improvements, furniture and equipment, specialty consultants, and design. In addition, a small contingency allowance is built into the budget to allow for unanticipated costs. While estimated project costs are reasonable, they also reflect a frugal per student station cost.

Capital budgets are also carefully monitored. To this end, the Office of Capital Construction Budgets works with Capital Budget Planning Office to ensure that capital expenditures do not exceed budgeted amounts. When projects are closed out and funds are still available from the closed out project, these funds can be re-programmed to cover costs for projects that may have exceeded their estimated cost and contingency.

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[5] This addition was approved and construction will begin the summer of 2002.

In addition, to evaluating the capital budget for individual projects, the District also estimates the cumulative financial impact of current and proposed five-year facilities work plan.

Despite the many strengths and positive features associated with District planning activities, these efforts are essentially reactive in large part because the District has not established a long-range educational facilities master planning process

The District has done a good job of organizing to execute projects and prepare the five-year work plan. However, the District lacks a framework to help it prioritize projects and to ensure that the projects that are executed are the most critically needed projects. In addition, at present the District has no way to address long range District-wide planning issues associated with overcrowding and an aging infrastructure. Likewise, links between education needs and facility needs are not articulated and site selection alternatives are not systematically explored. In short, existing facilities planning is primarily reactive and responds to crisis conditions.

Many of these problems stem from the fact that the District has not established a long-range educational facilities master plan. Such a plan describes the educational mission, goals and initiatives, population projections, the community values, aspirations and requirements for school facilities, and then identifies what is required for the school facilities to meet support the programs and population, in terms of space and funding. Such a plan would provide a framework and context for making mid and short term planning decisions that reflect the District's long-term priorities and that are consistent with the District's long-term needs.

Five-year work plan does not provide for small school construction

Although there is considerable research indicating that, all else being equal, students have higher rates of graduation, attendance and achieve higher standards in small schools, and the State of Florida has a new law mandating construction of small schools, Miami-Dade County Public Schools do not construct small schools because of the intense overcrowding of the District's schools. The State permits Districts to create schools within schools designs, but in practice, even these require more space, and in such an intensely crowded District this is difficult to find.

Recommendations ——————

- *We recommend that the School Board require a long-range educational facilities master plan that is developed with broad community input and that it is updated on a regular basis.*

Action Plan 10-3 provides the steps needed to implement this recommendation.

Action Plan 10-3

Engage public in long-rang educational planning		
Strategy	Develop a long-range educational plan with broad community input and update it on a regular basis.	
Action Needed	Step 1:	Assign the responsibility for a public engagement initiative to the head of the recommended planning department.
	Step 2:	Pass a School Board resolution in support of a long-range master planning process engaging the broad public—parents, teachers, school based support staff, community members and the business community.
	Step 3:	Establish a Master Planning Task Force.

	Step 4: Develop a plan framework and schedule for providing information to the public and getting feedback from the public about facility issues, community priorities and values, the educational program and community needs.
	Step 5: Use the Task Force to synthesize the values, concerns and priorities of the community into a long-range plan.
	Step 6: Hold public hearings in each region to receive feedback on a draft long-range educational facilities master plan.
	Step 7: Revise plan based on hearings.
	Step 8: Approve long-range educational facilities master plan.
Who Is Responsible	Chief Facilities Officer, Planning and Construction
Time Frame	May 2003
Fiscal Impact	This can be implemented with existing resources.

Source: Berkshire Advisors, Inc.

- *We recommend that the District explore small site acquisition for construction of small schools and offer design competition for prototype small schools.*

Action Plan 10-4 provides the steps needed to implement this recommendation.

Action Plan 10-4

Explore small site acquisition for construction of small schools and offer design competition for prototype small schools	
Strategy	Determine the potential for relieving overcrowding and the estimated cost per student station through building small schools on small sites.
Action Needed	Step 1: Ask land review task force to prepare cost benefit analysis on the real estate and construction side of buying smaller pieces of land and building small schools.
	Step 2: Create an education committee to work with the Facilities Planning and Standards unit to develop the educational specifications for a prototype small school from each level.
	Step 3: Integrate educational specifications and findings and real estate and construction specifications and findings into a report with recommendations to the Superintendent.
	Step 4: Make a recommendation to school board on potential for construction and utilization of small schools.
	Step 5: If small schools on small sites appear to hold potential for improving education and reducing overcrowding, organize a design competition for prototype small schools—including adaptive reuse for small schools.
Who Is Responsible	Chief Facilities Officer, Planning and Construction
Time Frame	April 2002-Sept 2003
Fiscal Impact	The analysis could be done with existing staff and pro bono services of task force members. The design competition should be able to be financed with corporate or foundation support.

- *We recommend that the Board of Education establish a school construction and modernization task force to develop proposals for financing the implementation of the long-range facilities master plan.*

Action Plan 10-5 provides the steps needed to implement this recommendation.

Action Plan 10-5

Establish Financing Task Force		
Strategy	Establish a school construction and modernization task force to develop financing proposals for implementation of long-range educational facilities master plan.	
Action Needed	Step 1:	Announce the creation of a construction financing task force.
	Step 2:	Appoint a small, but recognizably influential group of business leaders to serve on the financing task force after soliciting advice from County leaders, business leaders and Board of Education members.
	Step 3:	Charge the task force with finding ways to fund the implementation of the long-range master plan.
	Step 4:	Use the task force to develop recommendations for the superintendent.
	Step 5:	Publicize task force recommendations.
	Step 6:	Hold public hearings on financing recommendations.
	Step 7:	Submit recommendations to the Board of Education for review and action.
Who Is Responsible	Superintendent	
Time Frame	June 2003; Task force is put in place near the end of master planning process.	
Fiscal Impact	No fiscal impact.	

Source: Berkshire Advisors, Inc.

- *We recommend that the Board of Education create a broad based standing committee to develop capital budget priorities based on the recommendations in the master plan and to advise the District on site selection.*

Action Plan 10-6 provides the steps needed to implement this recommendation.

Action Plan 10-6

Establish a standing capital planning committee		
Strategy	Create a public committee to provide input on setting priorities for the capital plan and advising the District on site selection.	
Action Needed	Step 1:	Revise the responsibilities of the proposed standing committee to reflect a more realistic and manageable role.
	Step 2:	Establish a public school site planning and construction committee to focus attention on these important responsibilities.
	Step 3:	Appoint members representing parents, business community, construction and real estate professionals (without conflict of interests) and other community stakeholders. (These appointments should be made by the School Board.)
	Step 4:	Charge committee with reviewing the recommended planning department's five-year Work Plan recommendations to ensure their consistency with the long- range master plan.
	Step 5:	Hold public hearings on capital project priorities and proposed site purchases.
Who Is Responsible	Chief Facilities Officer of Planning and Construction	
Time Frame	Establish in time to advise school District on long-range master planning.	
Fiscal Impact	No fiscal impact.	

Source: Berkshire Advisors, Inc.,

4 Although the District considers enrollment and factors that affect enrollment in developing its five-year facilities work plan, current needs are so compelling that they dominate the planning process.

Although the District does not develop its own enrollment projection, it does consider enrollment and factors that affect enrollment in developing its five-year facilities work plan

The Miami-Dade County Public Schools Office of Evaluation and Research contracts with the Research Division of the Metro-Dade County Planning Department to provide the enrollment projections it uses to support the development of its five-year facilities work plan. [6] Using the County Planning Department for enrollment projections is wise because doing so gives the school District a complete picture of factors likely to impact student enrollment. The County has access to migration flows, birth and death rates by geographical locations, and census tract data that would not be as easily available to the District if it were to develop its own enrollment projections.

Current needs, rather than future enrollment, tend to dominate the District's facility planning efforts

While it would be ideal for the District to use enrollment projections to drive its facility planning efforts, the Miami-Dade County Public Schools does not have this luxury. Current needs are so compelling that they tend to dominate planning efforts. The District uses FISH reports to identify schools with the highest level of utilization. [7] Given the demand for school space created by this overcrowding, District planning is more aligned with addressing needs where crowding and population growth is already the highest rather than focusing on future needs. Enrollment projections are used to identify areas where enrollment may be falling, however, to ensure that problems relating to overcrowding are not addressed in areas where overcrowding will be alleviated in the near future by demographic changes.

The District is concerned with the enrollment projection methodology the State uses to establish student funding allocations

A major concern for the District is that there appears to be an undercount of students by the University of Florida's Population Program, Bureau of Economic and Business Research that provides enrollment projections to the Florida Department of Education. The potential existence of an undercount is extremely important to the District because the University of Florida's projections provide the basis for the District's reimbursement for capital expenditures by the State.

The primary difference in the District's enrollment projections (provided by Metro Dade County) and the State's stems from how they treat 1990 census data. Both the District and the State start with the 1990 Census as a base. The State takes this baseline data and makes a downward adjustment to reflect a reduction in District population after Hurricane Andrew. The District, on the other hand, contends that the 1990 Census started with a 7% undercount (and therefore makes an adjustment to reflect this fact) and uses a different methodology from the State for making adjustments for Hurricane Andrew and other factors.

Differences between the District's enrollment projections and the State's are not inconsequential. The Metro-Dade planning department estimated the potential differences in enrollment projections from 2000 through 2015. As

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[6] The District currently lacks the data, software and expertise needed to adequately analyze County growth patterns.

[7] 99 schools were operating in 2000-2001 at over 125 % of FISH capacity.

Exhibit 10-6 shows, the estimated difference between the University of Florida's MEDIUM level total population estimates and the District's total population estimates range from 57,702 persons in 2000 to 175,161 persons in 2015. Estimating the state's share of capital funding at $280 per student. This could amounts to a loss of state funding of $2.58 million in 2000 and up to $7.84 million in 2015.

Exhibit 10-6

State And District Enrollment Projections Are Significantly Different

Source for Enrollment Projections	2000	2005	2010	2015
Metro-Dade County Planning Department	2,209,402	2,361,995	2,517,256	2,677,561
Bureau of Economic and Business Research LOW	2,088,100	2,074,800	2,044,400	2,000,600
Bureau of Economic and Business Research MEDIUM	2,151,700	2,270,800	2,384,800	2,502,400
Bureau of Economic and Business Research HIGH	2,217,200	2,485,200	2,765,900	3,064,300
Difference between Metro-Dade Planning Department and MEDIUM level projections	-57,702	-91,195	-132,456	-175,161
Potential MDCPS students unfunded by FDOE [1]	9,232	14,591	21,192	28,026
Estimate of FDOE under funding capital @$280 per student	$2,584,960	$4,085,480	$5,933,760	$7,847,200

[1] Assumes 16% of total population is enrolled in M-DCPS.

Source: Miami-Dade County Public Schools, Report Summary on Student Enrollment Projections by the Metro-Dade Planning Department, Office of Evaluation and Research.

An external interview with demographers who have successfully projected student population growth for the New York City Public Schools over the last ten years, and who are currently reviewing enrollment projections for another Florida County, revealed that they also were concerned with the State's current methodology. They also noted, however, that in the past they had no such reason for concern.

5   While the five-year work plan focuses on critical needs, efforts to improve the planning process (and to track capital budget expenditures more effectively) are frustrated by the lack of needed information systems.

The development of the five-year work plan suffers from the lack of ready access to a relational database that includes the needed information

The District's Technical Review Committee is an in-house committee that is composed of the Deputy Superintendent for Management and Accountability, Chief Financial Officer, Deputy Superintendent for Education, Deputy Superintendent for School Operations, Chief Facilities Officer, Assistant Superintendent for Facilities Operations and two staff members appointed by the Superintendent as voting members. It is currently responsible for the selection of projects incorporated into the five-year work plan, establishing the priority for these projects, and for integrating standards and scope for capital improvements and new schools with the District's educational needs.

At present, data and information on facilities inventory, building condition, student enrollments, capital projects, capital budgets and capital expenditures are not integrated or readily accessible in a relational database to members of the Technical Review Committee, or to other decision-makers. This limits their ability to align capital planning decisions with greatest need, rather than with most demanding regional superintendent or community members.

At present, there is no efficient way to track project expenditures against the approved budget. The amounts approved for each project are maintained in an excel spreadsheet in the Office of Capital Construction Budgets while checks for approved contractor requisitions are written in the Office of Accounting Controller. Payments made to contractors, consultants and suppliers, are not posted against the approved budgeted amount. Members of the Land Acquisition and Facilities Advisory Board have recommended that the District implement a job cost accounting process (see also Chapter 9, section 1). This would allow the District to allocate overhead to each job and to link capital project accounting, project budgets, and expenditures. In addition, the reporting and monitoring capabilities of facility managers over the capital budget would be strengthened so that decision-makers would have a current and easily accessible window into the financial status of capital projects.

Another example of the need for comprehensive relational database for school facilities is the plant survey required by the State. The survey, as it currently stands, will be done using a paper format. Consequently, the updated data on the condition of existing facilities that will result from the survey will be difficult to analyze and evaluate (unless a tremendous amount of hand data entry is done to tabulate the results).

It should be noted that the District is aware of these information system needs and the Chief of Facilities, Planning and Construction requested that the Office of Information Technology review the existing Project Management Information Systems (PMIS). A consultant indicated that PMIS could become a viable application, but that a significant commitment of resources would be needed to undertake a formal design process, document the application, and implement the programming changes. Additionally training for users and resources for entering and updating information on the system would be required.

Recommendations ———————————

- *We recommend that District conduct an internal information management needs assessment and use the results of this assessment to develop an integrated facilities information system in the new planning department.* [8]

Action Plan 10-7 provides the steps needed to implement these recommendations.

Action Plan 10-7

Improve information management	
Strategy	Conduct an information management needs assessment and based on this develop an integrated facilities information system in the new planning department.
Action Needed	Step 1: Evaluate information, reporting, access and security needs of Capital Budget Planning, Chief Facilities Officer, Facilities Planning and Construction and Assistant Chief of Design and Construction, Office of Capital Construction Budgets, Capital Construction Compliance, and Facilities Support Services.
	Step 2: Create a template for who needs what information and who generates it.
	Step 3: Issue an RFP for help in either modifying current accounting, PMIS systems or other software in use to meet information management needs or issue an RFP for developing a new system.
	Step 4: Select vendor or consultant.
Who is Responsible	Office of Information Technology and Chief Facilities Officer
Time Frame	September 2003

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[8] In implementing this recommendation the District should take care to avoid systems that are unnecessarily complex and that do not build on the "organic" system for managing information and data that has evolved in the District over time.

Fiscal Impact	Initial investment of funds $1.5 million, with ongoing costs a function of the particular information technology solution.

Source: Berkshire Advisors, Inc.

- *We recommend that the District obtain a project cost accounting system that is integrated into the District's general ledger to ensure that all construction project cost are properly accounted for.*

Action Plan 9-4 provides the steps needed to implement this recommendation.

6 The District's need for additional space to meet its educational mission is compelling; yet it does not consider a broad range of approaches to meet those needs.

The District faces a significant need for additional space

Findings that suggest the District needs significant additional space are compelling. Indeed, the survey of the District employees who use existing facilities indicates significant dissatisfaction. More than three out of six survey respondents (60.4%) "disagree" or "strongly disagree" with the statement, "Existing facilities adequately meet the District's educational needs." Moreover, only 6.5% of the survey respondents "strongly agree" with this statement.

Part of the reason dissatisfaction is so high is that District schools are intensely overcrowded. Data from a 2000-2001 FISH report indicates that few District schools offer students and teachers the learning or teaching environments reflected in the District's prototypical educational specifications. Current District standards for prototypical elementary, middle and secondary schools require 100 square feet per student, 110 square feet per student, and 113 square feet per student. As Exhibit 10-7 shows, however, the region with the most average square feet per school per student (Region 5) falls short of an average square feet per school per student of 100 square feet. In addition, as Exhibit 10-7 shows, the percentage of students currently housed in relocatables – which ranges from 9% of students in Region 4 to 15% of students in Regions 1 and 2 – is high.

Exhibit 10-7

District Schools Are Severely Overcrowded And 9-15% Of Students Are Housed In Relocatables

	Median Gross Square Feet/Student	Total Square Feet In Relocatables	Percentage of Students In Relocatables	Range of Gross Square Feet Per Student
Region 1	84	293,435	15%	43-126
Region 2	80	230,196	15%	50-158
Region 3	96	233,337	12%	50-197
Region 4	89	165,634	9%	50-188
Region 5	97	212,337	10%	59-195
Region 6	90	261,507	12%	43-143
District	89.5	396,446	12%	43-197

Source: FISH report.

If the District were to meet the standards it has adopted, it would need approximately 32,000 new student stations just to meet today's enrollment. Using an average of $15,000 per student station, the District would need $480

million just to provide these stations. If relocatables were to be eliminated another 37,000 students would need to be housed in permanent space at an estimated cost of $555 million.

The District does not systematically consider alternatives to new construction in developing strategies for meeting these significant facility needs

Dissatisfaction with existing facilities, the serious level of overcrowding that currently exists, and continued population growth for the foreseeable future that will put continued pressure on facility needs demand that the District develop real proposals beyond new construction to address the substandard teaching and learning conditions in intensely overcrowded schools. To date, however, there does not seem to have been an organized effort to explore alternatives to new construction. To its credit, the District has made some tentative steps to consider alternatives. For example, an overcrowding task force has been established.[9] Likewise, the Office of Government Affairs and Land Policy, under its new director is beginning to investigate possibilities for adaptive reuse of buildings and shared use. These efforts, while laudable, by no means represent the collective concerted focus on minimizing the need for new construction that is required given the District's imposing facility needs.

Recommendations ────────────────────

- *We recommend that the newly formulated Office of Planning undertake a comprehensive assessment of the pros and cons of alternatives to new construction and develop a plan to implement recommendations*

  Action Plan 9-2 provides the steps needed to implement this recommendation.

7 The District has not established a systematic process for setting work-plan priorities.

The current approach to setting priorities tends to be reactive

It is unclear what criteria the District currently uses to set priority needs. While regions provide input for development of the five-year work plan, and the results of the 1998 plant survey are used to establish the condition of facilities, how this information is used to set priorities is not well defined. Moreover, as noted previously, the Capital Improvement Committee (CIC), which could serve as a vehicle for receiving citizen input into the priority setting process, has not been functioning. The only factors that clearly set priorities are emergency items that the District is forced to address. For example, fire and life safety is a prominent part of work plan because of a grand jury finding that there were excessive fire code violations in the schools.

In addition, there is at least a perception that political influences play an undue role in setting facility priorities. While political factors should be considered when making capital construction decisions, the influence of politics on the decision making process should be limited by good data and information so that politics does not trump intense need. It should be noted that many respondents to the employee survey express strong reservations about the equity of the priority setting process. Slightly less than half of the survey respondents (46.9%) "disagree" or "strongly disagree" that "there is equitable treatment in setting construction and renovation priorities within the District."

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[9] This task force had met two to three times as of early November 2001.

Moreover, only slightly more than one out of twenty survey respondents (6.7%) "strongly agree" with this statement.

Recommendations

- ▪ *We recommend that the School Board create a broad based standing committee to develop capital budget priorities based on the recommendations in the master plan and to advise the District on site selection.*

  Action Plan 10-6 provides the steps needed to implement this recommendation.

8 The District complies with all state reporting requirements and with the current Laws of Florida.

The District complies with all relevant laws of the State of Florida

The District is compliant with state reporting requirements. Required forms and documents that are prepared by the District include:

- Survey for Validation (s. 235.15, F.S.) [by Dept. of Document Control, Bureau of Facilities Planning and Construction]

- 1998 Educational Plant Surveys

- Project implementation Information for projects over $200,000 (SREF 4.1 (97))[by Department of Document Control, Bureau of Facilities Planning and Construction] [10]

- Certificate of Occupancy (s. 235.26(c), F.S.) [by Dept. of Document Control, Bureau of Facilities Planning and Construction][11]

- Certificate of Final Inspection for projects over $200,000 (s. 235.26(c), F.S.) [by Dept. of Document Control, Bureau of Facilities Planning and Construction][12]

- Project Priority List for use of CO&DS bond funds (section 9(d), Article XII, state constitution) [by Dept. of Document Control, Bureau of Facilities Planning and Construction][13]

- Twelve-month PECO Capital Outlay Projection and Request for Project Encumbrance Authorization (s. 235.14, F.S.) [by Dept. of Capital Budget Planning, Bureau of Financial Affairs][14]

- Report of Cost of Construction (s. 235.435(6)(d), F.S.) [by Dept. of Capital Construction Budgets, Bureau of Facilities Planning and Construction][15]

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[10] Pursuant to Section 4.4(1)(f) SREF 94, MDCPS Document Control as agent of the State obtains and maintains these forms on file for all projects over $200,000.

[11] Pursuant to Section 4.4(1)(f) SREF 94, MDCPS Document Control, as an agent of the State, obtains and maintains these forms on files for all projects over $200,000.

[12] Pursuant to Section 4.4(1)(f) SREF 94, MDCPS Document Control, as an agent of the State, obtains and maintains these forms on file for all projects over $200,000.

[13] These forms are prepared and submitted to the State every 5 years.

[14] These forms are prepared and submitted to the State annually.

[15] These forms are submitted annually to the State.

- Florida Inventory of School Houses Update (s. 235.014, F.S.) [by Dept. of Document Control, Bureau of Facilities Planning and Construction][16]

In addition, the District adheres to the cost per student station on all projects commissioned after July 1, 1997. For projects completed before that date, a waiver was requested and granted. The District also has established a series of checks and balances to ensure that architects adhere to Florida Building Code requirements relating to identifying instructional areas or teaching stations (and the number of students assigned to each teaching station).

9 The District is prepared to comply with new Florida Building Code when it comes into effect.

The District has taken a number of steps to ensure compliance with the new Florida Building Code when it comes into effect on July 1, 2002. In particular, new contracts for building code inspections have been established which include requirements to review structures using the new building code. District staff have also attended various conferences and seminars to ensure they are knowledgeable about the building code and its implications. Additional training is scheduled. Furthermore, a state code officer has been designated who will be responsible for ensuring compliance with the new building code. Finally, with some minor exceptions, any project funded after January 1, 2002, will be designed and constructed to reflect the new building code requirements.

10 Information on the construction program and the five-year facilities work plan is not readily available to the public.

A well-managed capital improvement program requires stable and sufficient funding. This is particularly true in an expanding system. Keeping the public informed about the needs and progress of the capital construction division can help build confidence and support for funding public school construction. However, the District does not provide the public with easy access to information regarding its facilities and construction program.

Recommendations

- *We recommend that the District put more information about school facilities and the construction program on the Miami-Dade County Public Schools website.*

Action Plan 10-9 provides the steps needed to implement this recommendation.

Action Plan 10-9

Increase public knowledge of capital program	
Strategy	Put information about the capital program on the MDCPS web site in a clear format that can easily be understood by lay persons.

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[16] These forms are updated regularly by live date entry into the OEFIS system.

Action Needed	Step 1:	Ask newly formed capital planning standing committee (see action plan 10-6) to identify information that a parent, community member, concerned businessperson would want about the MDCPS capital program.
	Step 2:	Provide this information to the M-DCPS Office of Communications.
	Step 3:	Work with the Office of Communications to enhance web information on capital program.
	Step 4:	Assign a staff person in the new Office of Facilities Planning to review and provide information for website on a weekly basis; this information should include: board actions, budget proposals, news about new schools, notices of committee meetings open to the public, and basic inventory information.
Who is Responsible	Office of Facilities Planning with Office of Communications and the Office of Information Technology	
Time Frame	September 2002	
Fiscal Impact	No fiscal impact	

Source: Berkshire Advisors, Inc.

Educationally Appropriate Facility Design Standards

11 Prototypical Educational Specifications are aligned with educational needs.

The Prototypical Educational Specifications developed by the District are of high quality and are aligned to best educational practice

MDCPS has developed Prototypical Educational Specifications for elementary, middle and senior high schools. The quality of these specifications is high. They are kept up to date and align with best educational practice. To ensure they continue to reflect educational needs, each year MDCPS Curriculum Specialists review the Prototypical Educational Specifications and Furniture Fixtures and Equipment (FF&E) Master Lists. Changes are made to the Prototypical Educational Specifications and FF&E Master Lists to reflect the latest mutually agreed program goals, objectives, and instructional strategies. In addition, to ensure the specifications keep pace with technological change, MDCPS Instructional Technology staff and the Office of Information Technology (OIT), review the MDCPS Prototypical Educational Specifications, Design Criteria, and Master Specifications on a regular basis and make adjustments to reflect the latest technological trends.

Flexibility in the classroom has been built in to the prototypical educational specifications through requirements for regular-shaped classes, multipurpose FF&E, minimizing the use of built-in furniture where possible, and by standardizing class sizes (net square footage) throughout the facility.

An effective process has been established to ensure that site-specific education specifications meet the anticipated needs of each school

MDCPS site-specific educational specifications are generated on a project basis. The Prototypical Educational Specifications, which provide a starting point for the development of these specifications, provide descriptions for

proposed spaces while leaving ample flexibility for creativity and options in design by the architects. In each school's specific educational specification, program goals, objectives and activities, teaching strategies, and instructional methods are identified to provide the project Architect/Engineers (A/E) with a description of the school's needs and expectations for how the space will function. The District does an excellent job of including a range of staff in this process. Indeed, slightly more than one-third of all certified staff responding to the survey (34.1%) "agree" or "strongly agree" with the statement, "I have been involved in establishing program goals, objectives and instructional strategies for new construction projects." The site-specific educational specifications also include program philosophy and goals prepared in conjunction with MDCPS curriculum staff. The specifications include program-specific sections relating to the curriculum, instructional methods, staffing requirements, teacher/student ratios, and support services requirements.

Development of educational specifications should be assigned to the recommended planning department

The Department of Capital Construction Budgets is currently charged with responsibility for planning and developing project scope definition packages. Using Prototypical Education Specifications a preliminary scope definition is developed for sign-off by the Deputy of School Operations, Region Superintendent, School Principal, Region Executive Director, Director of Document Control, Director of A/E Selection, Negotiations, Educational Specifications and FF&E, and Executive Director for Planning and Construction Budgets. Once the program has been approved by each of these individuals, a delivery method is identified and the selection of a consultant commences. At this point, the project manager takes leadership for the process. (A flow chart of this process is presented in Exhibit 10-8.)

Exhibit 10-8

Project Planning Can Be Divided Into Seven Distinct Steps
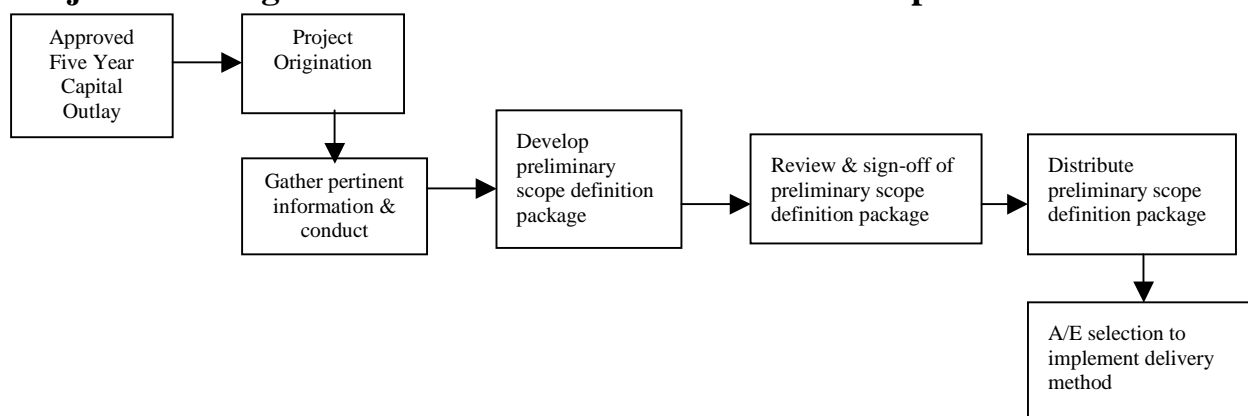
Source: MDCPS Facilities Planning, Design and Construction Procedures Manual.

The Department of Capital Planning and Budgets used to be more involved in managing the development of site-specific educational specifications and the design process than it is at present. Currently, however, project managers are primarily involved and responsible for projects once the sign-off for preliminary scope is complete and the A/E selection is done. Essentially these project managers function as owner's representatives throughout the process of programming, design and construction. As a result, an organizational focus on the development of site-specific education specification is lacking. This issue can be addressed by assigning site-specific planning responsibilities to the recommended planning unit (discussed in Section 2).

Recommendations ———————————

▪ *We recommend that a planning department manage site-specific programming.*

Action Plan 10-10 provides the steps needed to implement this recommendation.

Action Plan 10-10

Place site specific programming in the planning department		
Strategy	Have site-specific programming managed as part of the planning department.	
Action Needed	Step 1:	Once planning department is established (see Action Plan 10-6), reassign responsibility for programming for new schools to this unit.
	Step 2:	Once new school programming has been established as part of planning department and evaluated for efficacy, transfer project specific programming for renovations and additions.
	Step 3:	Revise Facilities Planning, Design and Construction Procedures guide to reflect development of planning department and transfer of management for site-specific programming.
Who is Responsible	Chief Facilities Officer	
Time Frame	Next round of new schools	
Fiscal Impact	No fiscal impact	

12 Educational specifications for new construction, remodeling, and renovations include a description of activity areas.

There is appropriate detail of activity areas in educational specifications

The District has established an effective process for ensuring all needed activities that will take place in a new facility are reflected in the educational specifications for that facility. As part of this process MDCPS Regional staff, curriculum staff and MDCPS Facilities Planning and Standards staff meet to determine which vocational programs represent the desired educational and community needs. They also meet to decide what provision should be made for instructional support, pupil services programs and general support services requirements. In addition, during this planning phase, curriculum specialists and region staff determine if there will be exceptional student education space requirements for the facility. They also ensure that all spaces meet the legal requirements established by the State Requirements for Educational Facilities (SREF).

The educational specifications that are developed through these efforts thoughtfully address what types of spaces are needed in each project and how these spaces will be used. In particular, project specific educational specifications:

- Provide an overview of the number areas included in a project and their size
- Ensure curriculum programs are appropriately placed and that space within program areas is appropriately configured
- Ensure instructional support areas are grouped together in an appropriate manner
- Provide adequate storage spaces.

A discussion of each of these features of project specific educational specifications follows.

Project overview. Educational specifications for individual projects describe the number of areas to be constructed and their size in a section titled "Facilities List." This facilities list represents the project's scope of work in terms of remodeling and new construction. In each program-specific educational specification, there is also information on how many and what staff will use the space.   In addition, there is a spatial relationship diagram with a legend for each program area.

Placement of curriculum programs. The educational specifications also describe the curriculum program in detail, along with staffing requirements/needs, and necessary support services. In addition to program-specific spatial relationship diagrams, which describe inter-program adjacencies and relationships, these diagrams also describe intra-program adjacencies (i.e., where program areas must be adjacent to one another).   Together, these diagrams yield a facility design that ensures efficient student/staff/faculty circulation patterns.

Placement of instructional support areas. Instructional support areas are listed in the Board Approved Facilities Lists and have been approved by MDCPS Region and Curriculum staff. Educational specifications for individual projects describe how these instructional support areas should be grouped together to ensure an efficient and cost-effective use of space.

Storage. The educational specifications for each project also ensure that storage spaces are provided, when necessary, for specialized spaces and for the facility's general storage requirements. For instructional spaces, storage is generally provided by means of FF&E storage cabinet(s). These cabinets are more cost-effective and allow for more flexible use of space than "built in" storage areas.

13 Design follows District specifications, but in some cases these specifications may not reflect a practical assessment of how facilities will actually be used.

The District takes appropriate steps to ensure that architectural designs conform to educational specifications

To ensure that architectural designs conform to educational specifications the architect for each project is provided with copies of the Design Criteria and Prototypical Educational Specifications. His or her work is subsequently reviewed at various design phases to ensure consistency with educational specifications. Further oversight includes:

- Copy of review from Department of Plan Reviews
- Reviews by the Uniform Building Code International (UBCI), EFCO & Trades Master's reviews
- Building Committee Review
- Post occupancy evaluation.

In addition, during Phase I, a committee of design construction, maintenance, and education/curriculum staff reviews each project to ensure compliance with District and state requirements.

Visits to six new schools (or existing schools with additions) suggest efforts to ensure that architectural designs conform to educational specifications have been successful. A review of these schools revealed that educational specifications appropriately described specialty instructional spaces and the amenities appropriate for these spaces and the actual design and construction of these facilities reflected that direction.

In some cases, the design of new facilities may not reflect a practical assessment of how facilities will actually be used

The review of six projects suggests that the design of new facilities may not reflect a practical assessment of how the facilities will be used. In some cases, the educational specifications are practical, yet overcrowding prevents specialty classrooms and other spaces from being used as intended. Instead, the District is often forced to use its specialty classrooms for regular classroom space. For example, at one school a black box theatre classroom with projection booth, catwalk around the perimeter and theatre track lighting was being used as a traditional classroom, with students in rows of desks using textbooks. In other cases, the design did not reflect a practical understanding of how a space would be used. For example, in one school a dance studio was too highly outfitted. This dance studio was equipped with theatre track lighting that covered the ceiling yet it was unclear why track lighting was necessary, as the dance studio did not accommodate an audience. Likewise, middle school science rooms had special drains for toxic waste, fume hoods, a shower and an eyewash. However, it was not clear that in classrooms of 30 or more young adolescent students that toxic chemicals necessitating these amenities would ever be used.

When rooms are equipped with features that are either not needed or are not likely to be used, costs increase. At least with regard to middle schools, this appears to be what has happened in the Miami-Dade County Public Schools. A review of middle school additions from 1999 to the present reveals that the District spent anywhere from $19 a gross square foot to $37 a square foot for Furniture Fixtures and Equipment (FF&E). (See Exhibit 10-9.) This was nearly twice the FF&E expenditures in middle school additions in other Florida school Districts.

While the existence of specialty space for secondary students is optimal, with such extensive and intense overcrowding and insufficient funds for basic classroom space, the District should reevaluate the need and rational for building and equipping specialty spaces.

Exhibit 10-9

FF&E Expenditures For Middle Schools Ranged From $19 to $37 Per Gross Square Foot

Additions 1999	Gross SF	Total Cost	Percentage for FFE	Cost for FFE/Gross Square Foot
Allapattah MS	31,479	$ 5,397,283	11%	$ 19.07
Hammocks MS	35,664	$ 5,792,430	14%	$ 22.88
Shenandoah MS	40,124	$ 7,354,591	13%	$ 24.11
Campbell Drive MS	33,192	$ 6,938,220	12%	$ 24.58
Horace Mann MS	37,510	$ 6,097,460	15%	$ 24.94
Ponce De Leon MS	38,158	$ 6,582,276	15%	$ 25.35
Richmond Hts MS	37,810	$ 6,943,277	14%	$ 25.45
Kinloch Park MS	34,332	$ 6,082,518	16%	$ 28.18
Carver MS	25,017	$ 5,952,725	16%	$ 37.39

Source: FISH, verified by MDCPS Budget Office.

Recommendations ———————————————

- ▪ *We recommend a review of the utilization of spaces that have been designed for specialized purposes (e.g., weight rooms, dance studios, vocational areas, science labs, black box theatres, and TV studios) to determine whether the instructional program is utilizing the specialized equipment and design provided.*

Action Plan 10-11 provides the steps needed to implement this recommendation.

Action Plan 10-11

Audit The Utilization Of Specialized Spaces		
Strategy	Review the utilization of specialized spaces and equipment to determine whether the instruction program is utilizing them.	
Action Needed	Step 1:	Review design and construction costs to identify the specialized areas that require the greatest expenditure for design, furniture and equipment in high schools, middle schools and specialty or magnet schools.
	Step 2:	Based on findings, prioritize what types of spaces to audit for utilization.
	Step 3:	Using FISH, identify the specialty spaces in schools to be audited.
	Step 4:	Identify a small sample of schools to review in order to make a preliminary evaluation of utilization and determine if a more complete investigation is warranted.
	Step 5:	Create a data collection template identifying the information that should be collected on the utilization of each space.
	Step 6:	Create criteria for rating utilization and for defining whether a space is "fully utilized," "partially utilized" or "not utilized" that reflects the anticipated specialized uses of a space.
	Step 7:	Send personnel to selected schools to use these criteria in determining how a particular space is utilized.
	Step 8:	Compile data from audit into template.
	Step 9:	Prepare preliminary report for design standards committee.
Who Is Responsible	Planning Department	
Time Frame	October 2002	
Fiscal Impact	Can be completed using existing resources.	

▪ *We recommend a review of middle school prototypical educational specifications by educational specialists to determine whether it is a better practice to build more space for basic classrooms or to build facilities with more high school-like technology, science and vocational readiness spaces that reflect an increase in the specialization of middle school instruction.*

Action Plan 10-12 provides the steps needed to implement this recommendation.

Action Plan 10-12

Review middle school prototypical educational specifications		
Strategy	Review middle school prototypical educational specification to determine whether it is more important to build basic classroom space or specialized classrooms.	
Action Needed	Step 1:	Compare results of investigation of specialized spaces and actual utilization of special features, furniture and fixtures (undertaken as part of Action Plan 10-11) with middle school prototypical educational specifications.
	Step 2:	Review literature on middle school curriculum and state curriculum standards.
	Step 3:	Develop recommendations for modification to middle school prototypical educational specifications, as appropriate.
Who is Responsible	Deputy Superintendent for Operations	
Time Frame	March 2003	
Fiscal Impact	Review can be done with existing resources. Depending on findings, potential savings on FF&E and on some base construction.	

Source: Berkshire Advisors, Inc.

14 While safety features are incorporated into design documents, greater attention needs to be devoted to ensuring that the safety features and equipment reflected in these designs are actually in place and operational in schools.

Safety features are incorporated in design documents

The District ensures that appropriate safety features are incorporated into the design of all new construction by including in the New Construction Agreement for Professional Services that the design incorporate and meet all safety codes including State Requirements for Educational Facilities (SREF), State and local building codes, NAPA 101, and other appropriate codes. The design is then reviewed by Educational Facilities Compliance Office (EFCO) to confirm code compliance.

The District also ensures that when facilities are renovated, safety needs are assessed and safety designs are reviewed or added to the facility by requiring, in the Renovation Agreement for Professional Services, that the design professionals address such safety needs and issues and comply with all applicable local, state and federal codes. The design is then reviewed by EFCO to confirm code compliance.

Safety and code features reflected in the design are not consistently implemented on all new projects

While safety and code features are consistently reflected in project design, cases were brought to the attention of the consultants where the safety and code features called for in the design were not actually implemented. At one middle school, for example, even after all inspection sign-offs had been completed, the fire sprinkler system was inoperative and the Siamese fire connection that the fire department needs to pressurize the sprinkler system was missing. Other similar cases were also cited, suggesting that better oversight of the consultant UBCI code inspectors is warranted.[17]

Schools conduct annual review of equipment needs and conditions at school yet repairs and replacement of equipment are not consistently completed when needed

The results of the employee survey indicate that schools generally do a good job of reviewing equipment needs and conditions each year. Over 71% of the survey respondents "agree" or "strongly agree" with the statement, "My school conducts an annual review of equipment needs and conditions" and only 5.6% of the survey respondents "strongly disagree" with this statement. With regard to whether equipment is repaired and replaced when needed, however, the results are more mixed. More than two in five survey respondents (43.0%) "agree" or "strongly agree" with the statement, "The District repairs or replaces equipment as needed at my school." However, only a slightly smaller percentage of survey respondents (38.5%) "disagree" or "strongly disagree" with this statement.

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[17] The school District is currently spending $95 million to eliminate fire code violations in its schools. New schools, however, should not be among the schools with fire safety problems.

Recommendations

- *We recommend that the District do an analysis of how many fire life safety violations exist in schools less than 5 years old and examine whether there is any contractor or code inspector liability.*

Action Plan 10-13 provides the steps needed to implement this recommendation.

Action Plan 10-13

Analyze fire life safety violations in schools less than five years		
Strategy	Determine whether or not there is any contractor or code inspector liability for fire code violations in new schools, with the idea of trying to recover cost of remediation.	
Action Needed	Step 1:	Review lists of fire code violations in schools 5 years old or less.
	Step 2:	Provide names of schools with code violations that are a result of building design or construction, rather than use to the Capital Construction Compliance unit.
	Step 3:	Send engineer from Quality Assurance to determine whether code violation is actually a result of design or construction flaw.
	Step 4:	If yes, Capital Construction Compliance unit will prepare documentation for securing remediation from architect or construction firms responsible for the error or omission.
Who Is Responsible	Office of Capital Construction Compliance	
Time Frame	September 2002	
Fiscal Impact	This recommendation can be completed with existing resources.	

- *We recommend develop procedures to improve accountability for code inspectors.*

Action Plan 10-14 provides the steps needed to implement this recommendation.

Action Plan 10-14

Develop procedures for code inspections		
Strategy	Make sure contractors who inspect for adherence to building code and fire code are rigorous in their inspections and reliable with their reporting of problems.	
Action Needed	Step 1:	Review criteria for qualifying as a code inspection firm.
	Step 2:	Request feedback from school District architects, engineers and trade masters on quality of inspections from private code inspection firms, and on suggested criteria for selection as a code inspection firm.
	Step 3:	Use revised criteria and feedback from Quality Control to re-evaluate code inspection firms.
	Step 4:	Release firms that do not meet revised criteria.
Who Is Responsible	Executive Director of Facilities ADA and Design and Quality Control	
Time Frame	November 2002	
Fiscal Impact	This recommendation can be completed with existing resources.	

Timely and Economical Site Selection————

15The site selection process has slowed down school construction and contributed to overcrowding and loss of confidence in the District, but the District has developed new policies and procedures for site selection and acquisition.

A major deciding factor determining which sites were purchased was the availability of land, rather than where the greatest overcrowding was. OPPAGA issued its report on the MDCPS land acquisition practices in May 2001 and criticized the Districts land acquisition policy and procedures. As a result, new site selection rules were promulgated on October 10, 2001 and submitted to the School Board for consideration on the 24th. Subsequently, the School Board has adopted a new Board Rule with a more formal and detailed process for acquiring property. Included in this Board Rule is a requirement that a citizens' committee be developed to provide public input into the site selection process, in depth criteria for evaluating and selecting sites, procedures for selecting a site, guidelines for the due diligence on the purchase itself, including criteria for reasonableness of costs; an appraisal and review process; comparative analysis of site acquisition and site improvement costs; and guidelines on use of eminent domain as authorized by Section 235.05, F.S. of Florida State Code.

After the May 2001 OPPAGA review, a Land Acquisition and Facilities Oversight Board composed of private-sector developers appointed by state leaders was established. In January 2002, it voted unanimously to advise the Legislature that the District had implemented nearly all changes recommended in the May 2001 report. However, as of yet, the Site Selection Committee that is just being constituted by the Superintendent and School Board has yet to meet. In addition, the Land Acquisition and Facilities Oversight Board continues to meet and is likely to make further suggestions for improving the District's land acquisition process.

Since the May 2001 report, no land purchases have been made. However due diligence on a number of sites was undertaken, so that once constraints were lifted, purchases would be ready to move forward quickly.

Unfortunately, the District can come up with a plethora of procedures and committees and still not solve its problems. Consequently, in addition to establishing improved procedures the District must determine the features of land acquisition practices that are of greatest importance. Among the range of issues that might be considered are the following:

- High cost of land
- Speed with which the District is able to make a deal
- Increasing scarcity of sites of sufficient size to meet site requirements
- Public attitudes about competence or honesty in land acquisition
- Attitudes of state officials about competency or honesty in land acquisition
- Need for better information on possible sites to purchase
- Need for better relations with the public to position the District to exercise right of eminent domain
- Need for increased access to private sector expertise to help identify alternatives to traditional school site development approaches
- Potential for small schools on small sites.

Recommendations —————————————————

▪ *We recommend that the District continue to define what types of input it needs from the public input relating to site identification and acquisition and that it expedite the development of the Site Selection Committee as outlined in the new school policy.*

Action Plan 10-6 provides the steps needed to implement this recommendation.

▪ *We recommend that Government Affairs and Land Office, as part of a new master planning task force, participate in the long range master planning and develop a long term land purchase and use plan to support the facility requirements of the District.*

Action Plan 10-3 provides the steps needed to implement this recommendation.

16The School Board considers the most economical and practical locations for future schools.

Although the District has not acquired new school sites since May 2001, the Board's policies emphasize the need to consider the most economical and practical locations for future schools. The Board's rules provide the recently created School Site Planning Committee with the responsibility to make recommendations regarding site selections. In addition, the Board's site selection rules also provide criteria designed to determine the most economical and practical site. See Section 15 above for additional details and recommendations regarding site acquisition.

Construction Cost Controls —————————————

17The District has established and implemented accountability mechanisms, however, they have not prevented high staffing levels and do not always translate into better construction.

The District has controls in place to ensure the performance, efficiency, and effectiveness of the construction program

The District has taken a number of effective steps to ensure its construction program is implemented efficiently and effectively, including the following:

• Cost saving measures are incorporated into design criteria and master specifications

• Cost estimates from estimating consultants are used to validate project consultant estimates

• Response to Requests For Proposals (RFPs), Requests for Quotes (RFQs), and Construction Bids are closely monitored

• Firms responsible for plan review and inspections are also monitored

- District construction and management costs are compared with similar costs in other Districts
- Staffing levels of Miami-Dade County Public Schools compared to Duval and Hillsborough Counties

A discussion of each of these effective practices follows.

Incorporating cost saving measures into design criteria. The District has incorporated Smart School Clearinghouse cost saving suggestions into its Design Criteria and Master Specifications. An example of a cost saving measure that is currently incorporated into design guidelines is the requirement that all new schools be designed to accommodate the potential future use of portable classrooms. All new schools are required to install connections to all systems that will be needed to connect portables to the facility—sanitary, domestic water, electrical, fire alarm, security, and energy management. At a minimum a new elementary school must have eight portable sites designated, a middle school 18, and a high school 30. The school District has also asked its design criteria consultants to begin a review of the master specification to find ways to improve the specification so the materials and techniques are high quality, but also economical. In addition, the District closely monitors the design process to ensure budgets established to achieve SIT eligibility are met.

Validating project cost estimates. The District obtains independent cost estimates from estimating consultants to validate project consultant estimates. In addition, the District will soon be undertaking an evaluation of the estimates provided by the independent estimators and the actual bids and costs of school improvements. This activity has the potential to be extremely worthwhile. For one project where an independent evaluation of actual bid has already been completed (a review of the estimate provided by Construction Estimating Services, Inc. of the Phillis Wheatley Elementary School) for an addition and renovation that totaled $4,255,954, only $2,302 was allocated for furnishings. For a project of this size, assuming furnishings will amount to only five hundredths of one% is clearly unrealistic. This is likely the result of the District lacking a job cost accounting process and should be addressed through action plan 9-4.

Monitoring responses to RFPs, RFQs and construction bids. The District closely monitors responses to RFPs, RFQs and Construction Bids to assess program effectiveness. As part of this monitoring effort, the District is currently evaluating its selection procedures for competitive design and construction firms with the goal of initiating contracts with more experienced design/build firms.

Monitoring firms engaged in plan review and inspections. The District also monitors the five firms engaged in plan review and inspections and is currently evaluating the benefits of adding fire code plan review and inspections to their contracts. Doing so may be prudent since fire code plan review will be required when the new State Building Code goes into effect.

Comparing construction and management costs with similar Districts. The District recently undertook an ambitious research project to compare the cost of construction and the management structures of capital improvement programs in fifteen major school Districts. The April 26, 2001 revised draft report did an excellent job of outlining the issues and information that are required for a complete comparison and analysis of school construction cost and capital program management. However just as with the comparisons in Exhibit 10-9, care should be taken with peer district comparisons of costs, as well as staffing. For example, the Chicago Public School construction program makes bulk purchases of steel and of mechanical and kitchen equipment. The report does not indicate whether or not they do the accounting to allocate this expenditure into their cost per square foot.

The accountability and control systems have not prevented high staffing levels in the capital division and do not always translate into better construction

The District currently assigns 265 persons and positions to the capital improvement program, paid from the capital budget. At the same time, the District uses a stable of consultants for plan review, design review services and inspections. In a comparison of Duval and Hillsborough County School Districts, and other large counties, although Miami-Dade is much larger, it carries a disproportionately higher level of capital staffing.

Exhibit 10-9

Miami-Dade Has Disproportionately High Levels of Capital Staffing

	Total 5 yr Capital Expenditures	District Capital Employees	Program Management	Project Management	Construction Delivery
Miami-Dade	$1,100,000,000[1]	265	In-house	District Project Managers	Design/bid/build; Design/build; CM
Duval	$434,301,846	29	In-house	District Project Managers	Design/bid/build; Design/build; CM at risk; fast track
Hillsborough	$735,663,417	23.6	In-house	District Project Managers/ Private Construction managers, at risk	Design/CM at risk
Montgomery County, Maryland[18]	$575,000,000[19]	29	In-house	District Project Managers/ private construction managers	Design/bid/build; Construction management firm currently manages 50% of projects and 80% of construction dollars. Students use swing space during construction.
Fairfax County, Virginia	$650,000,000	54.5	In-house	In-house Project Managers	Only traditional design/bid/build Renovation is undertaken in occupied schools, which requires more intensive local school inspection. (15 inspectors).
Fulton Country, Georgia	$475,000,000	23	In-house	Construction management "at risk" and in-house project managers to keep skills for oversight in District	68% of construction budget is for new construction. Construction management firm provides staff support. CM-at-risk is used.

[1] Estimate; excludes maintenance transfers.

Source: Berkshire Advisors, Inc.

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[18] Data for Montgomery, Fairfax and Fulton County is taken from "Public School Capital Improvement Programs. Basic Elements and Best Practices: Guidance for the District of Columbia." Prepared for the World Bank Group, October 15, 1999 by 21st Century School Fund and the Scientex Corporation.

[19] Estimates are based on 1999 annual capital budget.

The concern with peer district comparisons that are not the result of an in depth audit in each District is that these comparisons can be misleading. In this case, the peer district facility directors may not have reported all of the positions dedicated to management, operation and oversight of the capital program. By contrast, the District's construction program includes such staff in its calculations. However, just the Construction Division at 86 persons, Job Order Contracts with 11 persons, and Project and Contract Management with 37, adds up to 134 persons directly involved in construction and its procurement. This is considerably higher than any peer district, even after considering the differences in the size of the construction budgets. This relatively high level of staffing is also a concern for some members of the Land Acquisition and Facilities Oversight Board.

Recommendations

- ▪ *We recommend a systematic review of the cost and organization of the capital program management with the objective of reducing staffing of the capital management, operations and oversight by 20-35% within 3 years.*

  Action Plan 10-17 provides the steps needed to implement this recommendation.

Action Plan 10-17

Review organization and staffing of capital program	
Strategy	Review the cost and organization of the capital program management with the objective of reducing staffing of the capital management, operations and oversight by 20-35% within 3 years.
Action Needed	Step 1: Conduct desk audits, including clerical support positions.
	Step 2: Examine approval procedures for design and construction related decisions.
	Step 3: Examine approval procedures for budget related decisions.
	Step 4: Assess impact of personnel policy toward capital employees—work related travel, the union's role, training, compensation, and seniority.
	Step 5: Examine school board influence on hiring.
	Step 6: Plan and initiate phased in staff reorganization and reduction.
Who Is Responsible	Chief Facilities Officer
Time Frame	July 2004
Fiscal Impact	Cost for evaluation may be $100,000; gross savings with 20% staff reduction, phased in over three years, could be $7.8 million over a five year period.

18 The District has incorporated cost saving measures in its design criteria and master specifications.

District incorporates cost saving measures in its design criteria and master specifications

The MDCPS Design Criteria, Master Specifications, and Educational Specifications have incorporated within their standards the SMART Schools Frugal Construction Standards, that incorporate design to keep per student station costs low. MDCPS Design Standards are also reviewed annually for practicality, functionality, and cost effectiveness and architects and engineers are encouraged to implement these standards whenever possible.

The District's approach to project management is effective

The District's approach to project management is sound. Each project has a team, comprised of the Project Manager, an Educational Specification Coordinator, an FF&E Coordinator, an Advance Planner, a Project Architect, a Builder, and other key staff from various departments. This "Project Team" remains intact for the life of the project and is involved at the various stages of approval for a project. They attend Team Matrix meetings, Building Committee Meetings, and working meetings as necessary. Each team member's input is considered equally important.

To reduce facility expenditures, the District secures the use of municipally owned public recreational facilities for District needs

The District has over 100 agreements with Miami-Dade County and local jurisdictions for the shared and joint use of open and recreational space and facilities. The District and these jurisdictions sometimes share the initial construction costs, along with operation and maintenance costs, which reduces both construction cost and the costs of facility operations to the District. In addition to being cost-effective, these agreements have also established strong ties between the District and the local residential communities and have been extremely effective in helping to optimize the use of available land for student stations. An example of these shared and joint use facilities are the three large multi-sports stadiums that are located in strategic areas of the county.

District does not have a program for generating revenue from use agreements for local schools

Although there the District has over 32 million square feet of school space, there does not appear to be a plan or office that is responsible for trying to generate revenue from school buildings after hours or on weekends. In school Districts half the size of MDCPS annual revenue of $1 million is not uncommon.

- *We recommend that M-DCPS develop a facilities use agreement and leasing program that enables the public access to unused facilities for a fee.*

Action Plan 10-18 provides the steps needed to implement this recommendation.

Action Plan 10-18

Develop asset management function in Government Affairs and Land Use Policy and Acquisition		
Strategy	Develop facilities use agreement and leasing program to enable public access to unused facilities for a fee.	
Action Needed	Step 1:	Evaluate the potential for generating lease revenue from non-school use of schools, parking lots, air rights, playing fields, and other real property assets.
	Step 2:	Draft a policy to guide who will benefit from non-school use leasing of public school property—local schools, central administration, or a combination.
	Step 3:	Bring proposed policy to School Board for solicitation of public comment.
	Step 4:	Make revisions to policy based on input.
	Step 5:	Adopt real property asset management policy.
	Step 6:	Implement administrative function to maximize the revenues allowable under new policy.
Who Is Responsible	Chief Facilities Officer	
Time Frame	April 2003	
Fiscal Impact	Create real estate advisor task force to advise the District at no cost. Potential impact is variable, depending up policy and whether school District begins to use double sessions and year round schools. Potentially $3 million over a 5-year period.	

19The District minimizes construction costs through the use of prototype school designs and frugal construction practices.

One way the District controls construction costs is by making appropriate use of SMART Schools Clearinghouse Frugal Construction Standards when designing and building school facilities. [20] Notably, the District has submitted six schools to the SMART School Clearinghouse for School Infrastructure Thrift (SIT) awards. These were approved and the District received $11,789,438. Approximately 10 more applications are in the process of being completed for submission.

The District also controls design and construction costs by reusing several prototypical educational specifications. In particular, it has reused the High School, Middle School, Early Childhood, and Middle School Learning Center educational specifications. When considering whether it will be possible to reuse an existing design, the District generally looks at several factors including: the design/build process, school size, programmatic requirements, and site size. Due primarily to geographic considerations, however, it is not generally beneficial the to use facility design prototypes developed by the Florida Department of Education.

20The District employs effective practices in securing appropriate professional services to assist in facility planning, design, and construction.

The District has developed generally effective approaches to managing and selecting architects and engineers

While some opportunities for improvement have been identified, the District's overall approach to managing and selecting architects and engineers is sound. Most notably, the District has developed a process for selecting architects and engineers that is both thorough and consistent with Florida Statutes. A selection committee comprised of ethnically diverse in-house architects, engineers and others experienced with construction conducts an initial review of the qualifications of architects, engineers, design criteria professionals, construction managers and design-builders using an evaluation form that scores the applicants according to the following Board approved criteria: experience, adequacy and availability of technical personnel, proximity of the candidate's office to the District and financial responsibility of the firm. Later, the MDCPS A/E selection committee evaluates finalists based on interviews. As part of this process the A/E Selection Office staff conduct telephone interviews of previous clients. In addition, previous MDCPS experience with change orders and project delays are considered as part of the selection process as are formal evaluations of contractor performance. [21] In addition, the District has established

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[20] As previously discussed, the SMART Schools Clearinghouse Frugal Construction Standards are § 235.217, *Florida Statutes*, the Clearinghouse shall:

- develop, and continuously update, design and performance standards for functional and frugal school buildings that are space efficient and technology rich;

- certify school designs for inclusion in the SMART Schools Design Directory;

- recommend standards and policies relating, to design and construction of educational facilities, including construction standards for frugality, to the Governor, the Legislature, and the State Board of Education (SBE);

- prioritize school District' School Infrastructure Thrift (SIT) awards and Effort Index Grants (EIG)

[21] The A/E Selection Office provides the A/E Selection Committee with a report of A/E evaluations that is updated quarterly.

effective practices for contracting with and managing professional contractors. In particular, the contract forms that are currently used are both comprehensive and consist with state law. Moreover, the District strives to enter into contracts with professionals early enough in the planning process that they can help define project goals and help develop facilities lists and educational specifications. The District also evaluates consultants on a regular basis and maintains a database of evaluation results. Each quarter, staff from the District's Architect and Engineer Selection Office evaluates the professional services consultants under contract with the District. These evaluations are prepared by project managers, shared with the consultant and tabulated for future use. As noted, the results of these evaluations are reviewed whenever a new professional services selection process is underway.

The evaluation process is not popular with the project managers since giving a poor evaluation can have an adverse impact on the day-to-day interaction between the project manager and the consultant. Consequently, some project managers have been slow in turning in evaluation forms. The Assistant Chief Facilities Officer has effectively managed this issue, however, by assigning an individual responsibility for following up on the collection of these forms and providing the project managers with technical assistance to help them improve the usefulness of the evaluation process.

The District does not currently perform site visits or review examples of other projects as part of the selection process for architects and engineers

Visiting the offices of prospective consultants and review examples of other work can be a very important part of the selection process for architects and engineers. Visiting the office of a prospective consultant can help determine accuracy of information provided on the size of the firm being evaluated. Likewise, visiting a recent project can help an experienced architect discern whether economical building practices are used. Nonetheless, the District does not currently require site visits and the review of prior work as part of the section process. While District staff indicate that the extensive number of A/E selections precludes making visits to finalists offices or reviewing examples of their other projects a review of the A/E Selection office's Commissioning List disclosed that only 17 firms were commissioned during the first six months of 2001 and at least four of these firms had been previously commissioned thereby obviating the need for an on site visit. Making thirteen site visits and reviewing the work of thirteen firms over a six month period appears to be a workload that could be accomplished with existing staff. However, a more time efficient solution would be to mandate that each candidate include color photographs of a representative sample of recently completed projects.

Recommendation ───────────────────

- ▪ *We recommend that the District require design candidates to provide color photographs of a representative sample of recent projects before entering into contracts with professionals who have no previous experience working with the Miami-Dade County Public Schools.*

Action Plan 10-19 provides the steps needed to implement this recommendation.

Action Plan 10-19

Require that Design Candidates Include Color Photographs Of A Sample of Prior Projects		
Strategy	Modify contractor selection process to include a requirement that design proposers include color photographs of a representative sample of recently completed projects.	
Action Needed	Step 1:	Step 1: Modify procedures for the selection of professional service contractors to include visits to offices and sample projects
	Step 2:	Step 2: Obtain Board approval of this change in the selection process. Step 3: begin requiring submittal of color photographs and incorporate results on rating sheets.

Who is Responsible	Director of Professional Service Contracts
Time Frame	June 2002
Fiscal Impact	This recommendation can be implemented at no cost to the District.

Source: Berkshire Advisors, Inc.

21 Funds collected for school projects are raised appropriately.

The District has made limited use of voter approved funds in recent years

The District has not gone to the voters for construction funding that requires voter approval since 1988. At that time, the 1988 General Obligation Bond resolution described the scope of each project to be funded as required by law. Other approaches to raising construction funds that would require voter approval – for example, a sales tax authorization – have not been presented to the voters because, reportedly, the previous Superintendent did not believe that the voters of Miami-Dade County would pass a sales tax referendum any time in the near future.

The District considers funding and financing alternatives, but not in a public and systematic way

The annual Executive Budget Summary is the public's primary source of information about the various funding sources available for capital construction. This document describes the funding options the District uses – in the past the District has used revenue anticipation notes, certificates of participation, Qualified Zone Academy Bonds and Impact Fees – but not how these funding alternatives were selected and evaluated. Nor is a presentation of how the District's Budget Office and the Facilities Construction Budget Office determined the appropriate funding source to use for each project and an evaluation the advantages and disadvantages of various funding alternatives presented in the five-year capital plan.

Describing the advantages and disadvantages of each capital construction funding alternative in a public document would help to ensure that funds are expended appropriately and would also ensure that the Board, District staff and the taxpayers are fully informed of how District funds are used.

Recommendation ———————————————

- ▪ *We recommend that the District include a written description of the advantages and disadvantages of each available funding source for capital construction in the annual Executive Budget Summary and on its World Wide Web page.*

 Action Plan 10-20 provides the steps needed to implement this recommendation.

Action Plan 10-20

Publish the Advantages and Disadvantages of Various Capital Funding Sources	
Strategy	Inclusion of descriptive information in the annual Executive Budget Summary will provide the Board, the public and staff with a clearer understanding of the benefits and restrictions associated with various capital construction funding sources.

Action Needed	Step 1:	Identify all available capital construction funding sources regardless of whether or not MDCPS is currently using them.
	Step 2:	Develop a table delineating the various capital construction funding sources with a brief description of the advantages and disadvantages associated with each.
	Step 3:	Include this table in the annual Executive Budget Summary.
	Step 4:	Update the table as new funding sources are approved by the State and as changes are made to existing funding sources.
		Place this table on District web page to further facilitate the public's access to this data.
Who is Responsible	Executive Director of Capital Budget Planning	
Time Frame	June 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

Construction Projects on Time and Within Budget

22 District planning provides realistic time frames for implementation that are coordinated with the opening of schools.

The District effectively monitors project time lines

The District carefully monitors projects to ensure project timelines are adhered to. Most notably, project managers prepare monthly reports that include the project schedule, budget and status (percentage of completion) of each phase of a construction project. These reports are provided to all stakeholders and are discussed at monthly meetings in the six region offices that provide direct supervision to school principals within specified geographical areas. Staff also ensures that the Board is adequately informed about the status of projects by providing to the Board, via its Building Committee. A review of the Building Committee minutes for four meetings disclosed a discussion of budget issues and reports of actual budget data were appended to the minutes for three of the meetings.

The District routinely considers alternative delivery methods

Although MDCPS staff routinely considers various delivery methods for construction projects, District staff has indicated a preference for design build[22] for new construction and have recently begun using Construction Manager at Risk[23] more and more for renovation projects. The preference for design build is directly related to two issues: the speed at which the project can get completed and the avoidance of delays and litigation that can result from disputes between architects and construction companies. Likewise, the District's increased use of Construction

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[22] As previously discussed, design build is a project management technique by which a single firm is engaged to both design and build a project.

[23] Construction Manager at Risk is a project management technique in which the construction manager agrees to a guaranteed maximum price and then assumes all of the risk for cost overruns.

Managers at risk allows the District to better control the costs of renovations due to the construction manager's guaranteed maximum price commitment to the District.

23 For each project or group of projects, the architect and District facilities planner develop a conceptual site plan and building specifications.

The District's architects routinely prepare conceptual plans and building specifications for new construction projects

The District's architects routinely prepare conceptual site plans, based on projected enrollment, as part of the Design Criteria phase of the construction planning process. These site plans include playfield areas, parking, roads and future additions. A review of 20 projects revealed that these plans and drawings were prepared for all new construction.

The Facilities Planning and Standards Office coordinates the development of and modifications to District educational specifications and design criteria. In addition, MDCPS architectural contracts require the preparation of building specifications. Some design and specification cost comparisons are prepared but more are needed

The District does a generally good job of ensuring that ongoing maintenance and energy costs are considered when designing new construction projects. To this end, the Facilities Construction Department receives maintenance and energy cost recommendations from the Maintenance Department as part of its annual update of design criteria and educational specifications. In addition, Maintenance Department staff provides ongoing advice to the Facilities Planning and Standards Office as issues arise that may have an impact on the cost efficiency of building components. In addition, the Energy Office provides data on the energy efficiency of various building components to the Facilities Planning and Standards Office.

The Facilities Planning and Standards Office also prepares or commissions the preparation of engineering studies of various designs. These studies have proved useful in making comparisons among different types of physical education shelters, food service shelters and trash compactors. In addition, the results of these analyses have been used to achieve significant savings in construction costs and in on going maintenance life cycle cost savings.

It should be stressed, however, that the number of such studies currently being performed is limited. At present, only two professionals in the Facilities Planning and Standards Office are responsible for preparing these studies. Between April 2000 and December 2001 only four of these studies were conducted. The number of studies performed is, therefore, limited by the ability of these staff to conduct and/or oversee them. In addition, the benefits of these studies may not be being fully realized because no one is currently responsible for following up with contractors to determine if specification changes are in fact being implemented.

Recommendations

- *We recommend that the District devote more resources to analyzing the cost savings that can be achieved by using different designs and educational specifications.*

Action Plan 9-2 in chapter 9 (Use of State and District Construction Funds) provides the steps needed to implement this recommendation.

24 The District follows generally accepted and legal contracting practices to control costs.

The District makes appropriate use of contractors in all phases of its construction program

The Facilities Construction Department supplements its staff with contractors in almost every phase of its operations – from plan review and cost estimating to building code inspections. The District has not, however, prepared a formal written evaluation of the potential costs and benefits that would result from privatizing the entire construction program. District staff do not believe that such an analysis is necessary because, in their view, the District is better served with in-house project managers who are more cost conscious than contract project managers. While in-house staff may in general be cost conscious, contracted project managers can be held more accountable for project costs through specifications in their contracts. For instance contracts can be structured so that project management fees decrease as overall project costs increase. Advantages of contracting out for project management include use of the contractor's data management system for improved project status reporting and the relative ease of adjusting staffing levels based on availability of funding.

The District's ability to continue to use some innovative construction delivery methods may be limited by the pool of available qualified contractors

The Facilities Construction Department uses a variety of project delivery methods including design-build, construction manger at risk and job order contracting[24]. The decision on which method to use in a given instance involves a number of factors including the estimated cost and the anticipated speed of completion.

The Facilities Construction Department has almost uniformly stated its preference for design-build for new schools and for both design-build and Construction Manager at risk for renovations. As discussed previously, the benefits of design build are the speed at which the project can get completed and the avoidance of delays and litigation that can result from disputes between architects and construction companies. Likewise, Construction Manager At Risk tends to be an especially effective project delivery technique for renovation projects as it allows better cost control due to the construction manager's guaranteed maximum price commitment to the District. One challenge facing the District in continuing to use these project management strategies is that the pool of design-build construction firms willing to propose on District projects is relatively small. The District must identify opportunities for expanding the pool of design-build firms if it hopes to continue using this construction delivery method. During the 2001 calendar year an average of five design-build firms submitted proposals on each of six different requests for qualifications. Failure to expand the pool will undoubtedly result in increased construction costs because competition among firms will be limited.

The District uses generally accepted bidding procedures

The District has established effective processes and procedures for managing the bidding process for construction projects. The Contract Management Department begins this process by advertising bids in accordance with Board Rules. All bid responses are time stamped and placed in a lock box and not opened until the advertised time and place-in public. After bids are reviewed to ensure that they adequately reflect District needs and requirements, a

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[24] Job order contracting is a project management technique through which small capital improvements project contractor services are procured.

Board Agenda item is prepared by the Executive Director in consultation with the Board attorney for the low bidder (the agenda item is also reviewed by various committees prior to being voted on by the Board). After Board approval, the Contract Management Department issues a Notice Of Award. The contractor then is required to submit a range of information and documentation. In particular, the Facilities Construction's review checklist form and written procedures require an executed contract, evidence of workers compensation insurance and performance bonds before work on a project can begin. [25] Once all required submittals have been received and approved by the District's Risk Manager, the Contract Management Department issues the Notice of Commencement to the contractor.

A similar process is used for handling negotiated contracts. This process complies with the Consultants Competitive Negotiation Act (Florida Statutes Section 287.055(5)a).

Recommendation

- *We recommend that the District use agency construction managers to supplement its project management staff.*

Action Plan 10-21 provides the steps needed to implement this recommendation.

Action Plan 10-21

Supplement Program Management Staff with Contracted Program Managers		
Strategy	Use agency construction managers to supplement project management staff.	
Action Needed	Step 5:	Develop RFP for agency construction management services that includes incentive for cost control activities.
	Step 6:	Issue RFP for agency construction management services.
	Step 7:	Award contract for agency construction management services.
	Step 8:	Develop methodology for assigning agency construction managers to projects e.g., remodeling projects only; CM at risk projects only; or teaming them with staff project managers, etc.
	Step 9:	Begin assigning agency project managers to projects.
Who Is Responsible	Assistant Chief Facilities Officer-Construction	
Time Frame	September, 2002	
Fiscal Impact	This recommendation can be completed with existing resources. Existing and new project budgets can be modified to fund these CM services.	

- *We recommend that the District develop a plan to expand the pool of construction companies and architects with educational facilities experience.*

Action Plan 10-22 provides the steps needed to implement this recommendation.

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[25] A review of ten recent contracts files reveals that these requirements are adhered to and that evidence of workers compensation insurance, performance bonds, payment bonds, and properly executed contracts are included in the contract file.

Action Plan 10-22

Expand the pool of construction companies and architects with educational facilities experience	
Strategy	Develop and implement strategies to encourage additional construction and design firms to compete for M-DCPS contracts.
Action Needed	Step 1: Meet with various local industry trade groups such as American Institute of Architects, Associated General Contractors, etc., to determine reasons for low participation in M-DCPS bids and proposals.
	Step 2: Develop plan for initiating changes in District contracting processes that will encourage more participation without sacrificing critical internal controls.
	Step 3: Obtain necessary Board approvals.
	Step 4: Institute appropriate procedural changes and/or changes in standard contracts.
	Step 5: Publicize changes with all local and state-wide trade and professional associations.
	Step 6: Analyze changes in numbers of bidders and candidates.
Who Is Responsible	Chief Facilities Officer-Construction
Time Frame	June 2002
Fiscal Impact	This recommendation can be completed with existing resources.

25 The District has assigned one person with the authority and responsibility to keep facilities construction projects within budget and on schedule.

Project managers play a central role in keeping facilities construction projects on schedule and within budget and provide input into the preparation of the District's Five Year Facilities Work Plan

Project managers are currently vested with both the authority and the responsibility for keeping construction projects on schedule and within budget. A project manager is assigned to each construction project and is responsible for monitoring the progress of the project, reviewing project expenditures, and working with the project's architect to approve or reject change order requests. In addition, each project manager prepares a monthly report on the status of each of his or her projects. These reports provide a focal point for monthly discussions with Region staff about the status of projects. These monthly meetings also provide an excellent opportunity for project managers to obtain feedback and input from Region staff. Project managers also work closely with the Executive Director of Capital Construction Budgets – the District's "point" person for monitoring the cost of construction. That the District has been able to stay within the statewide average cost per student station demonstrates the success of project managers in controlling construction project costs.

Project managers are also involved in the preparation of the District's five-year facilities work plan. Their input is coordinated by the North and South Area Executive Directors for Capital Improvement Projects to whom they report. These Executive Directors work closely with the Executive Director for Capital Construction Budgets, the Executive Director of Capital Budget Planning, Chief Facilities Officer and the Assistant Chief in developing the Five Year Facilities Work Plan.

The District has taken appropriate steps to ensure that staff who fill these key positions are appropriately qualified. Job descriptions have been established for the project manger position and the District only assigns persons to projects who meet the requirements of the job description. In addition, District managers estimate that 80% of all District project managers have Uniform Building Code Inspection certification as architects or contractors.

Construction Project Managers Have Excessive Project Caseloads

High attrition among project managers coupled with a long-standing hiring freeze has resulted in a situation where project caseloads are quite high. In some instances project managers are responsible for up to 15 projects at various stages of completion. The Assistant Chief Facilities Officer and the North and South area Executive Directors believe that an average of four new construction projects and four additions or remodeling projects should be the maximum number of project any project manager should be assigned at any one time. A review of project manager caseloads for other school Districts suggests a caseload of four new construction projects and four remodeling projects is more reasonable.

Given the crucial role project managers play in monitoring projects, controlling costs, and providing input into the five year work plan, it is important that they have sufficient time to fulfill their important responsibilities. It is worth noting that the Facilities Department's standard is to schedule project completion five months prior to the start of the school year. This standard is currently difficult to achieve because large project manager caseloads prevent project managers from focusing adequate attention on ensuring project timelines are adhered to.

Recommendations ───────────

- ▪ *We recommend supplementing project managers with private sector project management services.*

  Action Plan 10-21 provides the steps needed to implement this recommendation.

26 Changes to facilities plans after final working drawings are initiated are minimized in an effort to control project costs.

The District has well articulated procedures for managing change orders

The Facilities Department's Design and Construction Manual describes the change order process both in writing and graphically. The type, cause and originator of each change order is recorded on the change order form and entered into the project management computer system. If the change order exceeds a certain threshold or will require extending the date for completion the Technical Review Committee reviews the change order. Following this review, Board approval of the change order must be obtained.

The District has successfully implemented contracting methods that minimize change orders

The District's use of design-build as its preferred construction delivery method and its reuse of design prototypes are effective practices that have resulted in excellent cost controls. By its very nature design-build minimizes disputes that can lead to change orders because a single entity is responsible for both designing and building a facility. Where these activities are assigned to separate contractors disputes among the parties responsible for designing the facility and those responsible for building it are almost inevitable. Additionally, by reusing design prototypes the District and its contractors gain experience in using the design, which, in turn, reduces the need for change orders.

The effectiveness of these practices is reflected in the significant reduction in both the number and the dollar value of change orders that the District has achieved in recent years. As Exhibit 10-10 shows, the number of change orders for all construction projects declined by more than 51.4% between fiscal year 19910-99 and fiscal year 2000-01. During this same period MDCPS's annual capital construction expenditures increased from $174.1 million to $253.2 million. In other words, 5% of the capital construction expenditures was spent on change orders in 1998-99

versus 1.7% in 2000-01. Moreover, as Exhibit 10-10 also shows, there has been a 51% reduction in charge orders resulting from architect/engineer omissions alone during this period. This number may better reflect the reduction of change orders that may be attributed to the District's efforts to improve change order management as the total number includes change orders initiated by the District.

Exhibit 10-10

The Number Of Change Orders Due To Architect/Engineer Omissions Has Been Reduced By 51.0% In The Past Three Years

Number of Change Orders			
Type	1998-99	1999-00	2000-01
Architect/Engineer error	183	38	77
Hurricane Andrew	1	3	3
Architect/Engineer Omission	611	264	229
Other	234	91	129
Owner Request	142	64	44
Scope Change	325	324	283
Unforeseen	437	220	174
Totals	**1933**	**1004**	**939**

Source: Miami-Dade County Public Schools.

The total value of change orders has also been cut by almost one half over the past three years. As Exhibit 10-11 shows, the total value of change orders declined by 49.5% during this period. The decline in the total value of change orders related to architect/engineer omissions has been even more dramatic. Over the past three years, the value of such change orders has declined by 57.2%.

Exhibit 10-11

The Dollar Value Of Change Orders Due To Architect/Engineer Omission Has Declined By 57.2% Over The Past Three Years

Dollar Value of Change Orders Type	1998-99	1999-00	2000-01
Architect/Engineer error	$558,982	$237,810	$384,544
Hurricane Andrew	$2,774	$550	$0
Architect/Engineer Omission	$2,201,562	$1,036,341	$942,988
Other	$925,652	$421,875	$44,480
Owner Request	($2,220,046)	($3,814,610)	$72,381
Scope Change	$4,953,122	$1,830,937	$1,881,102
Unforeseen	$2,400,435	$399,888	$1,134,123
Total	**$8,822,481**	**$112,791**	**$4,459,618**

Source: M-DCPS.

27 District architects recommend payment for construction projects based on the percentage of work completed and a percentage of the contract is withheld pending completion of the project.

Payments to Contractors Are Appropriate

The District's approach to paying for construction projects is well articulated and appropriately protects the District's interests. The Facilities Planning, Design and Construction Manual, the Contractors Requisition for Partial Payment and the standard construction contract form each mandate the use of percentage of completion method for paying construction contractors (i.e., the contractor is paid on the basis of work in place at the time the requisition is submitted). In addition, the District withholds 10% until the project is completed. The Facilities Planning, Design and Construction Manual and the Contractors Requisition for Partial Payment also mandate that payment may not be made without the architects review and signature. Indeed, the Contract Management Office will not process payments to contractors without the signatures of both the architect and the project manger. Payments are usually made within ten days after Contract Management receives all properly executed documents.

Not only have appropriate payment procedures been established but these procedures are consistently implemented. A review of ten different construction payment files disclosed that all payments were approved by both the architect and the District project manager, all payments were based on percentage of project completion and a portion of each payment was withheld (retainage) pending the completion of work that must be corrected prior to occupancy.

28. The District requires the appropriate inspection of all school construction projects.

The process for building code construction inspection is adequate

The Pre-Qualifications and Educational Facilities Compliance Office oversees all building code inspections. This department engages, on average, four engineers to conduct Uniform Building Code inspections during construction and at the completion of all construction projects (including both new building construction and renovations). These engineers, who maintain $1.0 million of liability insurance, use their professional licenses to certify that the buildings meet Florida code. In addition, these engineers approve occupancy after a final inspection has been performed and all deficiencies have been cleared. [26] The inspector certifies on the inspection report that occupancy is approved and the date of the approval is recorded in the OEFTRACK database maintained by the Educational Facilities Compliance office.

A review of a sample of construction projects revealed that building code inspections were made and corrective actions were identified and listed in the file. Certificates of occupancy for these projects were not authorized until all corrective actions were made to the satisfaction of the inspector. In addition, a review of these construction files indicated that all required documentation was filed with the state as new schools and additions were completed.

Evaluation of New Construction and Training for New Users

29. The extent to which the District conducts a comprehensive orientation to new facilities prior to their use is inconsistent.

The construction contractors are required to train District and school personnel in the proper operation of equipment and to orient them to new facilities. Interviews conducted with school staff during site visits suggest that orientations are performed at some schools but not at others. These findings are supported by the results of the employee survey. Slightly more than one-fourth of the survey respondents (27.9%) "agree" or "strongly agree" with the statement, "The District provides a customized orientation for school staff in newly constructed schools" while slightly less than one-third of the survey respondents (31.1%) "disagree" or "strongly disagree" with this statement. These findings suggest that orientations are performed at some new facilities but not in others.

- *We recommend that the district provide comprehensive orientations to the users of all new facilities.*

  Action Plan 10-23 provides the steps needed to implement this recommendation.

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[26] The Educational Facilities Compliance Office maintains files of any "punch list" items that may have caused a site to fail inspection.

Action Plan 10-23

Provide orientations to all new facilities		
Strategy	Ensure that an orientation is provided for each new facility.	
Action Needed	Step 1:	Each year, identify all new facilities to be brought on-line.
	Step 2:	Develop an orientation for the users of each new facility.
	Step 3:	Provide orientations as facilities are brought on-line.
Who Is Responsible	Chief Facilities Officer	
Time Frame	July 2002	
Fiscal Impact	This recommendation can be completed with existing resources.	

30A formal post occupancy review process has not been designed to provide feedback on projects under review.

A post occupancy evaluation is currently carried out for some new facilities at the end of the first year of occupancy as part of warranty procedures. A contractor's responsibility for year one related construction items is not closed out until there is satisfactory operation and performance. However, the District selects only a sampling of projects for post occupancy evaluation. For the most part these are prototype projects that the District expects to do again.

Interestingly, post occupancy evaluations are not currently thought of as a tool to solve problems in the school that is the subject of the evaluation, rather the results of these evaluations are used to modify design standards or master specifications. In a site visit to one school, the kiln had been fired up only once or twice, but had not heated up sufficiently to fire the pots. The art teacher was told that the problem was due to faulty wiring and closed off the kiln room, storing materials in front of the door. Had a post occupancy evaluation been performed at this school, the defect would have been identified and the problem fixed. Instead, the children served by the school are unable to use the kiln room that has been provided for them.

> ▪ *We recommend that post occupancy evaluations be done at every school to provide utilization and operations feedback on the quality of work performed.*

Action Plan 10-24 provides the steps needed to implement this recommendation.

Action Plan 10-24

Link post occupancy with planning and require post occupancy reviews		
Strategy	Place the responsibility for post occupancy evaluations with the planning department and require reviews for all major construction projects.	
Action Needed	Step 1:	Review "Post Construction" procedures in Section 8 of the MDCPS Facilities, Planning, Design and Construction Manual.
	Step 2:	Develop a simplified post occupancy review process that focuses on building performance from the point of view of school-based staff, students and community and school based engineers and custodians.
	Step 3:	Modify guideline to made simplified post-occupancy reviews mandatory for all major construction projects.
	Step 4:	Establish criteria for in-depth post occupancy evaluations—for example, when determining whether or not to re-use design, to evaluate contractor performance, or to fully understand issues of cost.
	Step 5:	Undertake a limited number of in-depth post-occupancy evaluations.

	Step 6:	Bring results of post occupancy evaluations back to the Technical Review Committee on a regular basis and to the citizen's School Site Planning and Construction Committee.
Who Is Responsible	Chief Facilities Officer	
Time Frame	June 2003	
Fiscal Impact	This recommendation can be completed with existing resources.	

Source: Berkshire Advisors Inc.

31 No reliable feedback loop on post occupancy evaluations has been established.

Building evaluations for new construction and major building improvements are not currently performed in a systematic way

Building evaluations are not currently performed in a systematic way. Instead, information on the usability of design and the quality of construction may be passed to project managers through informal contacts between the principals and project managers. Only the egregious problems, which need to be addressed through litigation, are addressed in a systematic way. As of August 2001 Miami-Dade County Public Schools was party to 17 lawsuits over construction or design. In addition there were another 80 to 90 projects perceived to be "in trouble" but for which litigation has not yet been initiated. In one recently completed school that was visited, it was found that the kiln did not work. The art teacher had noticed this immediately after school opening. However, a number of years later it still didn't work. This would have easily been identified if 1) there had been a post occupancy evaluation and 2) the information collected at the post occupancy evaluation had been provided to District persons responsible for construction and equipment warranties.

- ▪ *We recommend that the results of post occupancy evaluations be given to the Technical Review Committee, the citizen's Site Selection and Construction Committee, the local school, and to the appropriate project management or maintenance staff, if remediation is required.*

Action Plan 10-24 provides the steps needed to implement this recommendation.

32 The District collects but does not analyze or forward maintenance cost data to staff responsible for developing facility plans and standards.

Systems have not been established to facilitate the flow of information on facilities maintenance to the staff responsible for developing construction standards

The District's Maintenance Department and the Facilities Planning and Standards Department (the unit responsible for maintaining and updating the District's design standards and educational specifications) meet frequently and appear to cooperate effectively. However, the formal systems needed to ensure the effective flow of information between these two organizational entities are not in place. For example, the District currently collects information on energy and maintenance costs by site but does not routinely pass this data to the Facilities Construction Department. Likewise, the Maintenance Department's COMPASS system does not interface with the Construction Department's PMIS system. In addition, the Maintenance Department is no longer represented on the Technical Review Committee (TRC) charged with reviewing all requests for construction change orders.

Additional improvements in the design process and in the development of educational specifications should be pursued

The Facilities Planning and Standards Office has implemented some design and specification changes as a result of feedback from the Maintenance Department and the Quality Assurance inspection staff. Facilities Planning and Standards staff have also initiated studies of certain school design issues that have resulted in the identification of less expensive construction methods. Overall, these efforts have achieved significant success. Recent studies have identified construction cost savings of more than $4 million over the next five years.

Additional efforts to analyze and develop improvements in the design process and in the development of educational specifications have been stymied by a lack of staff. At present, there are only two staff members who perform these analyses and both of these staff also share responsibility for coordinating post occupancy review. With additional resources it seems likely that additional opportunities to reduce construction costs can be identified.

Recommendations ———————————————————————

- *We recommend that the District begin regularly forwarding maintenance cost data to the Facilities Planning and Standards office and that the two departments should jointly design useful reports that can be used to identify opportunities to reduce long term operating costs.*

Action Plan 9-7 of Chapter 9 (Use of State and District Construction Funds) provides the steps needed to implement this recommendation.

- *We recommend that the District add an additional professional staff member to the Facilities Planning and Standards office to conduct additional life cycle cost studies.*

Action Plan 9-8 of Chapter 9 (Use of State and District Construction Funds) provides the steps needed to implement this recommendation.

11 Facilities Maintenance

The Miami-Dade County Public Schools' Facilities Maintenance and Operations functions are reasonably effective but have much room to improve. The District needs to develop standards for maintenance worker productivity; make more effective use of information from the work order management system as a management tool; utilize Zone Mechanics more effectively, and develop a performance appraisal process for maintenance workers.

Conclusion

The Miami-Dade County Public Schools' Facilities Maintenance and Operations functions are reasonably effective but have much room to improve. The District needs to develop standards for maintenance worker productivity; make more effective use of information from the work order management system as a management tool; utilize its school-based maintenance workers staff (Zone Mechanics) more effectively, and develop an annual performance appraisal process for maintenance workers.

During the course of this review, Berkshire Advisors identified a number of District accomplishments in the Facilities Maintenance area, some of which are included in Exhibit 11-1 below.

Exhibit 11-1

The District Has Had Some Notable Accomplishments in Facilities Maintenance in the Last Three Years

- The District has successfully implemented the use of leased employees as an innovative way to augment in-house technical staff without employing additional permanent staff.
- The District has implemented a comprehensive roofing inspection program to identify incipient problems and initiate corrective actions.
- The District has implemented enhanced procedures for enforcing warranty repairs for roofs that have resulted in obtaining $4 million worth of repairs by manufacturers at no cost to the District.
- The District has successfully implemented an energy efficiency pilot program that has resulted in significant reductions in energy costs.

Source: Miami-Dade County Public Schools.

Overview of Chapter Findings

Berkshire Advisors reviewed the District's facilities maintenance function using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. The consulting team employed several methodologies to develop chapter conclusions and action plans. For instance, Berkshire Advisors conducted on-site interviews with District level managers, school level administrators and staff. In all, interviews and focus group discussions were conducted at more than 30 schools. Berkshire Advisors also met with members of the Land Acquisition and Facilities Advisory Board appointed by the Governor and the Legislature. In addition, a great deal

of information on facilities maintenance activities was gathered and reviewed including facilities maintenance and custodial policies and procedures, the five-year capital outlay budget, operating budget and expenditure records, information on the work order management system, job order contract records, term bid records, maintenance worker overtime records, pertinent collective bargaining agreements and other supporting documentation. Moreover, four community forums were held at locations throughout the District where community members could "drop in" to provide input on the District. Likewise, an e-mail address and an 800 number were established so District stakeholders could provide input to the study process. A survey was also administered to a representative sample of employees from throughout the District. Approximately 13,000 surveys were sent to employees of which 3,919 were returned. An overview of chapter findings is presented below.

Maintenance Standards And Work Planning

1. The District's Maintenance and Operations Department mission, organizational structure, and operating procedures are established in writing. (Page 11-5)
2. The District has not incorporated maintenance standards in its short- and long-term plans for providing appropriately and equitably maintained facilities within budget and in accordance with its five-year facilities work plan and annual budget. (Page 11-7)
3. The District does not clearly identify and communicate performance standards and expected outcomes for maintenance and operations staff. (Page 11-9)
4. The District does not provide sufficient financial support to ensure that maintenance and custodial standards are regularly updated to implement new technology and procedures. (Page 11-11)
5. The District does not methodically obtain and use customer feedback in a structured manner to implement program improvements. (Page 11-13)
6. The District has informal and insufficient accountability mechanisms to address performance and efficiency of the maintenance and operations program. (Page 11-15)

Budgeting And Financial Management

7. The District accurately projects cost estimates for major maintenance projects when it uses outside contractors, but its estimates for smaller projects to be completed by District trades staff are inadequate. (Page 11-18)
8. The District's facilities maintenance accounting practices do not adequately document the use of 2 Mill funds and there are imbalances in the way funds are allocated to some critical areas. (Page 11-21)
9. The District maintains a maintenance reserve fund for one-time expenditures, but this fund is insufficient to serve the District's needs. (Page 11-26)
10. The Maintenance and Operations Department does not regularly evaluate its activities to determine the most cost-effective method of providing service. (Page 11-28)
11. The District is generally minimizing equipment costs through its purchasing practices, but improvements in preventative maintenance practices could reduce costs even further. (Page 11-31)
12. With some notable exceptions, the District does not do a good job of using proactive maintenance to reduce overall maintenance costs. (Page 11-32)
13. Supervision And Training-Maintenance Operations reviews its organizational structure from time to time. (Page 11-34)
14. Maintenance Operations review of staffing levels has not prevented it from becoming overly dependent on maintenance worker overtime. (Page 11-34)
15. The maintenance and operations department ensures qualified staff by using appropriate hiring practices. (Page 11-35)
16. The Maintenance and Operations Department has a written job description for each position. (Page 11-36)
17. The current practice of not conducting performance evaluations of maintenance workers has prevented the Department from providing appropriate supervision of maintenance and operations staff. (Page 11-36)
18. The District provides insufficient training for maintenance and operations staff. (Page 11-38)
19. The District provides maintenance and operations staff with the tools and equipment required to accomplish their assigned tasks. (Page 11-39)

Maintenance Management Systems

20. A computerized control and tracking system is used to accurately track work orders and inventory however it is not used in a consistent and structured manner to improve staff performance. (Page 11-39)
21. The Maintenance and Operations Department has an effective system for prioritizing maintenance needs uniformly throughout the District. (Page 11-41)

Health, Safety And Energy Efficiency

22. The District has policies and procedures in place that adequately address the health and safety conditions of its facilities. (Page 11-42)
23. The District has implemented several strategies to contain energy costs. (Page 11-43)
24. The District has an effective energy management system in place, though communication of results could be improved. (Page 11-44)
25. The District does a good job of complying with federal and state regulatory mandates regarding facility health, safety and energy efficiency. (Page 11-45)
26. The District is preparing for the new permitting and inspection requirements under the Florida Building Code. (Page 11-45)

Fiscal Impact of Recommendations ————

Six of this chapter's recommendations have a direct fiscal impact—the recommendation to develop an annual training program for maintenance workers; the recommendation to reimburse maintenance workers for memberships in professional societies; the recommendation to modify the custodial staffing formula; and the recommendation to establishing a staffing formulae for maintenance trades. Exhibit 11-2 summarizes these recommendations and their fiscal impacts.

Exhibit 11-2

Six Facilities Maintenance Action Plan Recommendations Have Fiscal Impacts

Recommendation	Five Year Fiscal Impact
• Action Plan 11-5: We recommend that the District develop an annual training program that focuses on increased technical training for maintenance workers.	• This recommendation will require an investment of $250,000 annually. Over the next five years this will amount to $1,250,000.
• Action Plan 11-6: We recommend that the District reimburse maintenance workers for memberships in professional societies and that the District subscribe to professional magazine subscriptions.	• This recommendation will require an investment in fiscal year 2001-2002 of $100,000. Over the next five years the total investment will be $500,000.
• Action Plan 11-13: We recommend that the District modify its custodial staffing formula to more closely reflect national and State of Florida standards for custodial coverage.	• 208 positions can be discontinued by implementing this recommendation which in turn will reduce costs by approximately $6.18 million per year. Phased in over a three-year period this will save $18.5 million over five years.
• Action Plan 11-14: We recommend the District require head custodians to work during the shift when most non-supervisory custodians are working and when most cleaning activity occurs.	• This recommendation will require an added labor cost of $185,000 per year in shift differential pay. Over the next five years the total expense will be $925,000.

Recommendation	Five Year Fiscal Impact
• Action Plan 11-15: We recommend that the District develop a staffing formula for the maintenance trades areas based on historical work order activity data.	• The amount of savings will depend upon how quickly the District can reduce staffing in low usage trade categories. However, by reducing overall staffing levels to industry standards, the District can eliminate 71 trades positions which will result in reduced costs of approximately $3.4 million per year (or $17.0 million over five years).
• Action Plan 11-19: We recommend that responsibility for unskilled maintenance such as changing light bulbs and heating, ventilating and air-conditioning filters be assigned to custodial staff or outside contractors.	• The District can avoid as much as $18 million in costs over the next five years by shifting responsibilities for unskilled maintenance from zone mechanics to custodians. This will enable the District to increase the work done by the zone mechanics without increasing the number of mechanics on staff. Based on the number of work-hours spent on this kind of maintenance, and the lower salaries of custodians as compared to the higher paid zone mechanics, the District could avoid up to $3.6 million per year, or $18 million over a five-year period.

Source: Berkshire Advisors, Inc.

Background

The Miami-Dade County School District Maintenance Operations Department is responsible for all aspects of preventative, routine, and emergency upkeep for the District's 357 facilities. Approximately 34 million square feet of building space is maintained. Additional responsibilities include the maintenance of all grounds and athletic fields, and the installation and relocation of portable classrooms.

The Department employs approximately 1,328 people in various skilled trades, clerical, supervisory and maintenance support positions. The Department had an adopted operating budget of $ 119,116,851 for the 2000-2001 fiscal year. Of that amount $8,166,300 was for capital contracted services, with $6,572,000 spent on contracted maintenance services.

The Department is headquartered at 12525 Northwest 28th Avenue, Miami, FL 33167 and is managed by a Chief Facilities Officer-Maintenance Operations. This manager reports directly to the Superintendent of Schools and is a member of the superintendent's cabinet. The Maintenance Operations Department was a division of the Facilities Construction Department until May 16, 2001, when the Miami-Dade County School Board approved separating it into a stand-alone division and elevating the former Assistant Chief position to Chief Facilities Officer - Maintenance Operations.

Maintenance Operations is divided into nine (9) sections. There are two (2) District directors each with responsibility for overseeing line maintenance operations in half of the District. The other units consist of:

• Maintenance Contract Management, headed by a District Director, is responsible for the planning and management of all maintenance contracts including job order contracts and term bid contracts. [1] In addition, this unit is responsible for managing the construction and relocation of all of the District's portable classrooms.

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[1] Job order contracts are competitively bid indefinite quantity contracts for construction and repairs. Term bid contracts are competitively bid and obligate a vendor to provide specific services at a fixed price for a specific period of time, usually one year.

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- Maintenance Employment Standards is led by an Executive Director and oversees hiring and staffing of non-administrative positions, coordinates payroll and employment testing, maintains and updates job descriptions, departmental organization chart and employee handbooks.

- The Division of Management Systems and Controls coordinates the department's budgets and expenditures. An Executive Director leads this Division.

- The Division of Operations Management and Planning, which is led by an Executive Director, oversees the work order management system and all other data processing needs for the department. The Department of Plant Operations coordinates the training and evaluation of custodial services. A Director supervises this department.

- The Department of Asbestos, led by a Director I, is responsible for asbestos abatement activities.

- The Department of Safety, is responsible for coordinating all safety training and inspection in the District.

- The Division of Energy, Communications and Fiscal Management is responsible for coordinating all energy management and telecommunications operations and acquisition.

The Department has had to operate under an almost total hiring freeze since 1996. During the past three years the District has added 2,494,014 gross square feet of space, but the number of maintenance workers has been essentially flat. This has necessitated extensive overtime for maintenance workers and an increasing reliance on contractual services, specifically job order contracts and term bids.

Maintenance Standards And Work Planning———

1   The District's maintenance and operations mission, organizational structure, and operating procedures are well established and in writing.

Maintenance Operations' mission, organizational structure, and operating procedures are well documented

Maintenance Operations' mission, organizational structure and operating procedures are all documented in the maintenance and custodial handbooks that are provided to new principals and all Maintenance Operations staff. As stated in the Maintenance Operations Employee Handbook the Department's mission is to: "provide facilities support to Miami-Dade County Public Schools."

The organization chart presented in the Maintenance Operations Employee Handbook has not been updated to reflect the way the Department is currently organized. For example, the organization chart in the employee handbook does not include the Division of, Energy, Communications, and Fiscal Management.

The maintenance procedures the Department has documented and published in numerous handbooks are comprehensive in scope. These procedures cover a variety of areas including the acquisition and use of equipment, supplies and materials; personnel staffing and timekeeping; the use and management of facilities; and facilities standards. In addition, the procedures detail responsibilities in each area for managers, maintenance workers, custodial staff and principals at schools. Moreover, staff interviews and a review of sample documents confirm that Maintenance Operations operates according to these written procedures and that copies are available to all staff and to the public upon request.

Operating procedures are not current

Maintenance Operations has not updated the various handbooks and manuals that document its procedures since 1999. While there is no evidence that staff used incorrect procedures, failure to update procedural manuals on an annual basis (or as significant changes in procedures occur) may confuse workers, contribute to project delays and/or result in unanticipated costs. For example, if procedures relating to work order processing is out of date, employees might incorrectly create work orders. If a supervisor does not identify such a problem the result might be both a delay in completing a maintenance project and increased costs. [2] It should be emphasized that the Executive Director of Employee Services is aware that written procedures need to be updated and has indicated that the employee and site administrator handbooks are currently in the process of being updated.

Maintenance Operations develops a five-year facilities work plan that details the maintenance projects it intends to complete

Maintenance Operations publishes a Five Year Maintenance and Operations Capital Outlay Budget Plan that delineates by site all planned maintenance projects that are estimated to exceed $5,000 in cost. No capital projects are commenced that have not been included in this Five Year Plan, which is approved by the Board.

Recommendation

- - *We recommend that the Maintenance Operations department update its organization chart and written procedures at least annually or more often if significant changes are made.*

    Action Plan 11-1 provides the steps needed to implement this recommendation.

Action Plan 11-1

Organization Charts and Written Procedures Should Be Updated At Least Annually		
Strategy	Update organization charts and written operating procedures annually or more often to reflect significant changes.	
Action Needed	Step 1:	Review each procedural manual and identify sections that have changed due to new and revised Board Rules, changes in state or federal laws, or District or departmental revisions to operating procedures.
	Step 2:	Prepare updated pages for insertion in procedural manuals.
	Step 3:	Update organization chart once per year or more often as significant changes occur.
	Step 4:	Develop method for distributing organization charts and updated pages.
	Step 5:	Prepare cover letter highlighting changes.
	Step 6:	Distribute updates to all Maintenance Operations staff.
Who is Responsible	Director II for Maintenance Employee Resources.	
Time Frame	June 2002	
Fiscal Impact	This recommendation may be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

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[2] It should be stressed that this is a hypothetical example only. No significant consequences to policies and procedures documentation not being current have been identified by the consultants.

2 The District has not incorporated maintenance standards in its short- and long-term plans for providing appropriately and equitably maintained facilities within budget and in accordance with its five-year facilities work plan and annual budget.

The District's approach to both short-term and long-range planning for maintenance needs can be improved

Maintenance Operations' five-year work plan is a useful document for anticipating and planning future capital projects. The plan delineates projects by site and by trade or type of work (e.g., fire alarm system replacements and roof repairs) and estimates the capital costs associated with these activities. As a document for planning and managing overall maintenance operations, however, the five-year work plan has a number of deficiencies. These shortcomings include the following:

- Lack of well defined goals and objectives for each year.
- Lack of standards that can be used to assess whether maintenance staff is being used efficiently.
- Lack of projections of multi-year staffing needs.

A discussion of each of these areas where improvement is needed follows.

Goals and objectives. Maintenance Operations' five-year plan does not articulate the specific goals and objectives the unit expects to accomplish during each year of the plan. Without clearly defined goals and objectives there is no way to ensure that the maintenance activities performed are in alignment with the District's overall maintenance needs. Moreover, unless goals and objectives are clearly defined (and measures have been established to assess progress against goals) there is no way to hold managers accountable for the success or failure of maintenance efforts.

Maintenance standards. Maintenance Operations' short- and long-term plans contain no reference to any maintenance standards. This lack of standards makes it difficult if not impossible to determine if maintenance staff are being deployed efficiently because there is no objective standard against which the success of various deployment strategies can be gauged. Furthermore, the lack of maintenance standards prevents managers and the Board from determining if additional (or fewer) resources are warranted. In the absence of maintenance standards, a case can be made that providing additional resources will improve service but not that the level of service currently provided is inadequate and therefore additional resources are needed to address service deficiencies.

Staffing projections. Maintenance Operations prepares a multi-year projection of contract services needs. However no such forecast or projection is made to project internal staffing needs over time. One way to project staffing needs is to determine the number of full-time-equivalent staff needed to complete anticipated in-house work orders for repairs and corrective maintenance – based on prior experience – and to add to this number the staffing needed to perform in-house routine and preventive maintenance. Services provided by outside contractors should, of course, be subtracted from this staffing estimate. The District's failure to project long-term staffing needs makes it difficult to develop appropriate recruiting and retention strategies and may also result in operating budgets that are either excessive or inadequate to meet maintenance needs.

Effective procedures have been established to ensure that all schools are treated equitably in terms of the maintenance services they receive

The results of interviews with both Maintenance Operations staff (e.g., the Chief Facilities Officer-Maintenance, the North and South Area District Directors, and a sample of the Satellite Directors) and school-based staff (e.g.,

teachers and principals) suggest that all schools are treated equitably in the provision of maintenance services. In addition, the Deputy Superintendent for School Operations, who supervises the Region Superintendents, also indicates his satisfaction with the equity of services provided by Maintenance Operations. With the exception of emergencies, work orders are processed on a first-in, first-out basis to ensure no school receives preferential treatment. [3]

Recommendations

- *We recommend that the District develop specific and measurable short and long-term goals and objectives and standards for the maintenance of its buildings and incorporate these goals and objectives into its five-year plan.*

Action Plan 11-2 provides the steps needed to implement this recommendation.

- *We recommend that the District modify its five-year plan to include services provided by in-house maintenance staff and a projection of future staffing needs.*

Action Plan 11-3 provides the steps needed to implement this recommendation.

Action Plan 11-2

Develop Short and Long Term Goals and Objectives		
Strategy	Prepare and disseminate to Maintenance Operations managers and staff short and long-term goals and objectives.	
Action Needed	Step 1:	Chief Facilities Officer-Maintenance should meet with his leadership team to develop specific and measurable short and long-term goals and objectives.
	Step 2:	Prepare draft goals and objectives.
	Step 3:	Obtain feedback from Facilities Construction and the Superintendent.
	Step 4:	Receive approval from the Superintendent.
	Step 5:	Distribute goals and objectives to Maintenance Operations staff.
	Step 6:	Make quarterly report to the Superintendent on progress towards achieving goals and objectives.
Who is Responsible	Chief Facilities Officer-Maintenance	
Time Frame	September 2002	
Fiscal Impact	This recommendation may be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

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[3] Emergency work orders address fire and life safety issues and repairs that are necessary to ensure that classroom instruction can occur.

Action Plan 11-3

Include Projections Of In-House Maintenance Staff Needs in Five –Year Work Plan		
Strategy	Modify the five-year plan to include services provided by in-house maintenance staff and a projection of future staff needs.	
Action Needed	Step 1:	Establish standards for various types of work orders.
	Step 2:	Develop annual projections of actual staff hours required to achieve approved goals based on specific numbers and types of work orders expected.
	Step 3:	Include staffing projections for next five years in the five-year work plan to meet existing and expected future workload.
	Step 4:	Determine what future projects or types of projects can (or cannot) be completed with various levels of staffing.
	Step 5:	Provide Five-Year Maintenance and Operations Capital Outlay Budget to Superintendent, school board, public and District staff.
Who is Responsible	Maintenance and Operations Department	
Time Frame	September 2002	
Fiscal Impact	This recommendation may be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

3 The District does not clearly identify and communicate performance standards and expected outcomes to maintenance and operations staff.

Maintenance Operations does not use cost estimates effectively as a tool for improving performance

Maintenance Operations uses a number of approaches to estimating the labor, parts, and supplies that will be required to complete maintenance work projects. For projects expected to cost in excess of $200,000 the department's Contract Management staff use R. S. Means construction cost estimating software to estimate the size of job order contracts. [4] For smaller projects that are typically completed by in-house staff, cost estimates are completed in one of three ways.

- An estimate may be prepared by the Zone Mechanic if he or she is the originator of the work order.
- The customer service representative who takes the call may prepare the estimate.
- The foreman for the trade to which the work order is assigned may prepare an estimate.

Use of the R. S. Means cost estimating software to prepare estimates for smaller projects is limited because the R. S. Means software is not integrated into the department's COMPASS work order management system and because not all satellite trade foremen have been trained in its use.

While it is certainly worthwhile to prepare these estimates the extent to which they are used as a management and supervisory tool is inconsistent. Currently, it is left up to the trade foremen to determine when time or materials used on a project are excessive. Indeed, in interviews Maintenance Operations staff expressed reluctance to enforce cost estimates for most routine in-house work. The explanation most often provided was that each project is different and therefore difficult to compare to other similar projects.

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[4] Projects in excess of $200,000 are typically let to outside contractors for completion.

Not using cost estimates as a management and supervisory tool creates a number of problems. First, unless the labor time and materials budgeted for projects are compared to project expectations, it is difficult to objectively determine which workers are efficient and which workers are improperly trained or inefficient. In addition, consistent use of cost estimates can help managers control the maintenance budget (i.e., more efficient use of maintenance worker time can reduce the need to expend funds for contracting out of maintenance services).

Performance standards have been developed and are effectively communicated for custodial activities and for work that is assigned to contractors but standards have not been developed for other in-house maintenance activities

Maintenance Operations has not only established standards for work assigned to Job Order Contractors (JOCs) but has also developed an effective process for communicating failures to meet these performance standards. These standards are clearly defined in the terms and conditions of the JOC contracts and in the JOC Procedures Manual.

Likewise, specific custodial cleaning standards have been established, are published and communicated to staff, and are reflected in the performance appraisals of site administrators. Moreover, the Plant Operations unit conducts custodial cleaning audits annually. The results of these audits are communicated to the principal and the appropriate region office. Failure to meet custodial cleaning standards can result in the re-training or re-assignment of custodial staff. Performance standards have not been developed for in-house maintenance activities (other than custodial work).

Maintenance Operations does not establish or publish work standards for the completion of routine repairs. Instead the development of "standards" is left to the discretion of individual foremen. Needless to say, this creates a situation where standards can vary from foreman to foreman. Moreover, because individual foremen monitor performance against standards each foreman might take a different approach to addressing (or failing to address) instances where performance falls short of expectations. [5] The ultimate consequence of the lack of performance standards and productivity measures for the completion of in-house work orders, from the perspective of individual workers, is that only subjective goals can be used to monitor employee performance. From a department level perspective the ultimate consequence is that there is no way to assess how efficiently and effectively Maintenance Operations is carrying out its mission.

Recommendations

- *We recommend that the District use the R.S. Means cost estimating software to estimate the cost of all work orders and that an easy method of accessing this software be developed.*

Action Plan 11-4 provides the steps needed to implement this recommendation.

Action Plan 11-4

Estimate Costs for All Work Orders

Strategy	Require all shop foremen and coordinators to estimate the time and materials needed for each work order using a standardized methodology.

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[5] The District currently has no mechanism to track how these issues are dealt with.

Action Needed	Step 1:	Train all satellite trades staff in the use of the R.S. Means estimating software.
	Step 2:	Modify operating procedures to require a cost estimate for all work orders regardless of size.
	Step 3:	Begin placing time and material estimates in all work orders prior to beginning work.
Who is Responsible	North and South Area Maintenance Directors	
Time Frame	January 2003	
Fiscal Impact	Implementing this recommendation is estimated to cost $375,290 over the next five years but improvement management capabilities may offset some or all of the costs.	

Source: Berkshire Advisors, Inc.

4 The District does not provide sufficient financial support to ensure that maintenance and custodial standards are regularly updated to implement new technology and procedures.

Trade publications are not provided to maintenance staff and participation in state and national professional organizations is not supported

If Maintenance Operations managers, supervisors and employees are to remain current with technological breakthroughs, with improvements in operational methods and approaches that will support their efforts to make sound purchasing and management decisions they must be kept abreast of the latest and best thinking in their areas of expertise. At present, however, the District does not support the efforts of individual employees to enhance their "human capital." Instead, managers and employees must use their own money to keep current on issues that are of importance to their work.

For example, Maintenance Operations does not currently subscribe to various trade publications. Instead, individual employees who wish to must subscribe to such publications at their own expense and, if they are so inclined, share these professional publications with their colleagues. Staff who do not subscribe to these publications or do not receive the publications as part of a personal membership in a professional society may not have access to information about new developments in maintenance technology and methods.

In addition, despite the fact that the mission of most professional organizations typically includes enhancing the professional development of members, the District does not financially support participation in national and state organizations. Professional organizations usually make workshops, newsletters, journals and training materials available to their members. Maintenance Operations staff, however, are not reimbursed for the cost of becoming members of professional organizations. Consequently only those employees who are willing to pay membership fees themselves benefit from the professional development such organizations provide.

The District devotes insufficient attention to ensuring maintenance staff receive needed training

The impact of Maintenance Operations' lack of funding for subscriptions and memberships in professional societies is exacerbated by a paucity of funding to support internal professional development activities. Maintenance Operations does not even have an annual training plan. Instead, staff receive professional development when satellite directors determine that a need exists or when federal, state, or local law mandates training. Despite the fact

that maintenance workers are expected to operate and maintain increasingly complex equipment, an estimate of the total training each employee receives each year is but eight hours. [6]

It should be stressed that many maintenance workers are required to have certificates of competency (COCs) from Dade County to maintain their positions. Employees working under these COCs must meet a continuing education requirement. However, meeting this bi-annual requirement is the responsibility of each individual employee. The District provides no support for these efforts.

Maintenance Operations managers recognize the need for increased professional development. In recent years, however, the resources needed to fund such programs simply have not been available. For example, managers have acknowledged that equipment being installed in schools is becoming increasingly complex and requires that maintenance worker skills develop accordingly.

Recommendations ——————————

- *We recommend that the District prepare an annual training plan and include funding for the program in its five-year budget plan.*

  Action Plan 11-5 provides the steps needed to implement this recommendation.

- *We recommend that the District subscribe to professional magazines and partially reimburse maintenance workers for memberships in professional societies.*

  Action Plan 11-6 provides the steps needed to implement this recommendation.

Action Plan 11-5

Develop And Implement An Annual Training Plan		
Strategy	Develop and implement an annual training plan for maintenance workers and supervisors.	
Action Needed	Step 1:	Review staff job descriptions and interview maintenance supervisors to identify training needs.
	Step 2:	Develop a flexible training proposal that can adjust to any funding level.
	Step 3:	Request funding during the annual budget development process.
	Step 4:	Determine method of tracking and recording actual courses attended so that supervisory staff and managers can easily access data.
	Step 5:	Upon approval of funding, inform all maintenance staff of new training program.
	Step 6:	Schedule training.
Who is Responsible	Executive Director of Maintenance Employment/Employee Resources, Policies and Procedures	
Time Frame	January 2003	
Fiscal Impact	This recommendation will require an investment of $250,000 annually for a total of $1,250,000 over the next five years.	

Source: Berkshire Advisors, Inc.

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[6] Reliable information on the actual mount of training received is unavailable because the Department's human resource system does not track staff training unless it is required to by law – for example, for asbestos certification.

Action Plan 11-6

Subscribe To Magazine And Reimburse Memberships in Professional Societies		
Strategy	Subscribe to trade journals and provide partial reimbursement of memberships in professional societies.	
Action Needed	Step 1:	Interview staff, and collect background information on specific professional societies and job-related magazines.
	Step 2:	Determine method of tracking staff participation in this program so that supervisors and management can refer to it in performance evaluation process.
	Step 3:	Compile list of approved organizations and magazines.
	Step 4:	Prepare flexible budget proposal.
	Step 5:	Request funding during annual budget development process.
	Step 6:	Subscribe to selected magazine and begin partial reimbursements.
Who is Responsible	Executive Director for Maintenance Employee Resources, Policies and Procedures.	
Time Frame	September 2002	
Fiscal Impact	This recommendation will require an investment of $100,000 annually and $500,000 over the next five years.	

Source: Berkshire Advisors, Inc.

5 The District does not methodically obtain and use customer feedback in a structured manner to implement program improvements.

While Maintenance Operations staff actively solicit informal feedback from customers a more systematic approach to receiving customer feedback would be beneficial

Maintenance Operations staff employ a variety of approaches to soliciting informal feedback from customers. Most notably, staff at all levels participate in meetings with customers to discuss performance and issues of common concern. For example, Department staff attend the monthly Construction meetings held with regional instructional staff, the Chief Facilities Officer – Maintenance attends monthly regional principal meetings, and Zone Mechanics attend regularly scheduled bi-weekly meetings with the satellites. In addition, region staff have access to the COMPASS work order system that they can use to enter queries on the status of specific open work orders and the backlog of work orders by school.

While the feedback obtained from meetings is useful it is also extremely informal and little effort is made to systematically evaluate the feedback received. In fact, meeting minutes are seldom prepared and the meetings are typically not structured to receive formal feedback.

Other approaches the Department could employ to receive more systematic feedback from customers are currently not used. For example, Maintenance Operations does not conduct annual surveys using a written instrument to determine the Department's strengths and weaknesses. Such surveys can provide useful data regarding the quality and timeliness of maintenance services, especially if they are anonymous. Moreover, this data, when shared with staff and customers, can assist in identifying areas in need of improvement and in developing and implementing corrective action plans. Without this sort of systematic feedback Maintenance Operations has no way to objectively determine if it is satisfying its customers.

The employee survey conducted as part of this engagement suggests that while improvement is needed Maintenance Operations is doing a reasonably effective job of addressing the needs of its customers

Although Maintenance Operations does not conduct its own customer survey, the employee survey conducted as part of this study can provide useful feedback to Maintenance Operations managers on customer perceptions with regard to the quality of work they perform. In general, the survey results suggest that "customers" are reasonably satisfied with the level and quality of maintenance service received. As shown in Exhibit 11-3 for all but one survey item – whether non-emergency maintenance requests are addressed in a timely manner – the percentage of survey respondents who "agree" or "strongly disagree" with the statement exceeds 50 percent and for four of the seven items exceeds 60%. However, for each survey item the percentage of survey respondents who "disagree" or "strongly disagree" with the statement is too high, suggesting that continued improvement in the level and quality of maintenance services provided is needed.

Exhibit 11-3
Employee Survey Results Suggest That Maintenance Operations Is Doing A Reasonably Effective Job Of Addressing The Needs Of Its Customers

Survey Item	Percentage Who "Strongly Disagree"	Percentage Who "Disagree"	Percentage Who Are "Neutral"	Percentage Who "Agree"	Percentgae Who "Strongly Agree"
The building within which I work is well-maintained	10.7%	15.7%	12.1%	38.9%	22.6%
The building within which I work is clean	9.2%	12.8%	13.2%	39.6%	25.3%
The temperature at my school is kept at a comfortable level	8.9%	18.6%	8.8%	42.8%	20.9%
Emergency maintenance requests are addressed in a timely manner	6.7%	14.7%	11.7%	44.0%	23.0%
Non-emergency maintenance requests are addressed in a timely manner	11.3%	31.1%	11.3%	27.8%	18.5%
Maintenance staff work diligently to complete repairs as quickly as possible	7.7%	22.7%	17.7%	31.1%	20.7%
The quality of work performed by maintenance staff is high	5.1%	19.3%	23.0%	35.8%	16.9%

Source: Berkshire Advisors Employee Survey.

Recommendations

- *We recommend that the District solicit feed back in writing or via email on a quarterly basis.*

- *We recommend that the District conduct an annual anonymous customer feedback survey as a method of obtaining more candid and quantifiable feedback concerning the quality and timeliness of its work and the responsiveness of its staff.*

Action Plan 11-7 provides the steps needed to implement these recommendations.

Action Plan 11-7

Conduct Annual and Quarterly Customer Feedback Surveys		
Strategy	Continuously solicit customer feedback both in writing and via e-mail (on a quarterly basis) and through an anonymous customer survey (on an annual basis).	
Action Needed	Step 1:	Create a link on the Maintenance Operations web page where District staff and the public can provide comments on the quality of maintenance services.
	Step 2:	Summarize and report on these comments quarterly by sharing results with satellite directors.
	Step 3:	Require satellite directors to describe improvements or corrective actions taken as a result of comments.
	Step 4:	Develop an annual anonymous customer service survey.
	Step 5:	Distribute the survey to all principals, teachers' union chapter chairpersons and central site administrators.
	Step 6:	Summarize survey results and report them to the Superintendent.
Who is Responsible	North and South area District Directors of Maintenance	
Time Frame	June 2002	
Fiscal Impact	This recommendation may be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

6 The District has informal and insufficient accountability mechanisms to address performance and efficiency of the maintenance and operations program.

Effective procedures have been established to hold some contractors accountable for the quality of their work

Maintenance Operations maintains strong control over contractual services. As previously discussed, the Department has established clearly stated goals and measurable objectives for services provided by job order contractors and term bid contractors and has implemented strategies to continually assess the reliability of program performance and cost data. A monthly report is prepared that tracks all costs for each phase of the construction process. As contractual service work orders are completed, left over funds are reallocated to work orders that are projected to exceed the original budget, or set aside for additional yet unfunded work orders. The forgoing indicates a strong control of contractual services.

With one exception, rigorous accountability mechanisms have not been established for in-house maintenance staff

At present, accountability for in-house maintenance staff is limited primarily to informal meetings and reviews of work. For example, satellite coordinators, supervisors, and foremen informally evaluate the work of their respective staff. In addition, Maintenance Operations senior staff meets on a regular basis to assess the Department's

performance and to discuss areas for improvement. In general, aside from these informal reviews a systematic evaluation of in-house maintenance work is not performed.

Two factors currently hinder efforts to establish a more effective accountability system. First, performance and accountability measures have not been established. At present, the Maintenance Department does not use any established performance standards, cost-efficiency measures or interpretive benchmarks to evaluate its in-house work order fulfillment program.

The second factor that hinders efforts to establish a more effective accountability system stems simply from the fact that accountability is not a high management priority. As mentioned earlier in this chapter, the majority of area and satellite directors interviewed do not see a need for cost control for every project being performed by in-house staff. Likewise, Maintenance Operations managers have shown little interest in benchmarking maintenance projects and activities against other Florida school Districts. Given the lack of priority given to accountability, it is hardly surprising that both the North and South area District directors and three out of six satellite directors have indicated that they do not regularly use the COMPASS work order management system to evaluate performance data for individual maintenance workers. Moreover, given this state of affairs, it is not surprising that Department senior managers have not required the COMPASS system to be used as a workload management tool.

It should be noted, however, that efforts to establish accountability have been successful in one area. An annual goal to conduct cleaning audits at each District school has been established and met. This cleaning and equipment audit program, which is managed in the Plant Operations Office, has proved very effective at identifying custodial staff that are in need of technical assistance as well as those who are performing at a very high level.

Few adjustments to operational and management practices have been made to maximize performance and efficiency

Maintenance Operations has made some operational adjustments to improve performance and efficiency. In particular, the number staff allocated to each satellite has been modified to reflect changes in the square footage of buildings maintained in each geographical region. In addition, adjustments to contractual services occur when the Maintenance Operations annually modifies its capital budget allocations based upon the perceived needs of each satellite office. The Maintenance Operations department does not systematically review its operating procedures to ensure that they reflect the most efficient practices.

Recommendations

- *We recommend that the District develop performance and cost-efficiency measures and interpretive benchmarks from similarly sized Districts and use this information to inform management decision-making.*

Action Plan 11-8 provides the steps needed to implement this recommendation.

- *We recommend that the District implement a strategy to regularly monitor and assess the reliability of all maintenance performance and cost data. [7] This can only be accomplished after establishing performance standards for in-house maintenance workers and in-house projects.*

Action Plan 11-9 provides the steps needed to implement this recommendation.

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[7] This recommendation can only be implemented after performance standards for in-house maintenance workers and in-house projects have been developed.

Action Plan 11-8

Benchmark Maintenance Services	
Strategy	Use data from other school Districts to assist in developing performance and cost efficiency measures.
Action Needed	Step 1: Identify sample Districts inside and outside of Florida to use for comparisons.
	Step 2: Develop performance measures that will be used for comparisons.
	Step 3: Survey identified sample Districts.
	Step 4: Prepare comparative analysis of Districts' data with Miami-Dade County Public Schools.
	Step 5: Summarize results of survey and share with Maintenance Operations managers, the Superintendent and the cabinet.
	Step 6: Institute operational and/or procedural improvements to address most common issues raised in survey unless they conflict with collective bargaining agreements, statutes or are too costly.
Who is Responsible	Chief Facilities Officer - Maintenance
Time Frame	January 2003
Fiscal Impact	This recommendation may be implemented with existing resources.

Source: Berkshire Advisors, Inc.

Action Plan 11-9

Monitor Maintenance Performance and Cost Data	
Strategy	Regularly assess the reliability of performance and cost data.
Action Needed	Step 1: Select or design appropriate maintenance work order reports.
	Step 2: Establish performance and cost standards initially for 100 most common maintenance tasks and eventually for all other l work orders.
	Step 3: Begin generating monthly reports and distribute them to appropriate Maintenance Operations staff.
	Step 4: Begin using reports as a management tool.
	Step 5: Develop process to audit the reliability of the performance and cost data reported on these reports.
	Step 6: Implement audit process.
Who is Responsible	Executive Director of Operations Management and Planning
Time Frame	June 2002 for 100 most common work orders and January 2003 for all others.
Fiscal Impact	These recommendations may be implemented with existing resources.

Source: Berkshire Advisors, Inc.

Budgeting and Financial Management ———

7 The District accurately projects cost estimates for major maintenance projects when it uses outside contractors, but its estimates for smaller projects to be completed by District trades staff are inadequate.

The District accurately projects cost estimates for major maintenance projects when it uses outside contractors

The District uses pre-priced job order contracts ("JOCs") for many maintenance items. The price standards used for these contracts are determined by a consultant based on national historic pricing data and other local market factors. For most JOC areas, the established prices are reset each year. In addition, every JOC project is independently estimated by District staff using R.S. Means standards. If staff's estimate is greater than 10% above the contractor's estimate, the JOC contractor is asked to revise its estimate before the project is approved. This process is generally effective at monitoring job prices prior to engagement of a contractor.

The District also employs term bid contracts for maintenance services. These contracts are competitively bid and budget a total expenditure amount not to be exceeded for the particular service, such as bleacher repair. For each use under the contract, the vendor provides project cost estimates. Staff reviews the contractor's proposal for line item accuracy and completes a detailed independent internal cost estimate prior to the commencement of work.

Estimates for smaller projects to be completed by District trades staff are not adequate

While the District makes some effort to estimate the cost of small projects to be completed by in-house staff these efforts are insufficient. Zone Mechanics stationed at school sites are generally the initial estimators for most maintenance projects. These Zone Mechanics are expected to be accurate with their estimates for materials, but the time estimate for all such work orders is set at two hours, regardless of the size of the project. The maintenance foreperson assigned the work order can, and often does, change the estimates for labor hours when he or she assesses the work order. The reassessed labor estimates are based primarily on the past practice and the experience of the individual completing the estimates. No effort is made to "validate" these estimates using actual cost data from completed projects. Moreover, no formal analysis of past work orders has been undertaken to determine the accuracy of the District's cost estimates.

In summary, other than the process used for JOCs, there are no formal processes in place for evaluating projected costs for accuracy or for analyzing information from past projects to improve future estimates. All of these processes are informal and based on periodic management meetings or general feedback among department units. None of these informal processes are documented, and the information discussed at the meetings is not disseminated to all relevant staff members.

Increases in maintenance costs due to inflation are not consistently factored into long-term maintenance budgets

While inflation for salaries and benefits is factored into the District's five-year budget plan, inflationary expectations are not consistently considered when determining the future cost of materials, supplies, and contract services. Indeed, future budgets are often held constant over several years, and the estimated cost for major items does not change from year to year. This budgeting shortcoming does not necessarily result in a reduction in service since the

District in recent years has never fully funded the five-year budget plan anyway. But without appropriate inflationary calculations, the Department does not even have an accurate sense of the District's maintenance needs.

Capital budget estimates do not consistently reflect differences in schools

When developing its five-year Capital Outlay Budget, the District does not always develop cost estimates that accurately reflect the unique needs and characteristics of schools. Rather than identifying the key features of schools (e.g., square feet, age, and configuration) that affect the cost of capital projects, the District often lumps all schools of a certain type (i.e., all elementary schools, all middle schools, and all high schools) together for the purposes of estimating capital expenditures. For example, as Exhibit 11-4 shows, the projected cost for the purchase and installation of replacement fire alarm systems is pegged at $195,000 for elementary schools and $325,000 for middle schools from the current fiscal year through the 2004-2005 fiscal year. [8] No attempt has been made to vary these cost estimates by, for example, considering the physical size of schools within each category.

Exhibit 11-4

**Fire Alarm System Replacement Costs Do Not Vary
Within Categories Of Schools**

Facility	Year Slated	Estimated Cost	Approximate Sq. Ft.	Cost/Sq. Ft.
Charles Hadley Elementary	2003-04	$150,000	125,000	$1.20
Joella Good Elementary	2001-02	$195,000	127,000	$1.54
Morningside Elementary	2004-05	$195,000	70,000	$2.79
Pine Lake Elementary	2002-03	$195,000	66,000	$2.95
Kendale Elementary	2003-04	$195,000	64,000	$3.05
Earlington Heights Elementary	2004-05	$195,000	61,000	$3.20
Neva Cooper Elementary	2001-02	$195,000	51,000	$3.82
Jose Marti Middle	2003-04	$325,000	158,000	$2.06
Centennial Middle	2001-02	$325,000	130,000	$2.50
Parkway Middle	2003-04	$325,000	110,000	$2.95
Carol City Middle	2004-05	$325,000	106,000	$3.07
Braddock Sr. High	2002-03	$487,500	398,000	$1.22

Source: MDCPS Capital Outlay Budget, Fiscal Years 2001-2006.

Recommendations ———————————————

- *We recommend that the District establish a formal process for evaluating and improving the accuracy of its cost estimates including conducting periodic comparisons of in-house estimates with actual costs.*

Action Plan 11-10 provides the steps needed to implement this recommendation.

- *We recommend that the District use an estimated inflation rate in its five-year maintenance operations budgeting process to more accurately reflect the true cost of maintenance needs in the out years.*

Action Plan 11-11 provides the steps needed to implement this recommendation.

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[8] School-by-school detail on fire alarm systems is not provided for the 2005-2006 fiscal year.

Action Plan 11-10

Establish A Formal Process For Evaluating And Improving Cost Estimates	
Strategy	Establish a formal process for evaluating and improving the accuracy of cost estimates including undertaking a periodic comparison of in-house estimates and actual costs.
Action Needed	Step 1: Maintenance managers responsible for JOCs, term bids, and in-house project estimating should work together to develop a system for tracking initial cost estimates and actual job costs for all projects.[9]
	Step 2: Develop a quarterly report that summarizes and provides the back-up detail on the accuracy of the various groups' cost estimates compared to actual expenditures.
	Step 3: Pending contract negotiations, revise personnel performance evaluation process to include a review of estimation accuracy for cost estimators.
	Step 4: Revise contractor performance evaluation process to include a review of estimation accuracy.
Who Is Responsible	Executive Director of Maintenance Contract Management, North and South Area District Directors
Time Frame	June 2002
Fiscal Impact	The resources spent by the District will not be change but budget and planning processes will be improved.

Action Plan 11-11

Use An Estimated Inflation Rate To Develop Five-Year Maintenance Operations Budgets	
Strategy	Include an estimated inflation rate when developing five-year maintenance operations budgets to improve the accuracy of maintenance cost estimates in the out years.
Action Needed	Step 1: Select a readily accessible inflation index from a reliable source such as the Consumer Price Index.
	Step 2: Apply the adopted inflation rate for years two through five to all spending categories in the five-year Capital Outlay Budget.
Who Is Responsible	North and South Area District Directors, Executive Director of the Division of Management Systems and Controls
Time Frame	September 2002
Fiscal Impact	The resources spent by the District will not change but budget and planning processes will be improved.

Source: Berkshire Advisors, Inc.

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[9] This system should be electronic, should track the individual providing the estimates, and should track material and labor separately for in-house projects.

8   The District's facilities maintenance accounting practices do not adequately document the use of 2 Mill funds and there are imbalances in the way funds are allocated to some critical areas.

The District's accounting practices prevent it from documenting the use of 2 Mill funds

As discussed in detail in Chapter 9 of this report, due to its poor accounting practices the District cannot currently document that it has used 2 Mill funds in accordance with state regulations. Addressing this problem is extremely important because if the District is found to have used 2 Mill monies inappropriately, the State has the authority to recoup misused funds.

A lack of resources prevents the District from using the budget process to set achievable goals

Despite the problems with 2 Mill accounting and documentation, the Department's annual and long-term budget process is clearly focused on facilities maintenance priorities, but budget constraints are too restrictive for goals to be reasonably set and achieved. The most prominent factor in determining next year's budget is the current budget level, not the actual condition of the District's buildings or the projected maintenance costs associated with those buildings. While not ideal, these budget practices reflect the reality that all the resources needed to address maintenance priorities are unlikely to be available. In addition, while there is a process for the periodic evaluation of actual versus planned expenditures, these evaluations are not consistently used to adjust future budgets.

Insufficient resources are devoted to preventive maintenance

Insufficient resources are dedicated to preventative maintenance, and many major repairs are put off until they become "a problem." Consequently, the actual budget for deferred maintenance items is much higher than it would otherwise be. For example, the District applies a 20-year replacement schedule for school roofs, yet most roofs do not last for 20 years. [10] As a result, "emergency repairs" must be made when leaks occur. Generally, by the time roof leaks are noticeable inside the building, interior walls, floors, carpets, equipment and even electrical systems may have already been damaged exposing the District to additional repair costs beyond the cost of repairing or replacing the roof. [11]

In some areas the District has managed to do a good job of ongoing preventative maintenance, though mostly this has been accomplished in areas, such as HVAC, where long-term maintenance contracts with outside vendors are in place. Other than the Zone Mechanics, the District has only 15 maintenance staff workers dedicated exclusively to preventative maintenance.

Moreover, at present, the District is not conducting any evaluations to determine the cost—in repair and replacement—of inadequate preventative maintenance. When major repairs, such as roofs, are planned, the District makes no attempt to determine whether the cause of the problem was due to lack of maintenance.

[10] The warranty on most existing school roofs is 15 years.

[11] It should be noted that the Maintenance Department has instituted an innovative process to minimize damage to school buildings from roof leaks. A small team of roof inspectors evaluates every school roof twice per year in an attempt to make an early identification of any roof problems. The District then uses the results of these inspections to target its scheduled and emergency roof repairs where they are most needed.

The formula for allocating custodians to schools may overstate the number needed

The District has a complex formula for the allocation of custodians to schools. The formula begins with a base allocation of one custodian for every 17,500 square feet and then modifies the allocation based upon such factors as building space, site acreage, food service programs, early/after care programs, exceptional education programs, and nighttime classes. However, this formula may overstate the number of custodians needed to adequately clean and maintain the District's school buildings. The formula recommended by the Florida Department of Education calls for one custodian for every 19,000 square feet of building space with an additional modifier added depending upon school type. [12] Miami-Dade's custodial allocation averaged 26.3% higher than the state recommended levels at the nine schools reviewed for this study.

Exhibit 11-5
Custodial Allocations Are Higher Than State Recommendations
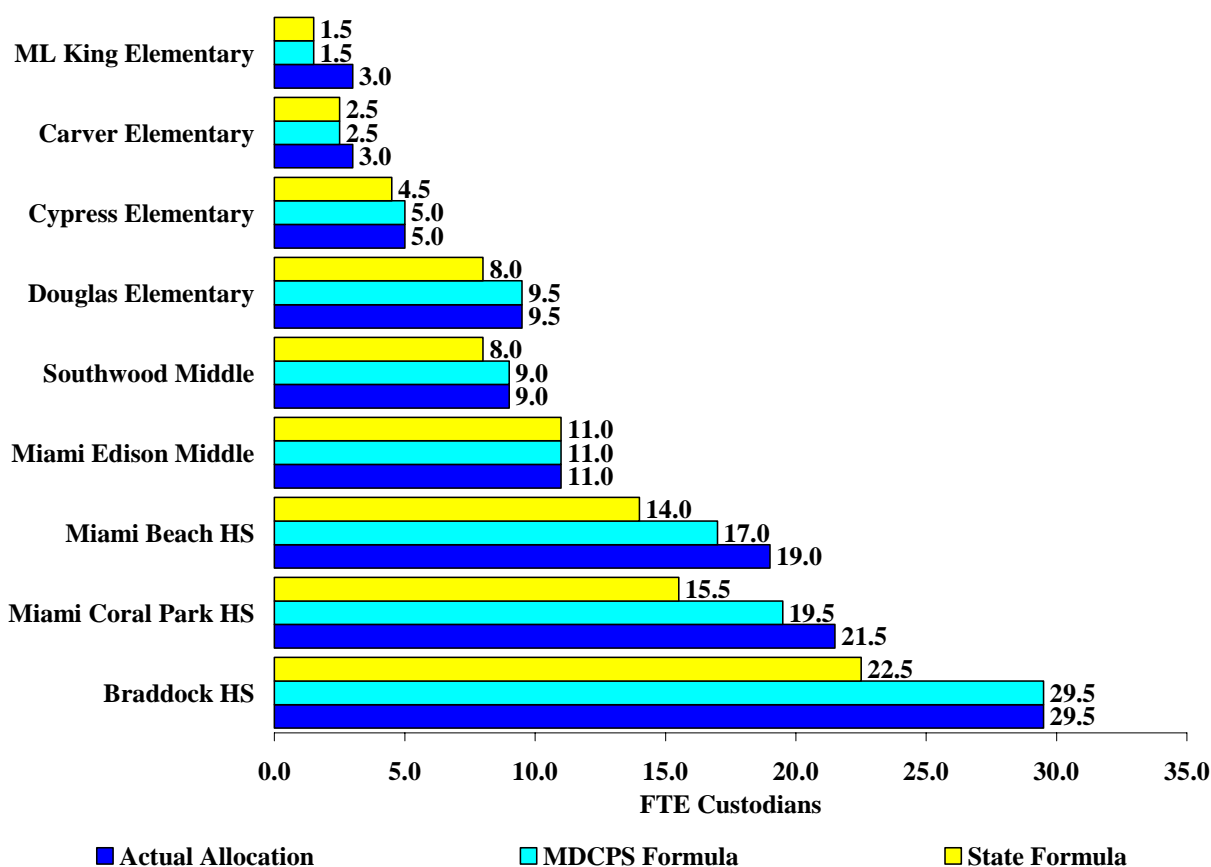
Source: Berkshire Advisors, Inc., based on square footage contained in the FISH database.

In addition, as shown in Exhibit 11-5, it appears that the District's own formula is not consistently implemented across all schools. At the nine schools reviewed, only five had budgeted custodian positions that corresponded to the levels recommended by the District's formula.

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[12] The state formula calls for 0.5 FTE for elementary schools, 0.75 FTE for middle schools and 1.0 FTE for high schools in addition to the calculation by square feet.

Assigning custodians to work the day shift is not an effective practice

It is a common practice in the Miami-Dade County Public Schools —as it is in many urban school Districts—for the head custodian to work the daytime shift. The reality, however, is that most custodial activity occurs during the second shift after students have been dismissed, and therefore the largest number of custodial staff are assigned to work this shift. Having the head custodian—the position in which the District has invested leadership and supervisory training—working the shift to which the fewest number of custodians are assigned is not a good use of human resources.

The District does not employ a staffing formula for its maintenance trades

Ideally, staffing levels for maintenance trades (e.g., painters, carpenters, plumbers and electricians) should be closely related to the amount of activity in each trade generated by District work orders and should also take into account the types and amounts of maintenance contract services available to the District each year. [13] For the MDCPS, however, in-house staffing levels have been constrained by a District hiring freeze that has been in effect since 1996. Thus, because attrition has not been even across all trades staffing levels for some trades do not correspond with need. Managers report that 152 trade positions have been lost since the hiring freeze was put in effect.

In addition, due to the hiring freeze managers have had little incentive to undertake an analysis of historical work order data to determine the proper mix of trades. Indeed, some managers suggest that such an analysis would require a great deal of time and effort to complete—requiring someone's job to go undone while he or she completes the analysis—and once completed, the effort would be futile since the hiring freeze and other budgetary constraints would prevent additional trade staff from being hired or additional funds being added to the contract services budget.

Even if managers had an incentive to undertake a detailed analysis of operations, the ability of the District to adequately analyze its operations would be significantly hampered by the work order system that only stores data for 13 months. This shortcoming is further compounded by inconsistencies in the quality of information on completed work orders entered in the system. For example, virtually all work orders that are completed by the school-based Zone Mechanics appear in the system as having required two hours of labor to complete (these issues are discussed in greater detail in Section 10 of this chapter).

The District focuses insufficient resources on addressing safety and fire code issues

Although the District allocates funds for the correction of deficiencies identified in the annual "Safety to Life" and "Fire Code Violations" reports, and these funds are used as intended, the resources allocated to Facilities Maintenance and Capital Construction have been insufficient to effectively correct deficiencies in a timely manner. Consequently, the District continues to have exceptions—often the same ones—on its Safety to Life report from year to year. For example, hazardous "wall projections" at Calusa Elementary school were first noted in a Safety-to-Life inspection in 1983. The corresponding repair was first scheduled in June of 1988 and was finally corrected in February of 2001. The District has begun to address this issue. Last year, $30 million was allocated to address priority items from the Fire Code Violations report, and the District did manage to clear a greater proportion of those items than it has in the past. However, without additional resources and/or improved efficiencies, the problem of uncleared safety-related work orders will continue.

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[13] For most school Districts the high volume work orders are generated for electricians, plumbers, carpenters and painters.

Recommendations

- *We recommend that the District conduct a thorough cost/benefit analysis of its deferred maintenance program to determine if increasing expenditures on preventative maintenance could save significant long-term resources.*

Action Plan 11-12 provides the steps needed to implement this recommendation.

- *We recommend that the District modify its custodial staffing formula to more closely reflect national and State of Florida standards for custodial coverage.*[14]

Action Plan 11-13 provides the steps needed to implement this recommendation.

- *We recommend that the District require its head custodians to work the second shift when most non-supervisory custodians are working and when most cleaning activity occurs.*[15]

Action Plan 11-14 provides the steps needed to implement this recommendation.

- *We recommend that the District establish staffing formulae for the maintenance trades areas based on historical work order activity data.*

Action Plan 11-15 provides the steps needed to implement this recommendation.

Action Plan 11-12

Conduct A Through Cost Benefit Analysis Of The Deferred Maintenance Program	
Strategy	Conduct a thorough cost/benefit analysis of deferred maintenance program to determine if increasing expenditures on preventative maintenance could save significant long-term resources.
Action Needed	Step 1: Establish spending categories of maintenance work orders: • Under $5,000 • $5,000 to $24,999.99 • $25,000 to $99,999.99 • $100,000 or more Step 2: Sort all work orders for the last year into these spending categories. Step 3: Review a random sample of work orders from each category (not fewer than 50 from each group) and make a determination as to whether the work order could have been avoided or delayed had routine preventative been performed. Step 4: Determine the work that would be avoidable with preventative maintenance and estimate the cost (both time and materials) associated with the requisite preventative maintenance for each work order. Step 5: Based on the sample averages, estimate the percentage of work orders from each spending category that could have been avoided with a preventative maintenance program as well as the estimated costs of such programs.
Who Is Responsible	Chief of Facilities Maintenance and Operations
Time Frame	June 2003
Fiscal Impact	The amount of potential savings will depend upon the analysis.

Source: Berkshire Advisors, Inc.

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[14] This recommendation may require the renegotiation of existing labor agreements.

[15] This recommendation may also require the renegotiation of existing labor agreements.

Action Plan 11-13

Modify The Custodial Staffing Formula	
Strategy	Modify custodial staffing formula to more closely reflect national and State of Florida standards for custodial coverage.
Action Needed	Step 1: Adjust the base allocation rate to one custodian for every 19,000 square feet regardless of school size.
	Step 2: Recalculate custodial allocations for all schools using the base allocation plus additional District modifiers. [16]
	Step 3: Plan and initiate phased in staff reduction.
Who Is Responsible	Director, Department of Plant Operations
Time Frame	July 2004
Fiscal Impact	The District could reduce its personnel budget by $6 million per year based on a reduction of District custodial staff by 208 positions. This represents an 8.5% reduction in custodial staffing. Phased in over a three-year period this would generate $18.5 million in savings.

Source: Berkshire Advisors, Inc.

Action Plan 11-14

Require Head Custodians To Work The Second Shift	
Strategy	Require head custodians to work during the shift when most non-supervisory custodians are working and when most cleaning activity occurs.
Action Needed	Step 1: Revise job descriptions and collective bargaining agreements to reflect the second shift requirement.
	Step 2: Make all promotions to head custodian contingent upon working the second shift.
Who Is Responsible	Chief of Facilities Maintenance and Operations, Director of Department of Plant Operations
Time Frame	December 2002
Fiscal Impact	Implementation of this recommendation will cost the District approximately $185,000 per year in additional shift differential pay for Head Custodians. Over the next five years the total expense will be $925,000. [17]

Source: Berkshire Advisors, Inc.

Action Plan 11-15

Establish Staffing Formulae For The Maintenance Trades Areas	
Strategy	Establish staffing formulae for the maintenance trades areas based on historical work order activity data.
Action Needed	Step 1: Identify a target average number of "hands-on" maintenance personnel for the District based on industry standards. [18]

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[16] Under the District's current formula, the base rate can range from as little as 1:8,000 square feet up to 1:17,500 square feet. The existing modifiers in the District's formula will still allow some flexibility for unique conditions in some District schools. As a result, the District will continue to allocate custodians at a higher rate than the State formula suggests. The long-term goal, however, should be to attain the 1:19,000 ratio suggested by the state.

[17] By existing labor agreement standards, custodians are given an additional 40¢ per hour for second shift and 45¢ per hour for third shift. For 315 schools, 40 weeks per year on second shift, this amounts to $176,400. The additional $8,600 is an estimated "cushion" to cover any added differential expense for those Head Custodians that will be required to work third shift.

	Step 2:	Review work orders from a recent 12-month period to determine the amount of staff hours spent by District maintenance staff. [19]
	Step 2:	Compare the percentage of work order hours generated by trade group to corresponding percentages of trade staff.
	Step 3:	Determine the proper ratio of trades based upon a ranking of work order demand. [20]
	Step 4:	Ease the hiring freeze for high volume trades where insufficient staffing exists.
Who Is Responsible	Chief of Facilities Maintenance and Operations	
Time Frame	December 2002	
Fiscal Impact	The fiscal impact of this recommendation will depend upon the analysis. However, by reducing overall staffing levels to industry standards, the District would eliminate 71 trades positions for an approximate savings of up to $17 million over five years. [21]	

Source: Berkshire Advisors, Inc.

9 The District maintains a maintenance reserve fund for one-time expenditures, but this fund is insufficient to serve its needs.

The size of the maintenance reserve fund is inadequate to address all of the District's deferred maintenance needs

Although the District budgets maintenance reserve funds for non-recurring repairs, these budgets are often unreasonably low given the scope of existing problems and the fact that an adequate preventative maintenance program has not been established in most areas. For example, the Capital Outlay budget cites a need for $23.9 million for roof repair for the current year, yet the current budget for roofs is only $12 million. Furthermore, the Capital Outlay budget—which is supposed to reflect all District needs without regard to budget constraints—often underestimates critical needs. For example, the Capital Outlay budget includes a line item for "Renovation and Repair of Aged Facilities" which refers to correcting the structural "envelope" of school buildings, such as foundations, facades and concrete overhangs. For the five years currently projected, the line item is never greater than $4.5 million in any given year. This amount of funding is clearly inadequate. If these funds were limited only to schools over 50 years old, total funds devoted to correcting the structural envelopes of school would average $90,000 per school. If these funds were expected to be used in all schools over 40 years old, the allocation would amount to only $27,000 per school.

In addition to budgeted line items for each category of repair, the five-year Capital Outlay budgets $600,000 for "emergency" repairs that must be authorized directly by the Superintendent. However, this amount – an average of $2,000 per school – is insufficient to address the needs of a District the size of the Miami-Dade County Public Schools given the significant level of repairs required. See Exhibit 11-6 for peer district compairison.

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[18] According to one private sector specialist in institutional facilities maintenance, some urban school Districts attain ratios in the range of one maintenance worker for every 35,000 to 40,000 square feet of occupied building space. Currently Miami-Dade's ratio last year was one maintenance worker for every 32,500 square feet. (These figures are for production staff only, not for administration.)

[19] Work orders should be sorted by trade group. In addition, if sampling is used, the samples should be drawn evenly from each month.

[20] Some of the higher-use trade categories may warrant a higher portion of staffing than the work orders would indicate because the District may decide to eliminate in-house staffing of some lower-use trade categories altogether.

[21] Staff reports that 70 trades positions have recently been eliminated from the District's budget.

Exhibit 11-6

The District's Contingency Budget is Smaller than those of Florida Peers

School District	Emergency Contingency Budget	Average Amount Per School
Miami-Dade	**$600,000**	**$1,904**
Pinellas	$1,223,000	$7,890
Broward	$2,030,000	$9,063

Source: Florida Smart Schools Clearinghouse, 2000-01 5-Year Work Plans.

On a positive note, there is adequate flexibility in the budget process to allow funds to be shifted from one reserve category to another, as needed. In addition, funds not spent (or repairs not completed) in one fiscal year are typically carried over to the next program year in the same category.

Recommendations ———————————————

- *We recommend that the District analyze its history of emergency repairs—by type, cost and age of building—and use this information to establish an adequate maintenance reserve funds.*

  Action Plan 11-16 provides the steps needed to implement this recommendation.

Action Plan 11-16

Analyze Historical Data On Emergency Repairs To Establish An Adequate Maintenance Reserve Fund	
Strategy	Analyze historical data on emergency repairs—by type, cost and age of building—and use this information to establish an appropriate emergency reserve fund.
Action Needed	Step 1: Review work order data for a recent 12-month period and determine which work orders were "emergencies."
	Step 2: Sort emergency work orders by building and type of work order.[22]
	Step 3: From the sorted data, determine average emergency costs by type of work order and age of building.
	Step 4: Establish campus-by-campus contingency funds based on the historical averages for buildings by age of facilities. Reserves should be adjusted based on the age of major building improvements. [23]
Who Is Responsible	Chief of Facilities Maintenance and Operations
Time Frame	June 2005
Fiscal Impact	The exact fiscal impact will be determined by the analysis, but based on emergency contingency budgets maintained by other large Districts, MDCPS might need to increase their budget by $8 million to $10 million over the next five years.

Source: Berkshire Advisors, Inc.

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[22] For example, roofs, air conditioning, disaster-related, etc.

[23] For example, if an older building has had its roof replaced recently, it may be unnecessary to budget an emergency contingency for that building's roof.

10 The Maintenance Department does not regularly evaluate its activities to determine the most cost-effective method of providing service.

The District does not currently analyze the least costly method of completing maintenance projects

Maintenance Operations has procedures in place to maximize the cost-effectiveness of general support activities, primarily by attempting to determine the least costly and quickest way to get work orders completed (either through JOCs, term bid contracts or in-house labor). However, in practice, the decision to use outside contractors is based on the availability of staff, not the most efficient way to complete the project. In most instances, outside contractors are used only if District trade staff is spread too thin to take on more work. Although the District has in the past outsourced major maintenance activities that were previously conducted by in-house staff, there is no active process for determining if there are other areas where outsourcing might be cost-effective.

A more efficient process would identify the costs associated with each method of completion and shift resources in order to ensure capacity exists. For some types of projects, the District might end up increasing JOC and/or term bid activity. For others, in-house staff might actually need to be increased. But in the long term, if the District is using the least-costly method, overall expenditures should decrease.

The performance of contractors is not consistently evaluated for each project completed

The Maintenance Department has established a standard evaluation process for monitoring the performance of contractors, and evaluations are being completed for most contracted work. However, the evaluations of JOC and term bid contractors are completed at the end of the contract term, not for each project completed by the contractor. In addition, "customer service" feedback from end users (i.e., school principals) is not a formal part of the evaluation process. Nor are end users involved in evaluating the quality and customer service of work orders performed by in-house trades staff. Since it is ultimately the users of the buildings that are affected by maintenance activities, some form of end user customer satisfaction reporting should be a part of maintenance evaluations.

Zone Mechanics do not devote sufficient time to maintenance activities that require their skills and experience

The District has established a Zone Mechanic system and principals generally like the program. Under a Zone Mechanic system, skilled maintenance "generalists" are assigned to one or more schools. Their role is to identify maintenance needs in their school(s), write up an initial work order for repairs, and complete "minor" work orders that do not require the specialized skills of the trades staff. In addition, Zone Mechanics are also on site to provide a level of preventative maintenance in the schools, such as changing air filters and replacing light bulbs.

Given their scope of responsibilities, the amount of preventative maintenance that can reasonably be provided by Zone Mechanics is very small. In some cases, the District has one full-time Zone Mechanic for a school of over 400,000 square feet. In other cases, the Zone Mechanic must split time between two or more schools. While it is not practical for Zone Mechanics to perform significant preventive maintenance, a recent informal survey conducted by a maintenance department official found that nearly half of the Zone Mechanics' time is spent changing light bulbs and filters. These unskilled jobs do not require the skill level—and commensurate pay—that the Zone Mechanics possess. In short, the Zone Mechanic program is a good way to identify repair needs and more effectively write up work orders, but it is considerably less effective as vehicle for completing front-line preventative maintenance activities.

Recommendations

- *We recommend that the District establish a dollar limit over which all projects must be formally analyzed to determine the least expensive service delivery method.*

Action Plan 11-17 provides the steps needed to implement this recommendation.

- *We recommend that the District incorporate customer feedback from end users on work orders and that this feedback be used to evaluate in-house staff and outside contractors.*

Action Plan 11-18 provides the steps needed to implement this recommendation.

- *We recommend that the District shift the responsibility for unskilled maintenance tasks, such as changing light bulbs and filters, to custodial staff or to contracted service providers and that Zone Mechanics should focus on writing up work orders and performing more technical routine maintenance items.* [24]

Action Plan 11-19 provides the steps needed to implement this recommendation.

Action Plan 11-17

Establish A Dollar Limit Over Which All Projects Must Be Formally Evaluated To Determine The Least Expensive Service Delivery Approach		
Strategy	Establish a dollar limit over which all projects must be formally analyzed to determine the least expensive service delivery method.	
Action Needed	Step 1:	Determine who will be responsible for analyzing and comparing expected costs.
	Step 2:	Determine how many such analyses can be completed by that individual or group in a given time frame.
	Step 3:	Review the average number of work orders generated by the District over the given time frame.
	Step 4:	Back into the dollar threshold based on the amount of expected analysis workload.
	Step 5:	Assess whether this threshold is reasonable.
	Step 6:	Without regard for internal capacity, review all new work orders with cost estimates above the dollar threshold to determine the least costly method of completion.
	Step 7:	If outside contractors are less costly than in-house trade areas with excess capacity, the District should consider downsizing in those areas.
Who Is Responsible	Chief of Facilities Maintenance and Operations	
Time Frame	June 2002	
Fiscal Impact	The amount of potential savings will depend upon the analysis.	

Source: Berkshire Advisors, Inc.

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[24] This recommendation may require the renegotiation of existing labor agreements.

Action Plan 11-18

Incorporate Feedback From End Users Into The Evaluation Of In-House Trades Personnel And Outside Contractors	
Strategy	Incorporate customer feedback from end users for all work orders and use this feedback to evaluate in-house staff and outside contractors.
Action Needed	Step 1: Develop a customer service rating form for maintenance work. [25] Step 2: Require customer service rating forms for all work orders not completed by the in-school Zone Mechanics. School administrators should complete forms, though delegation of this responsibility to Zone Mechanics would be acceptable. Step 3: Compile and track customer service ratings for various categories: • By satellite • By trade • By service provider (in-house, JOC, term bid) Step 4: Use customer service rating data for internal and external evaluations.
Who Is Responsible	North and South Area District Directors, Executive Director of the Division of Management Systems and Controls
Time Frame	December 2002
Fiscal Impact	The amount of resources spent by the District will not be affected, but the information will help the District to identify staff and contractors who need to improve their performance.

Source: Berkshire Advisors, Inc.

Action Plan 11-19

Reassign Responsibility For Unskilled Maintenance Tasks To Custodians Or To Outside Contractors	
Strategy	Shift the responsibility for unskilled maintenance tasks, such as changing light bulbs and filters, to custodial staff or to contracted services in order to allow the Zone Mechanics to focus on more technical routine maintenance.
Action Needed	Step 1: Amend job descriptions, collective bargaining agreements and resource allocations for outside contracting, as necessary, to allow the reassignment of responsibility from Zone Mechanics for changing air filters and burned out light bulbs. Step 2: Develop an estimate, by building, of the amount of time required to change bulbs and air filters. Step 3: If custodial staff cannot assume these responsibilities, enter into agreements with outside contractors to provide bulb and filter changing services.
Who Is Responsible	Director of Department of Plant Operations, Executive Director of Maintenance Contract Management
Time Frame	December 2002
Fiscal Impact	The District can avoid as much as $18 million in costs over the next five years by shifting responsibilities for unskilled maintenance from zone mechanics to custodians. This will enable the District to increase the work done by the zone mechanics without increasing the number of mechanics on staff. Based on the number of work-hours spent on this kind of maintenance, and the lower salaries of custodians as compared to the higher paid zone mechanics, this District could avoid up to $3.6 million per year, or $18 million over a five-year period.

Source: Berkshire Advisors, Inc.

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[25] This form should solicit information on the timeliness with which work orders are completed, the courteousness of maintenance staff, and the quality of the workmanship.

11The District is generally minimizing equipment costs through its purchasing practices, but improvements in preventative maintenance practices could reduce costs even further.

The District has established a number of effective practices to minimize equipment acquisition costs

The District does a generally good job of ensuring that prices it pays for equipment are reasonable. In particular, procedures have been established and are being followed for conducting cost comparisons prior to contracting for maintenance related goods and services. In addition, volume purchases are being made for a variety of parts, supplies and services. Contracts are also periodically re-bid to enhance competition.

The District does not adequately consider life cycle costs when considering equipment purchases

The District focuses primarily on acquisition costs when making purchasing decisions and does not generally consider equipment operating and maintenance costs. Indeed, the most heavily weighted factors when making a purchasing decision are equipment and installation costs. Maintenance operations managers, Zone Mechanics and other "hands on" maintenance workers are generally not asked to comment on routine maintenance issues relating to major equipment purchases. In some instances, this has resulted in increased JOC and term bid fees and in-house overtime charges for routine and corrective maintenance increases on certain equipment.

The District does not systematically evaluate whether equipment should be refurbished, repaired, or replaced

From time to time, the Maintenance Department does refurbish and repair equipment as an alternative to replacement, but this is less a function of cost analysis and more one of affordability: if the budget permits replacement, an item will be replaced. There is no systematic process in place to determine if less costly alternatives to equipment replacement are available. Likewise, no systematic analysis is done to determine when it is cost-effective to replace equipment rather than to make repairs. As a result, the District is likely to sometimes spend more than necessary to remedy major equipment problems.

The District does not verify the accuracy of replacement projections for major plant and equipment

Replacement projections for major plant and equipment are factored into the District's five-year Capital Outlay budget, however, little is done to verify the accuracy of these projections or to improve the methods used to predict costs in the out years. [26] Since only a fraction of the Capital Outlay budget is ever funded during the District's budgetary process, maintenance operations managers have little incentive to commit the time and effort needed to improve the accuracy of the Capital Outlay budget. As previously mentioned, inflation costs for major equipment is not consistently applied as part of the five-year budget planning.

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[26] For example, the District does not evaluate life cycle data on major items, such as gym floors and flat roofs, to determine how long they typically last before needing to be replaced. Having life cycle data on major equipment and tying that to schedules in individual schools would greatly improve the accuracy of replacement projections.

Recommendations —————————————————

- *We recommend that the District formally consider ongoing preventative maintenance costs when evaluating the cost of replacement equipment.*

Action Plan 11-20 provides the steps needed to implement this recommendation.

- *We recommend that the District establish replacement schedules based on actual historical data on major equipment and adhere to the schedule in order to minimize "emergencies."*

Action Plan 11-21 provides the steps needed to implement this recommendation.

Action Plan 11-20

Consider Life Cycle Costs When Acquiring New Equipment	
Strategy	Consider ongoing preventative maintenance costs when evaluating the cost of replacement equipment. [27]
Action Needed	Step 1: Amend the approval process for all major equipment purchases to require the consideration of annualized maintenance costs. Step 2: Calculate the present value of the projected maintenance costs for the expected life of the equipment and consider those costs when making acquisition decisions.
Who Is Responsible	Chief of Facilities Maintenance and Operations, Chief Facilities Officer (Facilities Planning & Construction), Executive Director of the Division of Management Systems and Controls.
Time Frame	September 2002
Fiscal Impact	The amount of potential savings will depend upon the results of the analysis performed.

Source: Berkshire Advisors, Inc.

Action Plan 11-21

Establish Replacement Scheduled For Major Equipment	
Strategy	Establish replacement schedules based on actual historical data for major equipment and adhere to the schedule in order to minimize "emergencies."
Action Needed	Step 1: Review historical life cycle information and determine the average actual life for major equipment. Step 2: Use calculations to modify the District's five-year Capital Outlay budget.
Who Is Responsible	Chief of Facilities Maintenance and Operations, North and South Area District Directors
Time Frame	December 2002
Fiscal Impact	The amount of potential savings will depend upon the results of the analysis performed

Source: Berkshire Advisors, Inc.

12 With some notable exceptions, the District does not do a good job of using proactive maintenance to reduce overall maintenance costs.

The cost of operating and maintaining non-major equipment and systems is generally not considered during the equipment selection and facility design processes.

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[27] The District might set a cost threshold for this strategy over which an evaluation would be required.

The cost to operate major equipment and systems is evaluated as part of the facility design process, but operational and maintenance costs for smaller, everyday items are generally not addressed. These smaller items, though much less costly than major systems, often burden preventative maintenance procedures unnecessarily. For instance, recessed lighting requires special, costly light bulbs that are difficult—and time-consuming —to change.

The District generally does not do a good job of proactive maintenance

As discussed in detail in Sections 2 and 4 of this chapter, the District generally does not do a good job of proactive maintenance. However, the District's effort to outsource the preventative maintenance of major HVAC systems to private contractors has been successful.

As previously mentioned, the Zone Mechanic program is in place and serves to enhance preventative maintenance, but the small scale of the program limits its effectiveness. Many preventative maintenance items which could easily be repaired by the Zone Mechanic must be written up as work orders and handled by the trades because the Zone Mechanic is simply spread too thin. Still other more technical work orders that some Zone Mechanics are fully capable of completing must be handled by the trades due to the time required to complete them and current labor contract restrictions. [28]

Recommendations

- *We recommend that the District consider allocating more resources to preventative maintenance activities—especially the Zone Mechanic program—to help reduce excessive deferred maintenance costs.*[29]

Action Plan 11-22 provides the steps needed to implement this recommendation.

Action Plan 11-22

Allocate More Resources To Preventive Maintenance Activities		
Strategy	Allocate more resources to preventative maintenance activities—especially the Zone Mechanic program—to help reduce excessive deferred maintenance costs.	
Action Needed	Step 1:	Review a recent 12-month period of work orders and sort out those that could have been handled by "generalist" Zone Mechanics.
	Step 2:	Calculate the number of full-time equivalent Zone Mechanics that would be required to complete those work orders.
	Step 3:	Shift the equivalent number of trade staff to the Zone Mechanic program.
Who Is Responsible	Chief of Facilities Maintenance and Operations	
Time Frame	July 2002	
Fiscal Impact	The amount of resources spent by the District will not immediately be affected, but the reduced effort that will need to be devoted to corrective maintenance as preventive maintenance practices are implemented and efficiencies in the completion of school-based work orders will, over time, free maintenance resources for other priorities.	

Source: Berkshire Advisors, Inc.

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[28] Zone Mechanics are prohibited from completing any repair requiring more than two hours.

[29] This recommendation may require the re-negotiation of existing labor agreements.

Supervision and Training

13 Maintenance Operations reviews its organizational structure from time to time.

Maintenance Operations' organizational structure is modified from time to time

Regular organizational reviews allow managers to determine the most efficient organizational structure and modify an organization as District goals, objectives and priorities change. Maintenance Operations has made some changes to its organizational structure over the past few years. Most recently, at the direction of the new Superintendent, the Division of Safety, Energy, Communications and Fiscal Management was transferred to the Department. Prior to that, on May 15, 2001, the Chief Facilities Officer – Maintenance position was created. However, many of the organizational changes recommended in an organizational and management review by Arthur Andersen study were not implemented. We could not determine why the Arthur Andersen recommendations to improve the organizational structure were not implemented.

The department's organization is generally sound and current lines and spans of authority are reasonable. A depiction of the organizational structure is included in all of employee handbooks and internal audit reports and changes in the structure are reported promptly to the Board as it is changed.

14 Maintenance Operations review of staffing levels has not prevented it from becoming overly dependent on maintenance worker overtime.

Maintenance Operations has become increasingly dependent on overtime in recent years

The increase in maintenance worker overtime in the past three years has been staggering. As Exhibit 11-7 shows, from June 1998 to June 2001 the number of hours of overtime paid to maintenance workers increased by 242% while the overtime compensation paid to these workers almost tripled (overtime compensation increased by 296%). During the fiscal year ended June 30,2001 the Maintenance Operations Department paid its staff for 287,980 overtime hours. These funds could have been used to fund approximately 150 additional maintenance worker positions. The Miami-Dade County Public Schools' internal auditor recently issued a report that included a recommendation to consider the establishment of a second shift as a method of reducing the need for maintenance overtime.

Exhibit 11-7

Maintenance Worker Overtime Has Increased Dramatically In Recent Years

Maintenance Worker Overtime July 1998-June 2001	Hours	Dollars
July 1998-June 1999	84,121	$2,156,060.7
July 1999-June 2000	159,945	$4,270,520.8
July 2000-June 2001	287,981	$8,547,542.8
Increase, fiscal 1998-99 to 2000-01	203,860	$6,391.482.0
Percentage Increase July 1998 to June 2001	242%	296%

Source: MDCPS Maintenance Department.

Two primary factors have contributed to this explosion in maintenance overtime expenditures. First, as discussed in section 8, the hiring freeze to which Maintenance Operations has been subjected over the past five years has created an imbalance in maintenance staffing. [30] Consequently, some trades simply do not have the capacity to complete the work orders assigned to them during regular work hours and must use overtime to complete these tasks. Second, the Dade County Fire Department identified a significant number of fire code violations during the 1999-2000 fiscal year. The District chose to address this problem with increases in maintenance worker overtime commencing with the 2000-2001 fiscal year. Third, the lack of performance standards and effective management and supervisory practices has also increased overtime expenditures. Typically, as overtime usage increases workers have less incentive to complete their work assignments during their normal working hours because they will receive more compensation if their work is completed on overtime. Consequently, organizations that do not place strict limits on the availability of overtime must manage staff aggressively to ensure that only work that cannot be completed during normal work hours is completed on overtime. At present, however, Maintenance Operations managers and supervisors do not manage their subordinates aggressively, in part because doing so is not a Department priority and in part because the performance standards needed to facilitate improved management are not in place.

Maintenance and custodial staffing allocations are adjusted each year and reflect changes in workload and need

Maintenance Operations annually reviews staffing and redistributes staff to balance out the number of maintenance workers assigned with the square footage of building space maintained. A much more sophisticated reallocation of custodial staff also takes place as new schools and additions are placed in service. The custodial allocation formula takes into account changes in building area, enrollment growth, and changes in the number of special education classes. The MDCPS School Board has approved the custodial allocation formula. However, as discussed in Section 8 of this chapter, no similar allocation formula has been approved for maintenance workers.

Recommendation

- *We recommend that the District reduce its growing dependence on overtime and immediately establish a staffing formula based on historical work order activity data for maintenance staff.*

Action Plan 11-15 (in section 8 of this chapter) provides the steps needed to implement this recommendation.

15 Maintenance Operations ensures qualified staff by using appropriate hiring practices.

Maintenance Operations employs appropriate hiring practices including the use of informative job vacancy notices and applicant background checks

Effective procedures have been developed for attracting qualified applicants for Maintenance Operations positions, however, the District's long-standing hiring freeze has precluded any significant hiring for other than custodial staff. The hiring process, when it is used, functions adequately. Vacancy notices are descriptive and published both as postings at the Human Resources office and in the Weekly Reader that is distributed to all schools. Principals have

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[30] Maintenance Operations has been under a hiring freeze for five years during which time only custodial staff have been exempt from the freeze. The hiring freeze was recently made into a permanent reduction when the District cut all of the vacant maintenance worker positions –approximately 70 positions during the budget development process for the 2001-2002 fiscal year.

indicated that they have not had any difficulty attracting applicants for custodial positions. In addition, Personnel Management and Services does an adequate background check of all new employees.

Some maintenance worker job descriptions require county certificates of competency (COCs). Applicants must take a written test administered by Dade County to obtain a COC. In addition, the District administers a practical examination to confirm competency.

16 Maintenance Operations has a written job description for each department position.

Maintenance Operations has developed a written job description for each department position that details job responsibilities and position requirements (including required county certificates of competency). The Department's Employee Resources unit updates these position descriptions as needed in consultation with appropriate staff. Typically a broad cross-section of staff prepares new job descriptions. Job descriptions are available to maintenance workers who can review them upon request.

17 The current practice of not conducting performance evaluations of maintenance workers has prevented the Department from providing appropriate supervision of maintenance and operations staff.

Annual performance appraisals are not completed for maintenance workers

Both Maintenance Operations' Trades Handbook and its Administrators Handbook describe in detail the performance evaluation process for staff in various classifications and collective bargaining units. Nonetheless, the department does not conduct performance evaluations of maintenance workers who have satisfactorily completed their four-month probationary period. [31] Maintenance workers may therefore work for years at a sub-par level and not receive any systematic objective feedback on their performance from management. The impact of failing to provide regular and consistent feedback on performance can increase District costs in two ways: 1) through the hiring of additional maintenance workers to make up for the ones who are performing below par and 2) by increasing reliance on outside contractors to perform work that in-house staff is not getting done. In short, the lack of a formal evaluation process for maintenance workers, a group of employees that earned more than $30 million during the 2000-2001 fiscal year, deprives the department of one of its most effective tools in providing workers with incentives to improve their performance and productivity.

Maintenance Operations staff have stated that the reason they do not conduct performance evaluations is that collective bargaining agreements with the unions representing the majority of maintenance workers prohibit performance evaluations for other than probationary employees. A review of the collective bargaining agreements for the workers did not disclose this prohibition. Indeed, the collective bargaining agreement clearly allows supervisors to hold conferences-for-the-record (CFRs) with employees and these conferences can serve the same purpose as a performance appraisal. According to the collective bargaining agreement, a CFR may be scheduled whenever a supervisor believes that there has been a perceived "violation of any rule, regulation or policy". Currently, CFRs focus mainly on attendance, tardiness and other working condition rules rather than productivity. Moreover, they are conducted at the initiative of a supervisor and are not systematic.

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[31] These performance evaluations are performed in accordance with Board Rules and directives from the labor relations office.

Please note that the development of performance standards should precede any effort to strengthen the performance appraisal process. Indeed, without performance standards, the expectations for performance that should be included in any performance evaluation system would lack rigor and consistency across workers.

Levels of authority have been clearly defined and are published.

Organization charts have been published that identify the level of authority for each position in very broad terms. In addition, both the Trades Handbook and the Administrators Handbook describe the approvals needed to perform critical departmental tasks.

Supervisory ratios for maintenance operations have not been established.

The Maintenance Department has not implemented the supervisor/employee ratios recommended in the Arthur Andersen report due to "budget constraints". In addition, the long-standing hiring freeze has eliminated the significance of a maintenance worker staffing allocation formula. Custodial supervisory positions are allocated based upon a Board approved formula, however.

Recommendation

- *We recommend that the District develop a maintenance worker performance evaluation process that includes productivity measures in addition to compliance with "rules, regulations and policies".*

  Action Plan 11-23 provides the steps needed to implement this recommendation.

Action Plan 11-23

Conduct Annual Performance Evaluations for Maintenance Workers		
Strategy	Conduct annual performance evaluations and use the process to enhance the productivity of all maintenance staff.	
Action Needed	Step 1:	Develop draft annual performance evaluation document and procedures.
	Step 2:	Obtain feedback from District's labor relations office.
	Step 3:	Revise draft and share it with the leadership of affected unions.
	Step 4:	Finalize performance evaluation document and procedures for administering it.
	Step 5:	Develop training plan for staff that will be responsible for administering the performance evaluation document.
	Step 6:	Commence training of coordinators, forepersons and all others who supervise maintenance workers.
	Step 7:	Administer performance evaluations.
Who is Responsible	Executive Director Maintenance Employment/Employee Resources, Policies and Procedures	
Time Frame	October 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

18The District provides insufficient training for maintenance and operations staff.

The District devotes insufficient attention on ensuring maintenance staff receive needed training

Maintenance Operations devotes a paucity of funding to support internal professional development activities. As of October 22, 2001 Maintenance Operations did not even have a training plan for the balance of the year. Instead, staff receives professional development when satellite directors determine that a need exists or when federal, state, or local law mandates training. The type of training provided includes procurement procedures, supervisory skills, contract service procedures, and technical training on the use of certain equipment. This training is provided both by outside instructors and internal staff. Despite the fact that maintenance workers are expected to operate and maintain increasingly complex equipment, employees receive just an estimated eight hours of total training each year. No reliable information on the actual mount of training received is available because the Department's human resource system does not track staff training unless it is required to by law – for example, for asbestos certification. Computerized training records are not maintained that indicate in each employee file what courses they have attended.

It should be stressed that many maintenance workers are required to have certificates of competency (COCs) from Dade County to maintain their positions. Employees working under these COCs must meet a continuing education requirement. However, meeting this bi-annual requirement is the responsibility of each individual employee. The District provides no support for these efforts.

Maintenance Operations managers recognize the need for increased professional development. In recent years, however, the resources needed to fund such programs simply have not been available. For example, managers have acknowledged that equipment being installed in schools is becoming increasingly complex and requires that maintenance worker skills develop accordingly.

Assistance from the District's curriculum development department is not solicited to support the development of Maintenance Operations training activities

The Maintenance Department does not use the services of the District's curriculum development department to produce a planned, sequential program for personnel skills development. The Executive Director and Director of the Employee Resources unit are both educators thereby obviating the need for technical support help from this Department. As noted before, resources, not technical skills are the primary barrier to developing a more effective training program.

Participants for each course provided complete training evaluation forms. These forms are reviewed and used to determine the effectiveness of the course and the instructor.

The District does not have an apprenticeship program

Maintenance Operations does not currently have an apprentice program. The Chief Facilities Officer-Maintenance advised that the on-going hiring freeze has precluded the Department from establishing such a program.

Recommendation ─────────────────────────

- *We recommend that the District develop an annual training program that focuses on increased technical training for its maintenance workers.*

Action Plan 11-5 (in section 4 of this chapter) provides the steps needed to implement this recommendation.

19 The District provides maintenance and operations department staff the tools and equipment required to accomplish their assigned tasks.

The Maintenance Operations department has procedures in place to provide small tools to its trades staff in accordance with the requirements of their respective collective bargaining agreements. Infrequently used tools may be obtained from the area shops.

Maintenance Management Systems ──────────

20 A computerized control and tracking system is used to accurately track work orders and inventory however it is not used in a consistent and structured manner to improve staff performance.

The work order tracking system that is used by the District has both strengths and limitations

Maintenance Operations uses a work order tracking system called COMPASS. This system captures a great deal of useful work order information and can be used to analyze this information. In addition, the system interfaces with the District's materials management system can be used to track and update supply inventories and to generate pick lists from the actual work orders entered into the system. [32] The system also maintains the minimum inventory levels that will generate requisitions to reorder (i.e., economic re-rder) quantities for all items. These reorder quantities are constantly re-evaluated by Procurement and Materials Management staff to ensure their appropriateness.

On the other hand, the COMPASS system also has a number of limitations. For one thing, it is old and not very user friendly (i.e., not very intuitive). In addition, principals cannot use the system to initiate work orders online but instead must call in work orders to customer service representatives. Maintenance satellite staff is generally satisfied with the usefulness of the work order information obtained through this process. Perhaps the most significant shortcoming from a management perspective, however, is that system only allows access to data for the past 13 months. This precludes comparisons between fiscal years. Useful work order information can reduce or in some instances eliminate the need for a site visit prior to commencement of the repair.

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[32] The procurement of supplies and equipment is handled by the Department of Procurement and Materials Management, which is independent of Maintenance Operations.

Work order information is not used systematically to improve performance

The ability to access historical work order data and compare it with current data such as hours spent per project and cost of materials used per project has the potential to be a critical tool in developing building and equipment life cycle cost data, projecting staffing needs, and controlling materials costs. In addition, comparing the maintenance worker time and materials used on a project with previously developed standards can be a powerful for analyzing the efficiency of maintenance operations and evaluating the performance of individual workers. At present, however, Maintenance Operation does not use such information to improve performance.

There is no evidence that Maintenance Operations managers and supervisors analyze information on effective work hours, hours scheduled versus hours worked and project completion times. Indeed, both the North and South Area Directors and satellite directors advise that while foremen are expected to monitor maintenance worker productivity they are not expected to use COMPASS system data for this purpose. Moreover, the Executive Director of Operations Management indicated that he did not believe that any of the supervisors, coordinators or directors in Maintenance Operations are systematically using reports generated by the COMPASS system as a management tool.

To its credit, Maintenance Operations has recently developed a data warehouse tool that will facilitate accessing historical COMPASS data to facilitate analysis of data over a number of years. While this is certainly a worthwhile endeavor it must be coupled with an effort to require managers to make more effective use of information as a management tool.

Recommendation ———————————————

- *We recommend that the District expedite the completion of the data warehouse development and develop standard reports to facilitate the use of work order management system data by foremen and coordinators.*

Action Plan 11-24 provides the steps needed to implement this recommendation.

Action Plan 11-24

Enhance The of Work Order Management system		
Strategy	Begin using a data warehouse to facilitate the use of the COMPASS system for workload analysis.	
Action Needed	Step 1:	Design standard COMPASS reports to analyze worker productivity and material usage between current year and past years.
	Step 2:	Train managers and coordinators in the use of new COMPASS workload reports.
Who is Responsible	Executive Director of Operations Management and Planning	
Time Frame	June 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

21 Maintenance Operations has an effective system for prioritizing maintenance needs uniformly throughout the District.

The prioritization of work orders is equitable

Maintenance Operations take prudent steps to ensure that the priority with which work orders are completed is even handed and reflects both District and school needs. Emergency work orders are given the highest priorities. These work orders include life safety repairs (such as air conditioning and roof repairs), and other repairs that are necessary to allow the learning process to occur. [33] All other work orders are handled on a "first in, first out" basis.

Department staff also meets monthly with Regional instructional staff to discuss outstanding maintenance issues and to ensure maintenance issues are being addressed. The Chief Facilities Officer-Maintenance also participates in these meetings with principals and assistant principals. By working collaboratively with these school-based and instructional staff, Maintenance Operations strives to ensure that changes in priorities are understood and are acceptable to school operations staff.

By all accounts, these efforts have been successful. Discussions with principals and the Deputy Superintendent for Operations confirm that they perceive the work order prioritization process as being equitable.

Procedures for handling emergency maintenance needs are adequate

In some cases, emergency repairs must be funded from the emergency maintenance fund. The Department has written procedures for using this fund that require the approval of the Superintendent of Schools. The maintenance area and satellite staff interviewed confirms that these procedures are adhered to and that the process for accessing emergency maintenance funds is effective. Although the Chief Facilities Officer-Maintenance indicates that the emergency budget is adequate, given the number of unmet needs in Maintenance Operations Capital Outlay Budget, the current budget of $600,000 is insufficient.

Recommendation ———————————————

- *We recommend that the District analyze its history of emergency repairs and establish maintenance reserve funds accordingly*.

Action Plan 11-16 (in section 9 of this chapter) provides the steps needed to implement this recommendation.

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[33] A review of the five-year capital plan confirms that life safety issues take precedence over all other repairs.

Health, Safety And Energy Efficiency ────────

22The District has policies and procedures in place that adequately address the health and safety conditions of its facilities.

The District has clearly written health and safety standards for general safety, construction safety, emergency management, blood borne pathogens and internal pest management. However, there is no ongoing evaluation of the cost effectiveness of these health and safety standards. In fact, unit managers do not even track workers compensation claims to determine if additional health and safety issues need attention.

In addition, each year the District evaluates the condition of each school and documents its findings in the annual Safety-to-Life report. These reports are completed consistently and on time each year as the law requires. As mentioned earlier in this chapter, however, due to insufficient resources being allocated to correcting Safety to Life work orders and fire code violations, the District does a poor job of remedying these issues.

Recommendations ────────────

- *We recommend that the District establish a formal process for evaluating the cost effectiveness of its safety plans including the analysis of workers compensation claims and lost productivity for each category of health, safety and emergency management.*

    Action Plan 11-25 provides the steps needed to implement this recommendation.

Action Plan 11-25

Establish A Formal Process For Evaluating The Effectiveness Of Safety Plans	
Strategy	Establish a formal process for evaluating the cost effectiveness of its safety plans including an analysis of workers compensation claims and lost productivity for each category of health, safety and emergency management.
Action Needed	Step 1: Review worker's compensation claims on an ongoing basis and categorize them by type of health and safety issue. Step 2: Periodically review this information to determine if patterns of problems are developing. [34]
Who Is Responsible	Executive Director, Maintenance Employment Standards
Time Frame	December 2002
Fiscal Impact	The resources spent by the District will not immediately be affected, but costs associated with future workers' compensation claims and staff illnesses may be reduced.

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[34] For example, several claims involving injury to a particular group of workers should be investigated to determine if work practices in that group are the cause of the problem.

23 The District has implemented several strategies to contain energy costs.

The District has implemented several strategies to control energy costs

The Miami-Dade County Public Schools has been proactive in its efforts to contain energy costs. The effective steps it has taken in this regard include the following:

- The District has established a written energy cost containment program.
- Pilot projects have been established with three energy management services companies.
- The District has worked collaborative with utility providers, government agencies, and industry experts on energy efficiency issues.

A discussion of each of the energy conservation initiatives follows.

Cost containment program. The Division of Energy has an established, written cost containment program that identifies energy reduction measures, by school, for a five-year period. The information is tracked on a monthly basis and reported back to the schools.

Energy management pilot programs. The District has hired three separate energy management services companies to assist in an energy management pilot program at 18 school buildings. This program is now in its fifth year. Extensive benchmarks for the pilot have been set and are monitored on an ongoing basis. An additional 27 schools have been added to the program based on selection criteria developed from the District's experience during the first phase of the pilot.

Collaboration with energy stakeholders. The District has actively collaborated with utility providers, government agencies, and industry experts to control energy costs. For example, the District takes advantage of energy rebate programs and other incentives offered by local utility companies. In addition, the District participated in the Institutional Conservation Program that provided state and federal matching grant funds for energy conservation projects. [35] District staff members have also periodically participated in seminars, workshops and conferences on effective demand-side energy management, technological developments, and associated best practices sponsored by government agencies, trade associations and private companies.

One approach the District could take to further strengthen energy conservation measures is to be more aggressive in addressing problems where energy usage reports reflect irregular usage patterns. At present, the Division of Energy, which tracks school-level energy usage, does not proactively suggest possible fixes for schools where usage has increased, nor does it attempt to determine why usage may have decreased at some schools so that this experience might be replicated at other schools.

The District does not perform routine air quality inspections

The District has a written plan for indoor air quality as required by the State Environmental Protection Agency. In developing its plan, the District made a conscious decision to implement a complaint driven process rather than a process that requires routine air quality inspections. This decision was based on an informal analysis of costs and benefits performed by Division management. The District's rationale for establishing a complaint driven process is that because there are so many things that could cause airborne illness, and because some people are more sensitive to certain microbes than others, blanket testing of air quality would be cost prohibitive. [36] The District's air quality

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[35] The District curtailed its use of this incentive when it was changed from a grant program to a loan program.

[36] An example of this is an illness caused by an allergy. The level of dust or mold tolerable by most people might cause a severe allergic reaction in a few. Blanket testing for "problem" levels of dust or mold would be impossible without knowing the tolerance levels of each individual in the building.

plan does, however, articulate a thorough process for corrective action when air quality issues are raised, and these procedures are consistently applied when air quality issues arise in District buildings.

Recommendations

- *We recommend that the District use the energy usage data it collects for each school to identify problems for early correction and to identify "best practices" at the school level that can be instituted at other District school buildings.*

  Action Plan 11-26 provides the steps needed to implement this recommendation.

Action Plan 11-26

Identify Energy Efficiency "Best Practices" For District School Buildings		
Strategy	Use the energy usage data it collects for each school to identify problems for early correction and to identify "best practices" at the school level that can be instituted at other District school buildings.	
Action Needed	Step 1:	From the monthly energy usage reports produced for each school, identify schools that have drastically increased or decreased energy usage.
	Step 2:	Investigate the reasons for the changes and determine if changes are lasting or if they were simply anomalies.
	Step 3:	For energy usage increases determined to be lasting, brief the building administration on methods they can use to permanently reduce energy usage.
	Step 4:	For energy usage decreases determined to be lasting, attempt to determine what practices have caused the decrease and publicize those practices to other schools.
Who Is Responsible	Director of Energy Programs	
Time Frame	July 2002	
Fiscal Impact	The amount of potential savings will depend upon the analysis.	

24 The District has an effective energy management system in place, though communication of results could be improved.

The District prepares a monthly report that shows year-to-year energy costs and consumption by school building. This report is provided to principals. The District has also established an Energy Rebate Program through which a percentage of an individual school's energy cost savings are rebated to the school's discretionary fund. However, as noted in section 11, the monthly energy consumption reports are not systematically used to investigate and correct potential problems or to inform schools of "best practices" they should emulate. Also, few students and teachers are aware of the Energy Rebate Program at the school level. As it is the daily activities of students and staff that most affect the District's energy usage, it would serve the District well to have everyone—not just principals—focused on reducing energy usage. Principals at several District schools recognize this and publicize the program within their schools, but that practice is not universal.

The District is also involved in a pilot project with three energy management companies that seeks to reduce energy costs at schools by installing several different energy efficiency improvements such as centrally-regulated energy control equipment, occupancy sensors, heat barriers, photo electric cells, and more efficient lighting systems. Based on reports that show year-to-year costs and usage, the program is having a positive impact. Analysis has also been done to compare the usage at the pilot schools with usage at other District schools. Based on the positive results of this analysis, the District has added additional schools to the pilot project in its second phase. It should be noted that routine reports are generated by the division to monitor energy usage in the schools and to verify that the energy

management systems are working. These reports are used to evaluate the District's return on investment from the systems installed.

25 The District does a good job of complying with federal and state regulatory mandates regarding facility health, safety and energy efficiency.

The District's health, safety and energy procedures are reasonable and do not violate any relevant federal, state or local laws, or regulations in any material way. Mandatory employee safety programs are periodically provided for maintenance and custodial workers. The District also voluntarily participates in EPA's Energy Star program and has been recognized by that program for innovation in energy conservation measures. [37]

The District has also forcefully and consistently communicates the importance of compliance with state and federal regulations to its employees. For instance, over a 10-month period in 2000 and 2001 when local water restrictions were in effect, only 12 District schools received warnings for violating the irrigation schedule. District executives issued several strongly worded memos on the matter, and virtually all schools complied with the regulations. The District only received one citation during the 10-month period that officials ascribe to a malfunctioning sprinkler timer at a remote playing field.

26 The District is prepared for the new permitting and inspection requirements under the Florida Building Code.

The District has taken prudent steps to prepare for changes in the Florida Building Code and the new process of "self permitting." Training of maintenance staff for the new standards and procedures has begun and is currently ongoing. The new standards took effect on January 1, 2002, and have not been reviewed prior to this study. However, under the previous process, the District had adequate procedures in place to ensure that required permits were obtained prior to the commencement of major projects.

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[37] EPA's Energy Star Program is a federally sponsored program in which a governmental agency agrees to measure, track and benchmark its energy performance using Energy star tools; develop and implement a plan to improve energy performance in its facilities and educate its staff about the benefits of using Energy Star approved electrical equipment.

12 Student Transportation

The Miami-Dade County Public School District transports some 70,000 students to and from school each day, but needs to establish better accountability and improve efficiency.

Conclusion

While there are opportunities to improve the operational efficiency and cost-effectiveness of student transportation services in Miami-Dade County Public Schools, the District will not be able to address these opportunities unless it first addresses a more fundamental deficiency – the general absence of a system of accountability based on measurable goals and objectives. Without a system of accountability, and the management infrastructure needed to support it, Department of Transportation (DOT) managers will have neither the information needed to analyze improvement opportunities nor the support systems needed to drive change. Examples of areas where management systems and accountability are lacking are numerous.

- Specific goals and clearly defined and measurable objectives have not been established.
- Basic student transportation information such as on-time performance, cost per mile, and accident rates per miles traveled are not readily available, nor is such information regularly analyzed for potential opportunities for improvement.
- Bus driver performance is not evaluated and the evaluations of supervisors are not based on measurable outcomes.
- There is a compelling need to integrate and modernize the current information systems and computer support.

Moreover, the lack of management and accountability systems are exacerbated by the DOT's organizational structure. Many organizational units currently operate on a semi-autonomous basis with little oversight associated with effectively managing operations. The absence of an effective system of accountability is magnified by this weak oversight.

Not surprisingly in an environment in which needed management and accountability systems are not in place, numerous opportunities exist to improve operational efficiency and effectiveness. Areas in which efficiency and cost-effectiveness can be improved include bus route scheduling practices, bus driver retention, bus purchases, vehicle retention, staffing formulas, and contracting out.

During the course of this review, Berkshire Advisors identified a number of District accomplishments in the student transportation area, some of which are included in Exhibit 12-1 below.

Exhibit 12-1

The District Recently Has Had a Number of Notable Accomplishments in Student Transportation.

- The Vehicle Maintenance operation unit has taken steps to reduce costs by outsourcing many maintenance and repair jobs that can be performed more cost-effectively by outside contractors than by in-house staff.

- The DOT has a very effective inventory control system in place that has virtually eliminated errors and losses.

- The District has a strong incentive program for vehicle mechanics to achieve American Service Excellence (ASE) certifications in repair techniques and nearly half of all mechanics are currently taking part in the program.

- DOT generates a profit when warranty work is completed in-house and the warranty company is charged back for labor.

Source: Miami-Dade County Public Schools, Department of Transportation.

Overview of Chapter Findings

An overview of chapter findings is presented below.

Safety and Operational Efficiency

1. The District's efforts to ensure the safety of bus routes are generally effective while its efforts to ensure efficient school bus routing are not. (Page 12-9)
2. Regular school bus routes and activity trips operate in accord with established routines, while prepared for unexpected contingencies. (Page 12-15)
3. The District effectively recruits bus drivers, but needs to improve its retention efforts. (Page 12-16)
4. The District provides comprehensive training programs, but needs to shore up its evaluation process and discipline policy. (Page 12-18)
5. The District provides transportation services to exceptional students in a coordinated fashion and accurately reports to the State ESE students transported. (Page 12-20)
6. The District responds promptly and appropriately to accidents. (Page 12-21)
7. The District takes steps to ensure that appropriate student behavior is maintained on school buses. (Page 12-24)

Acquisition and Maintenance of School Buses

8. The District has established a process to ensure that a sufficient school bus fleet is acquired and available to meet the District's student transportation needs, but needs evaluate its policies to ensure efficient practices. (Page 12-24)
9. The District does a good job of providing timely routine servicing for buses and other District vehicles and responds quickly and effectively to breakdowns and other unforeseen contingencies. (Page 12-29)
10. The District's fuel purchase, management and dispensation procedures are cost-efficient and operationally effective. (Page 12-32)
11. The District's maintenance facilities are generally convenient, secure and supportive of maintenance activities. (Page 12-33)
12. The District's maintenance staffing and training is generally adequate, but some improvements could be made. (Page 12-36)
13. The District maintains an inventory of parts, supplies, and equipment, but needs to improve its tracking systems and its procurement practices. (Page 12-38)

Management Oversight And Accountability

14. The technological and computer support for student transportation functions is evolving, but has significant shortcomings and substantial future efforts are required. (Page 12-42)
15. The District has no accountability system in student transportation and no tracking or reporting of performance. (Page 12-43)
16. The DOT coordinates longer-term planning and budgeting for student transportation within the context of District planning efforts, but needs to provide more cost reduction options to the superintendent and school board. (Page 12-45)
17. The District monitors the fiscal condition of student transportation functions by regularly analyzing expenditures and reviewing them against the budget, but needs to improve its tracking systems. (Page 12-46)
18. The District provides accurate counts of eligible students transported on the periodic FEFP survey. (Page 12-47)
19. The District has not adequately analyzed the potential for expanded contracting of student transportation and vehicle maintenance. (Page 12-48)
20. The District has taken steps to minimize administrative layers, but more needs to be done. (Page 12-49)

Fiscal Impact of Recommendations

Berkshire Advisors recommends five actions in the student transportation area that would have a fiscal impact on the District. However, other recommendations have been made that, when implemented, would have a beneficial fiscal impact for the District that cannot be estimated at this time.

Exhibit 12-2

Five Student Transportation Action Plan
Recommendations Have Fiscal Impacts

Recommendation	Five-Year Fiscal Impact
• Action Plan 12-1: Develop transportation plan to increase bus occupancy	• By increasing bus occupancy, the District could realize an additional $1.7 million annually and $8.5 million over five years in state funding.
• Action Plan 12-1: Centralize bus routing function	• Eliminating unneeded routing staff will reduce personnel costs by $500,000 per year and $2.5 million over a five-year period.
• Action Plan 12-5: Reduce the spare bus ratio to no more than 12% of daily routes	• Reducing the spare fleet to 12% of current daily routes would result in a reduction of 62 spare buses. The District could receive a one-time cost recovery of $173,000. • The District could also receive a one-time cost recovery of $290,000 from the sale of its stockpile of "emergency" buses kept in addition to its spare fleet.
• Action Plan 12-5: Review bus size in the transportation fleet	• Operating smaller buses could reduce both operating and capital costs. Depending on routing efficiencies achieved, estimated capital savings could amount to about $616,000 per year and $3.1 million over five years. Up to an additional $438,000 per year and $2.2 million over five years might result from a reduction in fuel expenses associated with operating smaller vehicles.
• Action Plan 12-16: Centralize select functions	• Saving in personnel costs should amount to approximately $350,000 per year and $1,750,000 over five years.

Source: Berkshire Advisors.

Background

Background information on transportation services in the Miami-Dade County Public School District is presented in two subsections. The first subsection presents general information on the scope of the transportation services provided by the District, state support for transportation services, the number of students transported and expenditures. The second subsection outlines how the DOT is organized to provide needed services.

General Information

Located along the southeast tip of the Florida peninsula, the Miami-Dade County Public School District covers 1,955 square miles—an area larger than the states of Rhode Island and Delaware—and is the largest metropolitan area in the State of Florida. It is bounded by Biscayne Bay and the Atlantic Ocean to the east, Everglades National Park to the west, the Florida Keys to the south, and Broward County to the North. One-third of Miami-Dade County is located in Everglades National Park. Most of the 2.2 million inhabitants live on the eastern side of the county in an urban environment. With 1.3 million registered cars and 1.6 million registered drivers, many of the county's main traffic arteries are congested, resulting in extended driving times during peek travel periods.

The Miami-Dade Public School District's DOT employs over 3,100 people—including over 1,800 bus drivers—and is responsible for the home to school transportation of over 70,000 students on some 1,472 routes. The DOT also maintains over 4,000 vehicles including school buses, school police cars, delivery trucks, and various maintenance department vehicles. The 2001-02 annual operations budget for DOT amounts to $88.7 million (see display of budget and actual expenditures in Exhibit 12-5).

Florida law requires school districts to provide student transportation. The state helps districts fulfill this mandate by providing transportation funding for the following groups of students:

- students who live two or more miles from their school;
- elementary school students (sixth grade and under) who live within two miles of their school but who would be required to walk through hazardous conditions (defined by the state) to attend school;
- students with disabilities;
- participants in teenage parent programs; and
- special education, vocational, and dual enrollment students transported from one school to another.

Transportation costs for other students (courtesy riders), extracurricular trips, and costs that exceed the state allotment are paid with district funds.

The state allocates student transportation funding to school districts based on a set formula. The formula makes adjustments for

- the Florida Price Level Index which is generated from the measure of a "market basket" of goods and services in each of the 67 Florida counties,
- a Bus Occupancy Index that rewards districts that have higher load factors (students per bus), and
- a Rurality Index, derived from the Florida Statistical Abstract, which adjusts a district's funding upward based on the number of rural inhabitants and downward based on the number of urban inhabitants.

Exhibit 12-3 presents selected student transportation data for the District and four peer districts in the state for the 2000-01 school year. Listed below are several conclusions that may be drawn from this data.

- The percentage of students transported in the Miami-Dade County Public Schools (17.8%) is less than half the average percentage of students transported in the four peer districts (39.2%). The primary factor contributing to the lower percentage ridership is Miami-Dade's concentrated urban environment in which greater numbers and

percentages of students live within a two-mile radius of their school and are, therefore, ineligible for state funded transportation.

- The District transported fewer regular students per day to more schools, but used more buses and drove more miles compared to its peers. The District's low average bus occupancy is driven in part by transporting fewer students to more schools and the District using more of its fleet to transport students with special needs compared to peers.

- Student transportation staff as a percentage of all District staff was 8.28% in Miami-Dade, which ranked second highest when compared with four peer school districts (which range from 7.71% to 9.65%) and it was above the peer average of 7.73%.

Exhibit 12-3

Comparative Student Transportation Data for Miami-Dade County School District and Four Peer Districts for 2000-01

Measure	Miami-Dade	Broward	Hillsborough	Orange	Palm Beach	Peer Average
Square Miles	1,955	1,211	1,053	910	1,993	1,292
Number of Students Enrolled	368,123	251,080	164,224	150,538	153,853	179,924
Number of Students Transported	62,992	69,752	80,207	63,432	59,095	68,122
Percentage of Students Transported	17.11%	27.78%	48.84%	42.14%	38.41%	39.29%
Number of School centers Served	318	215	178	173	151	179
Number of Buses (Daily Service)	1,471	1,127	1,018	906	566	904
Number Annual Route Miles	26,400,000	20,553,080	23,917,302	16,753,379	10,753,560	17,994,330
Average Bus Occupancy	43	62	79	70	104	79
Percentage of Fleet Used Primarily for Special Needs	40.00%	0.00%	20.00%	36.60%	23.00%	19.90%
Number of Student Transportation Staff	3,116	1,826	1,525	1,695	989	1,509
Total of all District Staff	37,636	24,829	18,626	17,567	17,312	19,584
Percentage of Student Transportation Staff	8.28%	7.35%	8.19%	9.65%	5.71%	7.73%
State Allocation	$30,430,125	$26,386,799	$32,975,602	$25,693,150	$25,954,022	27,752,393
Percentage of Student Transportation Funding by State	34.88%	36.32%	68.86%	52.17%	75.75%	58.28%
Student Transportation Expenditures	$88,509,055	$72,641,335	$47,889,961	$49,249,850	$34,263,675	51,011,205
Student Transportation Expenditures Per Annual Mile	$3.35	$3.53	$2.00	$2.94	$3.19	$2.92
Student Transportation Expenditures Per Student (including bus purchases)	$1,282	$1,007	$585	$751	$555	$725

Source: Draft Q-Link: Florida School District Transportation Profiles 2002, for 2000-01. Department of Education, School District Data for 2000-01. Berkshire Advisors calculations.

- The District has a much lower percentage of its transportation costs funded by the state, as compared to peer districts, primary because of the impact that the District's low bus occupancy has in the state funding formula

calculations. As the following table shows, only 38% of transportation costs are funded by the state in Miami-Dade while the average in three of four peer districts (Hillsborough, Palm Beach, and Orange) is 68% (or almost twice as much as the percentage of costs reimbursed in Miami-Dade.).

- The District's student transportation expenditures per (annualized) mile was $3.35, which ranked it second highest when compared with four peer districts (which range from $2.00 to $3.53), and was above the peer average of $2.92.

- The District's student transportation expenditures per student (including bus purchases) was $1,282, which ranked it highest when compared with four peer districts (which range from $555 to $1,007), and was above the peer average of $725.

As Exhibit 12-4 shows, the District currently transports more than 70,000 students. More than three out of five of these students (62.9%) are transported either because they live more than two miles from their school or because they are Elementary students who, if required to walk to school, would encounter certain state-defined hazards--termed "regular students" under Florida law. In addition, 29.4% of students are transported because they participate in either Magnet Programs or Exceptional Student Education programs. The District also transports vocational students, alternative education students, gifted students, and students in the teen parent program.

Exhibit 12-4

One-Third of Students Transported in Miami-Dade Are for Special Programs

Category	Number Transported Per Day	Percentage Of Transported Students
Regular Students	44,681	62.9%
Magnet Students	11,428	16.1
Exceptional Students	9,429	13.3
Vocational Students	2,165	3.0
Alternative Education Students	1,955	2.8
Teen Parent Students	752	1.1
Gifted Students	632	0.9
Total	71,042	100.0

Source: Miami-Dade County Public Schools, Department of Transportation. February 2001 FEFP Transportation Survey.

In addition, the District transports a number of courtesy riders (students not otherwise eligible for state funding) on a "space available" basis. Space available courtesy riders are assigned to school buses at the discretion of school site principals. District reports indicate that the number of courtesy riders is less than 3,000 per day. It is the District position that courtesy riders do not add to transportation costs because they are transported on a space available basis and additional bus stops are not incorporated into bus routes to accommodate these students.

As Exhibit 12-5 indicates, operating expenditures have averaged 91.5% of the total DOT expenditures for each of the past two fiscal years while expenditures for capital outlays have averaged 8.5% of total DOT expenditures.

Exhibit 12-5

Budget and Actual Expenditures of the DOT

	Budget 1999-00	Actual 1999-00	Budget 2000-01	Actual 2000-01	Budget 2001-02
Operating Funds	90,379,610	87,388,169	97,694,659	94,106,511	94,598,504
Capital Outlay Funds	20,783,359	7,312,201	25,224,775	9,694,022	25,537,937
Total DOT	111,162,969	94,700,370	123,189,434	103,800,533	120,136,441

Source: Miami-Dade County Public Schools, Budget Office.

The budget for the Operating Fund includes specific DOT direct expenses such as personnel, fuel, parts, other direct support costs. This budget excludes certain items that are budgeted centrally such as electricity, phones, water and sewer and salary increases. It should be noted that the Capital Outlay Fund (which includes costs for buses and vehicle maintenance facilities) includes projects that overlap several years. This accounts for the apparent "under expenditure" each year. Buses, for example, are paid for over two fiscal years.

Organization

Organizationally the administrative director who leads the DOT reports to the deputy superintendent of School Operations through the associate superintendent of School Operations. As illustrated in Exhibit 12-6, the administrative director oversees three major functional areas: Student Transportation (which operates seven regional Transportation centers); Vehicle Maintenance (which operates nine garage facilities) and the DOT's administrative units.

School bus operations are organized into seven (7) decentralized units called Transportation centers that are dispersed throughout the District. Each center is managed by a center director and has its own routing staff, dispatch unit, bus drivers, substitute drivers, and administrative unit.

Vehicle Maintenance is responsible for maintaining and repairing the more than 3,600 vehicles owned by the District, as well as for inspecting over 230 contracted private buses used to transport the students in the district. Each of the nine maintenance centers is managed by a maintenance manager. Three fleet maintenance coordinators each manage three of the managers. The coordinators report to an executive director who is responsible for all of Vehicle Maintenance. The Inventory Control unit also reports to this executive director. Vehicle Maintenance currently has 172 mechanics and 133 administrative and support staff.

The DOT executive director is responsible for financial and other administrative support functions as well as serving as the deputy director of bus operations.

Exhibit 12-6

Typical Staffing of a Transportation center

Transportation center Proto Typical Listing of Personnel for 2001-2002		
Position-Title	**Job Code**	**Positions**
Director I	403	1
		1
Coordinator I	881	1
		1
Administrative Assistant	882	2
		2
Payroll/Per Assistant II	4335	1
Field Trip Clerk	4438	1
Executive Secretary I	4534	2
Word Processing. Operator	4543	1
Copy Machine Operator II	5067	1
Chief Data Input Clerk	5097	1
		8

Transportation center Proto Typical Listing of Personnel for 2001-2002		
Position-Title	**Job Code**	**Positions**
Route Manager	6275	1
Field Operations Specialist	6278	4
Route Manager Specialist	6279	3
Radio Dispatch Operator	6301	4
		12
Operations Helper	5503	2
		2
Lead Custodian	5607	1
Head Custodian	5608	1
Custodian - 12 months	5615	1
		3
Total		29

Source: Miami-Dade County Public Schools, Department of Transportation.

Exhibit 12-7

Transportation center Organization
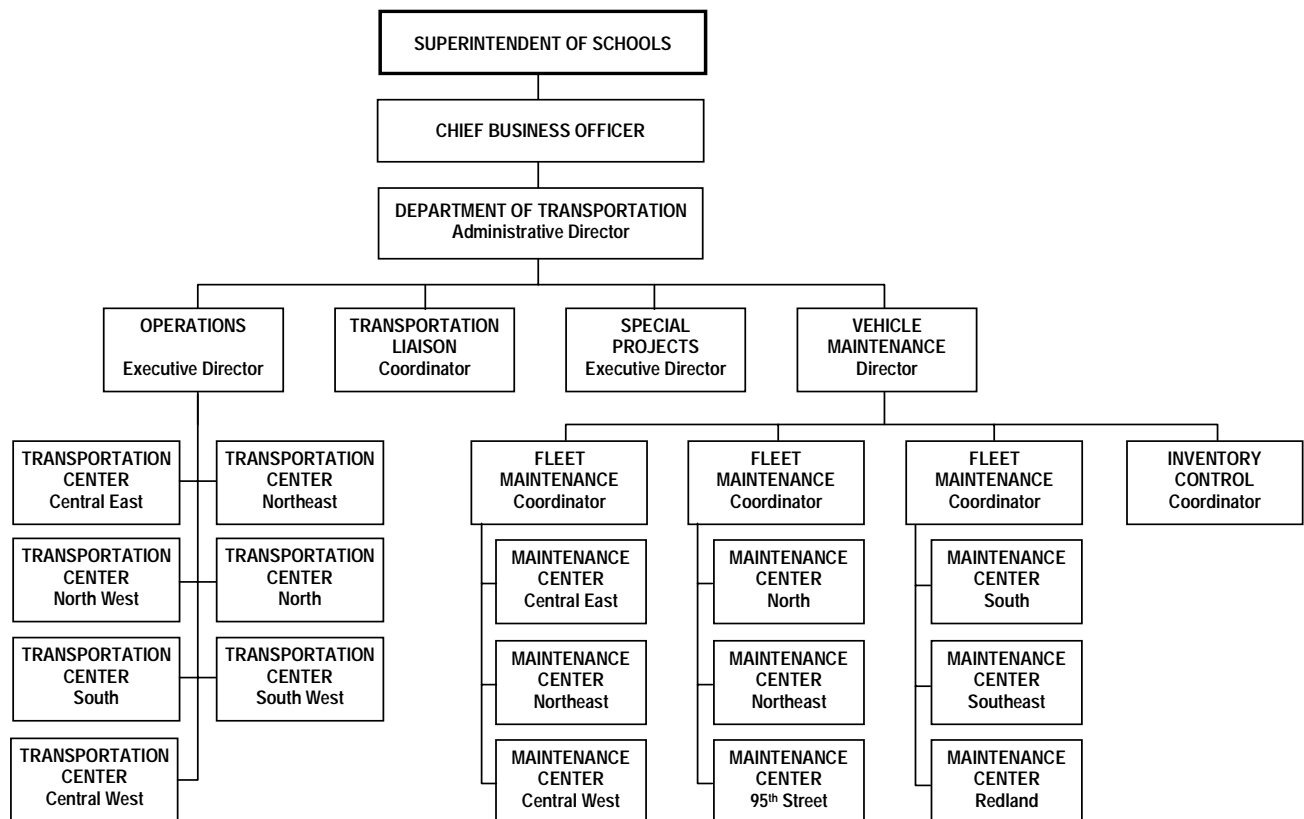
Source: Miami-Dade County Public Schools, Department of Transportation.

The center director, with support from the coordinator and administrative assistant, has overall responsibility of bus operation conducted from the center. The routing and scheduling personnel plan and maintain the center's bus

routes, including the mapping of bus stops and the control of run times. Field Operation Specialists (FOS) provides direct supervision of bus drivers and school bus operations. Specific FOS duties include monitoring of pre-trip bus checks by drivers, performing accident investigations, and coordinating bus activities with school-based personnel. Staff of the Radio Dispatch unit maintains communications with school buses in the field. In addition, they assign substitute drivers to routes and combine routes if a substitute driver is not available.

Nine decentralized maintenance centers are dispersed throughout the District. Seven of these co-locate with the seven bus operations centers. The other two provide maintenance services to non-bus vehicles.

Methodology

Berkshire Advisors reviewed the District's student transportation operations using the Best Financial Management Practices and associated performance indicators developed by the Office of Program Policy Analysis and Government Accountability (OPPAGA) and adopted by the State Commissioner of Education. Berkshire Advisors employed a number of methodologies to develop chapter conclusions and action plans. For instance, the consultant conducted on-site visits and interviews with DOT staff at many levels and locations and gathered and reviewed documentation of their activities. The consultants also interviewed district-level and school site-based administrators regarding their views and experiences with the District's pupil transportation operations. The results of these interviews were supplemented by the results of a survey that was distributed to a representative sample of staff from throughout the District. The consultants also received input from parents and other citizens on transportation issues during public forums held in various parts of the District and while visiting school sites. These inquiries and observations were also supported by the examination and analysis of various District records and supporting documentation.

Safety and Operational Efficiency

1 The District's efforts to ensure the safety of bus routes are generally effective while its efforts to ensure efficient school bus routing are not.

The District takes a number of prudent steps to ensure the safety of school bus routes

At the beginning of each school year, bus drivers conduct a "dry run" of transportation routes. These test runs are used to determine the safety and timing of the bus routes. Bus routes are then modified based on the resulting input from the bus drivers. The route planning staff does not conduct regular on-the-scene reviews to evaluate the safety of routes and stops, but relies on the feedback from the bus drivers. In accordance with the DOT Rules and Policies Manual, drivers are required to report all hazardous conditions promptly and are advised to take all necessary precautions to safeguard students.

When safety concerns are expressed by parents, school site personnel, or bus drivers; an FOS is dispatched from Transportation centers to evaluate the situations. Routes are then modified based on the recommendations of the FOS. Since most complaints are not documented, Berkshire Advisors were unable to determine frequency or timeliness of responses to safety concerns.

In addition to the required identification and reporting to the state Department of Education of hazardous conditions that qualify for state funding, Berkshire Advisors noted a number of situations where the District has provided transportation for students facing locally defined hazards. These include situations where students would have to cross busy thoroughfares that do not qualify for state funding because traffic congestion prevents sufficiently high traffic speeds to be considered a hazard by the state. The District works with other local governmental agencies to mitigate hazardous conditions through the use of crossing guards.

Bus dispatch personnel at Transportation centers print out "route displays" for substitute bus drivers to aid them in filling in for regular drivers who are absent. These print outs include the identification of bus stops, schedule times, and students to be transported. In some cases the DOT may also provide hand-written Direction of Travel Forms to assist substitute drivers. Neither of these forms, however, was observed to identify any route hazards. In recognition of these inadequacies the Director of DOT has established a Customer Focus Team of DOT managers to develop improvements in the route directions for substitute drivers.

The District's transportation operation is comparatively inefficient, in large part because of school district policy decisions that limit increasing bus occupancy

As part of the District's efforts to ensure operational efficiency, Miami-Dade has established staggered school start/close times, thus enabling buses to run multiple routes each day. The opening and closing times for school are published each year and, by board rule, reported to the board of education 60 days prior to their effective date. The schedule for regular schools for the 2001-2002 school year is as follows:

- <u>Elementary Schools:</u>   8:30 A.M. - 3:00 P.M.
- <u>Middle Schools:</u>   9:00 A.M. - 3:40 P.M.
- <u>Senior High Schools</u>   7:30 A.M. - 2:30 P.M.

A review of the District's routes by Berkshire Advisors indicated that the DOT takes full advantage of the staggered start/close times in the utilization of its buses. Most bus routes examined included three runs in the morning and three runs in the afternoon serving elementary, middle, and senior high schools. However, the District has the lowest average bus occupancy compared to its peer school districts and is the third lowest in the state. As shown in Exhibit 12-8, Miami-Dade transports about the same number of students each day as its peer school districts, but by using substantially more buses. For example, the Broward County School District transports, on average, 6,760 more students per day than Miami-Dade with 344 fewer buses.

Exhibit 12-8

Miami-Dade County Public Schools Average Bus Occupancy Is Lowest Among Peers

District	No. of Buses in Daily Service	Average No. of Students Transported	Average Bus Occupancy
Broward	1,127	69,752	61.89
Hillsborough	1,018	80,207	78.79
Miami-Dade	**1,471**	**62,992**	**42.82**
Orange	906	63,432	70.01
Palm Beach	566	59,095	104.41
Peer Average	1,018	67,096	72.00
State Average	14,351	985,684	68.68

Source: Q-Link: Florida School District Transportation Profiles, draft July 2002, Department of Education.

The main reasons for the District's low bus occupancy is due to the policy decisions made by the District regarding bell schedules and exceptional student education (ESE) and magnet school student transportation. The District's bell schedule precludes the DOT from scheduling longer routes to pickup more students per bus. Further, the District's policy to permit early release of students at elementary schools requires additional bus routes that do not have time to make subsequent runs to take middle school students home.

Also, 75% of regular students transported ride for less than one half hour and 96% less than one hour (see Exhibit 12-9 in section 2 of this chapter) resulting in the use of more buses with fewer riders than could be achieved with longer ride times. By extending the time-lag between schools' start times and finish times they could extend student bus ride times and thereby accommodate more students per bus on longer routes.

By amending the school bell schedule, significant reductions in the number of bus routes operated could be achieved. For example, the DOT estimated that changing the bell schedule for Jose de Diego Middle School one hour later could eliminate the need for 15 buses at a savings of $350,000 and by changing the bell schedule for Charles Drew Middle School one hour later could eliminate the need for six buses at a savings of $140,000.

The District's policy to provide ESE student transportation to specialized schools or programs where few other students share their transportation destination increases the number of buses and routes. Miami-Dade transports over 9,500 ESE students. According to the Director of DOT, over 40% of the District's fleet is used for ESE transportation. If ESE students were to attend their regularly assigned neighborhood school, bus occupancy on regular transportation routes could be increased where special accommodations are not necessary.

By transporting ESE students to their neighborhood schools, significant reductions in the number of bus routes operated could be achieved. For example, the DOT's analysis of transporting 87 ESE students to the Southwest Senior High School who are out of that school's region requires the use of approximately eight additional buses at an annual cost of about $186,500. Chapter 5 of this report contains recommendations relating to the placement of ESE students within neighborhood schools, which could favorably impact the cost of ESE transportation by providing services to these students at locations closer to their homes.

District policies provide that qualified magnet school students can receive district paid transportation to and from their designated magnet school. Similar to ESE student transportation, there are often only a very few magnet school students from a particular geographic area who will attend a specific magnet school, which results in very low ridership per bus. By transporting students to magnet school programs only within their region could help to increase bus occupancy. Or, requiring parents to transport or pay for the transportation when outside the region could help reduce transportation costs to the District.

Bus occupancy is not only critical in the number of buses and drivers required to transport students, but affects the state funding the school district receives for student transportation. The Department of Education, School Transportation Management Section estimates that each 3.3 students of decrease or increase in the average bus occupancy state funding could change by 1%. For instance, if Miami-Dade increased its bus occupancy by 19 students to match that of the Broward County School District, the District could receive an additional $1.7 million in state funding annually. [1]

The District's methods of routing and scheduling are inherently inefficient

The District lacks modern computer support for its routing efforts and its decentralized staffing of routing personnel does not contribute to effective cross-area routing. Further, there is little effort to control the number of non-eligible student riders.

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[1] Using the DOE estimate, increasing the District's bus occupancy by 19 would increase the state funding by 5.76% (19/3.3). The state funding allocation for Miami-Dade in 2000-01 would have increased from $30,430,125 to $32,182,900, or by $1,752,775.

- Computer systems While the District currently maintains its Computerized Automated Transportation System (CATS), this system is not Windows based, is not web enabled, and does not provide graphical user interfaces. The system requires extensive manual effort to maintain and has limited utility for the routing and scheduling of school buses. Berkshire Advisors observed the process for the routing of school buses that includes: the copying, cutting, and taping together of area maps, the placement of various colored adhesive dots on the maps (representing students residences and school locations), the manual "taping-off" of route areas, and the manual construction and entering into CATS of the created bus routes. Transportation staff relies heavily on these manual records and other paper documents to do their jobs. The DOT is currently testing a replacement system, MAPNET NT, in one of its seven centers; however the staff interviewed by Berkshire Advisors indicated that the new system was very complex to use effectively.

- Decentralized routing The DOT maintains seven routing and scheduling operations at each of its Transportation centers. This configuration creates a high risk of inefficient routing, poor utilization of staff, and inconsistent procedures and routing standards. Each center receives a listing of students to be transported based on the geographic area of their residence and assigned school. Even though adjacent transportation centers may also receive listings of students to be transported to the same schools, there is no formal coordination to ensure that the most efficient routes are established and maintained. While the bus routing for some districtwide programs is coordinated centrally; there is little emphasis at transportation centers on routing efficiently. Berkshire Advisors identified at least two routes that should have been combined and a large number of routes with very low ridership.

  The DOT employs 32 route specialist at $34,300 per year and 8 route managers at $39,000 per year, excluding employee benefits, at the transportation center. This amounts to over $1.7 million per year for this function for salaries and employee benefits (estimated at 20% of salaries). The ratio of routing personnel (40) to buses in daily service (1,472) is approximately 1 to 36. Increasing this ratio to 1 to 50 would enable a reduction in routing staff by 30%.

- Non-eligible bus riders- School site personnel issue bus passes to non-eligible student bus riders on a "space available" basis. These transported students are referred to as Courtesy Students. There is little effort to control the number of courtesy riders and some evidence that larger than necessary buses are used to accommodate greater numbers of these riders. There is also some evidence that many of the Courtesy Students may not be counted in the periodic surveys of bus ridership and these riders are not identified in the CATS system. It is the District's position that courtesy riders do not add to transportation costs because they are transported on a space available basis and additional bus stops are not incorporated into bus routes to accommodate these students.

Berkshire Advisors has been advised that the District has other reviews being conducted. For example, the District's Office of Management and Compliance Audits is conducting a review of the DOT's current routing practices. Also, the Florida Sterling Council recently issued its interim assessment of the District's support operations. In its preliminary assessment, Sterling Examiners report that DOT employees consistently understand the critical safety requirements of their customers. However, the DOT does not use complaint management processes that ensure all complaints received are tracked and resolved and that the resulting information is aggregated and analyzed for improvement purposes. The DOT does not have systems in place to measure overall customer satisfaction. [2] As the District implements changes to improve its operational efficiency, it will be important to reconcile customer service issues efficiently and effectively.

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[2] The Florida Sterling Council examiners evaluate public and private organizations using the Sterling Criteria for Organizational Performance Excellence, which is based on the internationally acclaimed Baldrige Criteria for Performance Excellence. In December 2001, four Miami-Dade County Public Schools' departments participated in the Sterling Navigator survey process to obtain explicit feedback on systematically improving their management approaches.

Recommendations

- *We recommend that the DOT present to the superintendent and school board a transportation plan to increase bus occupancy to include cost analyses of options regarding revised school bell schedules and transportation of ESE and magnet school students.*

- *We recommend that the District move rapidly to complete the installation of an effective computerized routing and scheduling system.*

- *We recommend that the District centralize its routing staff in order to improve the efficiency of designing routes that overlap the geographic areas of the various transportation centers, to improve route planning staffing efficiency, and to ensure consistent adherence to routing standards*

- *We recommend that the District establish and maintain an effective complaint monitoring system to log and summarize the concerns of parents, schools, and the community, and to document the efforts to resolve these concerns.*

Action Plan 12-1 provides the steps needed to implement these recommendations

Action Plan 12-1

Develop Transportation Plan to Increase Bus Occupancy

Strategy	The Department should analyze options to increase bus occupancy including options regarding revised bell schedules and transportation of ESE and magnet school students.
Action Needed	Step 1: Identify policy options to evaluate that have the greatest impact on increasing bus occupancy such as bell schedules and transportation of ESE and magnet school students.
	Step 2: Conduct cost-benefit analysis of policy options.
	Step 3: Produce a report and present it to the superintendent and school board to make a decision on how to increase bus occupancy.
	Step 4: Implement school board decision.
Who Is Responsible	Administrative Director, Department of Transportation
Time Frame	December 2002
Fiscal Impact	By increasing bus occupancy, the District should realize an increase in state funding annually. By matching the bus occupancy of the Broward County School District, the District could realize an additional $1.7 million annually and $8.5 million over five years in state funding. By increasing bus occupancy, the District could reduce the number of bus routes operated, which would reduce the number of buses needed, number of drivers needed, and reduce maintenance and fuel costs. The District could reduce its fleet in daily use by over 300 buses by matching the Broward County School District's operation. The transportation plan to increase bus occupancy should detail these savings and how to phase them in over time.

Computerized Routing and Scheduling System

Strategy	The District should move rapidly to complete the installation of an effective computerized routing and scheduling system.
Action Needed	Step 1: Assign the responsibility for the implementation of an effective computerized Routing and Scheduling System to one of the DOT's executive directors.
	Step 2: Complete the evaluation, testing, and selection of a new system on an expedited schedule.

	Step 3:	Provide the new computerized routing and scheduling resource to the centralized routing staff with the appropriate training on its effective utilization..
	Step 4:	Conduct routing and scheduling activities for the 2002-03 school year utilizing the new system.
	Step 5:	Evaluate and report improvements in the number routes and related ride-times and develop process for identifying and implementing additional procedural improvements.
Who Is Responsible	Administrative Director, Department of Transportation	
Time Frame	July 2002	
Fiscal Impact	Resources for this project are currently in the District's budget.	

Centralize Bus Routing Function

Strategy	Centralize the routing staff currently located at each of the Transportation centers to improve the efficiency of designing routes that overlap the geographic areas, improve route planning staffing efficiency, and to ensure consistent adherence to District routing standards.	
Action Needed	Step 1:	Assign the responsibility for District-wide routing and scheduling of school buses to one of the DOT's executive directors
	Step 2:	Analyze and modify, as appropriate, routing protocols and procedures.
	Step 3:	Physically bring together routing resources and train staff on uniform standards and procedures.
	Step 4:	Conduct routing and scheduling activities for the 2002-03 school year in a centralized and coordinated fashion.
	Step 5:	Evaluate and report improvements in the number of routes and related ride-times and develop process for identifying and implementing additional procedural improvements.
Who Is Responsible	Administrative Director, Department of Transportation.	
Time Frame	July, 2002	
Fiscal Impact	This recommendation will result in the reduction of resources required for this function. There are currently 40 route managers and specialists involved in this function at an estimated annual payroll cost of $1.7 million. A saving of at least $500,000 (or 30%) per year can be achieved in this area and $2.5 million over five years. In addition, the more efficient routing achieved through this and other related recommendations in this report should reduce the number of routes. The specific dollar savings from reductions in the number of routes is indeterminate.	

Complaint Monitoring

Strategy	The District should establish and maintain an effective complaint monitoring system to log and summarize the concerns of parents, schools, and the community, and to document the efforts to resolve these concerns.	
Action Needed	Step 1:	Assign the responsibility for the implementation of a complaint monitoring system to the Coordinator of Operations and Training.
	Step 2:	Establish a system for the uniform reporting of complaints from schools, students, parents and the community.
	Step 3:	Establish a system for the collection, summarization, and analysis of complaint data.
	Step 4:	Evaluate and report complaint information on a timely basis and institute changes in operations and communications reduce complaints and improve customer relations.

Who Is Responsible	Administrative Director, Department of Transportation
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

2   Regular school bus routes and activity trips operate in accord with established routines, while prepared for unexpected contingencies.

Regular bus routes

Through its system of routing and scheduling the DOT establishes route plans that list pick up and drop off locations and scheduled times. These plans are validated by "dry runs" by the bus driver at the start of the school year and monitored as necessary by FOS personnel from each of the Transportation centers. The DOT provides driver handbooks and training to ensure compliance with established procedures and protocols.

Bus route times and numbers of students per bus are monitored by route planning personnel to avoid overcrowding and ride times in excess of established standards. Computer generated exception reports are used to identify routes with apparent excessive ride times. The FOS personnel investigate complaints of excessive ride time or overcrowding and appropriate corrective action is taken.

Exhibit 12-9 displays the standard ride-time for various categories of students. While these times represent the scheduled times for these routes, variances do occur. The frequency and extent to which these scheduled times are not achieved is not known because the District does not maintain "on-time" data for its school buses. The longer ride times for ESE and Magnet students reflect the longer routes to geographically desperate locations of specialized programs.

Exhibit 12-9

Most (75%) Regular Students Ride the Bus Less Than 30 Minutes

Student Category	Less than 30min.	31-60 minutes	61-90 minutes	More than 90 min.
Regular	75%	21%	3%	1%
ESE	18%	42%	27%	13%
Magnet	10%	44%	35%	11%
All Others	13%	42%	33%	12%

Source: Miami-Dade County Public Schools, Department of Transportation.

Drivers have written instructions and receive training on policies such as where students can be discharged from their buses. For example, Drivers are specifically prohibited from "…. discharging students at any stop other than the authorized stop, unless given written permission by the principal or designee".

The DOT has established effective standardized procedures to deal with breakdowns, accidents, and other unexpected events. In such circumstances the school bus driver uses the on-board radio to call his Transportation center dispatch operator. In non-emergency break down situations the dispatch office notifies the center's garage, which responds with an appropriate replacement bus driven by a mechanic. The students are transferred to the replacement bus and the mechanic sees to the repair of the bus. In the 2000-01 school year there were 2,105 breakdowns that required transferring students to another bus in order to complete the trip in progress. Since the District does not maintain data relating to on-time arrivals, the number of breakdowns that actually resulted in students being late to school is not known (procedures related to bus accidents are described in section 6).

Each transportation center maintains an inventory of spare buses to meet emergency situations as well as deal with normal out-of-service conditions such as bus maintenance and inspections. Each center has 15 to 20% of its fleet as spares.

To avoid delays in the transportation of students and deal with bus driver absences, each Transportation center maintains a cadre of substitute bus drivers. The number of substitute drivers approximates 15% of the regular drivers at each center.

Standardized procedures addressing driver absences and tardiness are included in the driver's handbook under the subject, Attendance Policy. Drivers are required to provide advance notice and approval of absences when possible and to otherwise check in within five minutes of their scheduled start time. While the District does not have an automated system for handling calls from employees who will be absent or for making substitute driver assignments, the Dispatch operators monitor driver sign-in and assign the routes of absent or tardy drivers to substitute drivers to ensure the on-time transportation of students. The dispatch offices maintain established "doubling-up" routing routines in the event there is a shortage of substitute drivers. These procedures prevent routes from being missed because of driver absences.

Activity trips

The DOT has established standardized procedures for the ordering of activity bus trips by schools and the billing for these services back to the appropriate school accounts. Because District buses are not available during normal student transportation times, schools are also authorized to use certain pre-approved contract bus companies for activity trips. These contract companies are pre-screened by the Procurement Department and their buses inspected on a regular basis by the DOT.

When DOT buses are used for activity trips, drivers are assigned to these trips in accordance with the provisions of the union contract, which essentially provides for the rotation of these assignments. Schools are invoiced for these services by the Transportation centers at a pre-established rate of $32 per hour, with a three-hour minimum charge. The rates charged by the District appear to be reasonable based on hourly salary rates of bus drivers and operating costs per mile and appears to cover all incurred costs. DOT provided field trips are summarized by each center each month to include the number of trips and total mileage. This information is summarized in an annual year-end report.

3   District effectively recruits bus drivers, but needs to improve its retention efforts.

Effective recruitment efforts

The District is effective in its recruiting efforts in that it is able to fill a large number of vacant positions. The recruiting efforts include advertisements in local newspapers as well as "now hiring" signs and flyers distributed throughout the community and the posting of employment opportunities on its website. The District does not keep statistics on how prospective employees find out about job openings and, therefore, the District does not know which recruitment techniques are most effective.

Job postings indicate that candidates must apply in person at the central personnel offices. This requirement may discourage potential employees from the more distant parts of the District from applying and may account for alleged higher vacancy rates in some of the more remote transportation centers.

Job applications are completed, and interviews are conducted, at the central personnel offices. Applicants successfully completing the interview process have their driving records checked. Those candidates with acceptable

driving records are referred to a state mandated dexterity test, physical examination, and federally required substance abuse testing.

Having completed these screenings successfully, candidates are eligible for the District's training program. It takes about three weeks to fully train a new driver, including classroom and the on-the-road components and costs the District over $3,000 per driver.

While the DOT does provide for the recognition of bus drivers with seniority and good safe driving records, the District does not employ effective programs for retaining school bus drivers as demonstrated by its high turnover rate.

High bus driver turnover rate

The DOT does not maintain turnover data for bus drivers and other employees. Berkshire Advisors calculated the approximate turnover rate among bus drivers to be about 20% per year, or 350 employees annually, based on the number of new drivers trained each year compared to the authorized positions. A review of bus drivers by years of service indicates that well over half of the drivers have less than four years with the District. The high turnover rate and low level of experience could adversely affect both efficiency and safety.

Once a school bus driver leaves the District and the position becomes vacant, part-time drivers bid by seniority for these positions. This process takes place each month. It usually takes approximately two to four weeks to fill a bus driver vacancy.

The DOT collects comparative salary and working hours data from other school districts in the state. This data indicates that Miami-Dade's salaries and working hours are competitive with adjacent school districts, although slightly lower for hourly wages (see Exhibit 12-10 below). Bargaining unit officials representing the bus drivers contend, however, that the high employee turnover rate is a function of low pay rates and limited work hours. The DOT does not conduct exit interviews to help determine reasons for its high turnover rates. [3]

Exhibit 12-10

Miami-Dade Hourly Wages Are Lower Than Adjacent Districts

	Miami-Dade	**Broward**	**Palm Beach**
Hourly Wage	$9.41	$9.70	$9.50
Weekly Hours Guaranteed	30	30	30

Source: Miami-Dade County Public Schools, Department of Transportation.

Recommendations

- *We recommend that the District maintain turnover statistics for bus drivers and other job classifications in order to measure its effectiveness in retaining trained and experienced employees.*

- *We recommend that the District conduct exit interviews with terminating employees to determine their reasons for leaving the District and develop programs to improve employee retention in order to improve efficiency and safety and reduce costs of training and recruitment.*

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[3] In its preliminary assessment, Florida Sterling Council Examiners report that DOT has some strong human resource management approaches, such as an employee recognition program and training programs. However, the factors that drive satisfaction, retention, and high performance are not identified.

- *We recommend that bus driver applications and initial interviews be completed at the Transportation centers to help draw job applicants from through out the District.*

Action Plan 12-2 provides the steps needed to implement these recommendations.

Action Plan 12-2

Employee Turnover Data and Exit Interviews		
Strategy	Maintain turnover statistics for bus drivers and other job classifications and conduct exit interviews with employees to determine the District's effectiveness in retaining trained and experienced employees.	
Action Needed	Step 1:	Assign the responsibility for turn over statistics to the coordinator operations and Training.
	Step 2:	Establish system for the uniform collection of retirement, resignation, and termination data by employee classifications.
	Step 3:	Establish a process for conducting exit interviews to determine factors in employee resignations.
	Step 4:	Evaluate and report turnover statistics and documented reasons for employee resignations.
	Step 5:	Identifying and implement systemic improvements to help retained quality employees.
Who Is Responsible	Administrative Director, Department of Transportation.	
Time Frame	July, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources	

Decentralize Bus Driver Job Applications and Interviews		
Strategy	Bus driver job applications and initial interviews should be completed at the transportation centers to help draw job applicants from through out the District.	
Action Needed	Step 1:	Assign the responsibility for the process bus driver job applications and initial interviews to the coordinator of Operations and Training.
	Step 2:	Establish system, in coordination with Human Resources Department, for the dissemination of bus driver job applications at the transportation centers.
	Step 3:	Establish a process, in coordination with Human Resources Department, for the initial job interview of potential bus drivers at the transportation centers.
Who Is Responsible	Administrative Director, Department of Transportation.	
Time Frame	July, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources.	

4 The District provides comprehensive training programs, but needs to shore up evaluation process and discipline policy.

Training programs

The DOT provides comprehensive training programs that encompass the needs of both new employees and continuing staff. In-field driver trainers who provide behind-the-wheel assistance to drivers in need of skills improvement supplement formal training classes.

New bus driver training includes two days of preparatory training for those seeking to obtain their Commercial Drivers License (CDL). These classes include a review of the 1986 Commercial Motor Vehicle Act and several practice tests. In addition, new drivers must successfully complete 40 hours of pre-service training that includes segments on pupil management and District procedures.

Training is provided to continuing staff on an on-going basis. These in-service training sessions cover topics ranging from student management to how to handle parent contact to safe driving techniques. Continuing staff is required to attend at least eight hours of in-service training each year.

For the 2000-01 school year the DOT reported 102 accidents to the state. Of this number only 39 were deemed to be preventable accidents. The accident reports are not, however, regularly analyzed to detect trends that would guide training efforts. Although the most frequent type of preventable accident is a rear end collision (see Exhibit 12-12).

Each transportation center holds monthly meetings to provide an opportunity for drivers and supervisors to interact and share concerns. While this is a worthy concept, the drivers are not on paid time for these meetings and they are not well attended.

Supervision

While a degree of oversight and monitoring of bus drivers is done through the FOSs, the DOT does not do an annual evaluation of drivers' performance. The current collective bargaining agreement with the American Federation of State, County, and Municipal Employee (AFSCME), which represents both the bus drivers and the FOSs, does not provide for an evaluation of bus driver performance. It is District management's position that evaluations cannot be imposed on bus drivers without a provision in the AFCME contract.

Each transportation center maintains records of required annual physical examinations and tracks the assessment of infraction points under the Safe Driver Plan. Bus drivers who are trained on the Safe Driver Plan sign a form each year indicating they have read and received a copy of this plan. In addition, the Safe Driver Plan is covered in a comprehensive manner in the *Handbook for School Bus Drivers*. The District receives weekly downloads from the State's traffic violations database, which are used to update DOT records and ensure driver eligibility.

The District complies with the provisions of the Anti-Drug Act of 1988, Workers' Compensation Law, and the Omnibus Transportation Employee Testing Act (OTETA) of 1991 by establishing and updating its Drug-Free Work Place Policies. The District conducts drug and alcohol testing in accordance with the provisions of OTETA that include pre-employment, "reasonable suspicion", return-to- work, post-accident, and random testing. The District also provides an Employee Assistance Program for its staff.

Berkshire Advisors observes that District personnel policies allow school bus drivers who have tested positive for drugs or alcohol to continue transporting children, once they have completed a professionally prescribed diversion program. Only after a second positive test result for drugs or alcohol are school bus drivers dismissed. Berkshire Advisors believe that an employee in a safety sensitive position, such as a school bus driver, who tests positive for drugs or alcohol should be terminated from service and that the District's current policy needlessly places District students in harm's way.

Recommendations

- *We recommend that the District negotiate an annual employee performance evaluation in its contract with AFSCME to improve employee performance and accountability*

- *We recommend that the District establish a zero tolerance policy for drugs and alcohol usage in safety sensitive positions by making a positive drug test result grounds for immediate termination.*

Action Plan 12-3 provides the steps needed to implement these recommendations.

Action Plan 12-3

Employee Performance Evaluations		
Strategy	Negotiate an annual employee performance evaluation with AFSCME to improve employee performance and accountability	
Action Needed	Step 1:	Assign the responsibility for the employee evaluation process to the coordinator of Operations and Training.
	Step 2:	Develop an annual employee evaluation process and related forms.
	Step 3:	Negotiate an annual employee performance evaluation in the District's contract with AFSCME.
	Step 4:	Implement the system of annual performance evaluations for DOT employees.
	Step 5:	Use the performance evaluation process as a staff development tool to improve service levels.
Who Is Responsible	Administrative Director, Department of Transportation.	
Time Frame	July, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources.	

Zero Tolerance For Bus Driver Substance Abuse		
Strategy	Establish a zero tolerance policy for drugs and alcohol usage in safety sensitive positions by making a positive drug test result grounds for immediate termination.	
Action Needed	Step 1:	Develop a draft board policy establishing zero tolerance for substance abuse in safety sensitive positions. Include immediate termination as the consequence of a positive drug test for employees in safety sensitive positions in the policy statement
	Step 2:	Obtain school board approval of the Zero Tolerance Policy.
	Step 3:	Publish and disseminate the Zero Tolerance Policy at least annually.
Who Is Responsible	The Board of Education.	
Time Frame	January, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources.	

5 The District provides transportation services to exceptional students in a coordinated fashion and accurately reports to the State ESE students transported.

Serving special needs

The key to strong support services to Exceptional Student Education (ESE) is good communication with the ESE instructional staff and parents. To that end, the District has created a liaison position to assist schools and parents with ESE transportation issues. DOT staff is brought into the Individual Educational Plan (IEP) process on a timely basis to ensure transportation options are given appropriate consideration in the planning phase.

The District transports some 9,400 ESE students accounting for about 14% of the total transported students (but about 40% of the routes). Approximately 85% of students receive special accommodations. Where appropriate, ESE students ride regular school buses; however, many have special needs that are best addressed through special transportation accommodations. These special accommodations may include lift buses that are designed to handle wheel chairs. The DOT has over 400 lift buses of various sizes in its fleet to accommodate special situations. In some individual situations transportation may be provided in vans or other alternatives to regular school buses.

State reporting and Medicare funding

Four times a year counts of students transported are collected for the Florida Education Finance Program (FEFP). In this process the name and student numbers of all students receiving transportation services are collected by bus drivers and validated by transportation center support staff. In addition, for ESE riders, drivers annotate special needs students on their survey forms. This information is cross-referenced to the CATS and Students Information System by transportation center support staff (normally the routing specialists) to ensure proper coding of ESE riders for the State survey. The counts of students with special needs are also used for planning purposes when acquiring new buses.

In April 2000 the District entered into a contract with Deloitte Consulting to implement procedures for obtaining reimbursement for services provided to Medicaid eligible students. DOT staff worked with the consulting firm to establish effective procedures to capture necessary student transportation information through the use of Medicaid Trip logs. The District receives Medicaid reimbursement for 1,450 transported ESE students.

6 District responds promptly and appropriately to accidents.

Accident response

The District has well defined written procedures to be followed in case of a bus accident. These procedures are communicated to bus drivers and other DOT personnel in their annual renewal training so that each is acquainted with their role and responsibility in emergencies.

The initial information of a bus accident normally comes into the dispatch unit of a transportation center via the Districts radio network. Each school bus is equipped with a two-way radio that drivers use to report relevant information regarding an accident. The District is in the process of acquiring a new radio system that will improve reliability and functionality. All accidents, regardless of how minor, must be reported. A driver's failure to report an accident can result in dismissal from service.

Upon receipt of an accident call, the dispatch unit notifies the appropriate resources to respond to the situation. Such resources may include: emergency 911 and police, if injuries are involved; school personnel; an FOS trained in accident investigation; and garage personnel to deal with a damaged bus. The dispatch unit is also responsible for notifying the director of Transportation and the deputy superintendent.

Accident investigation reports are completed for all accidents that involve injury to a student or property damage in excess of $500. Accident reports are prepared and submitted to the Department of Education as required by law. For the 2000-01 school year the DOT reported 102 accidents to the state Department of Education. [4] With 26 million miles traveled by District buses, this results in an accident rate of 3.9 per one million miles up from 2.1 accidents per one million miles in the previous year (1999-2000) as shown in Exhibit 12-11 below.

For the prior year, 1999-2000 (the most resent year for which comparable data is available at this time), the District reported 57 accidents. The following chart compares the Miami-Dade accident rate per million miles with peer districts. Miami-Dade's bus accident rate compares quite favorably with peer districts and adjacent districts (Broward and Palm Beach) in particular.

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[4] Of 102 accidents, 39 (38%) were deemed to be preventable accidents in which the driver's actions could have reasonably avoided the accident.

Exhibit 12-11

Miami-Dade Has Second Lowest Reportable Accident Rate Per Million Miles Compared to Peer Districts for 1999-2000

School District	Number of Accidents	Annual Miles (000 omitted)	Accident Rate per Million Miles
Broward	99	20,324	4.9
Hillsborough	37	23,964	1.5
Miami-Dade	57	27,440	2.1
Orange	82	16,270	5.0
Palm Beach	66	11,288	5.8

Source: Department of Education, School Transportation Management Section.

The Florida Department of Highway Safety and Motor Vehicles reports a high rate of accidents in Dade County in the category of school buses. Their statistics include the large number of privately owned school buses operating in the Miami area and their data, as a result, is not representative of the comparatively good accident rate achieved by Miami-Dade schools.

Exhibit 12-12 displays school bus accident data of Miami-Dade by cause of accident.

Exhibit 12-12

Rear-End Collisions Are the Most Preventable School Bus Accidents

Cause of Accidents	Number
Rear End Collision	15
Backing	8
Sideswipe	8
Turning, hit fixed object	6
Other	2
Total	39

Source: Miami-Dade County Public Schools, Department of Transportation. DOT bus accident reports 2000-2001.

The accident records of bus contractors are closely monitored, although accident rates are not computed for contract providers. It should also be noted that private contractors running district routes are not provided with DOT two-way radios. Contact with these buses must go through the contractor's bus dispatch operation.

An ounce of prevention

The DOT has the ultimate responsibility for student safety while they are on a school bus. On the other hand, school staff is responsible for school bus evacuation training. This required student training is supported by the DOT but documentation that the training has been conducted is, in most instances, maintained at the school site. The DOT should establish a system to ensure that schools have in fact conducted prescribed training.

The DOT has established procedures to monitor school bus drivers' pre-trip inspection procedures. FOS personnel frequently observe the twice a day inspection process and bus drivers are required to sign off on a pre-trip inspection log and check list.

Recommendations ——————————————

- *We recommend that bus accident reports be summarized and analyzed to detect trends and guide bus driver training.*

- *We recommend that all buses transporting District students, including contractors, be provided with District radios or be required to have the ability to be in continuous contact with the DOT dispatch operators.*

- *We recommend that the DOT develop a system to ensure that schools have conducted the required school bus evacuation training.*

Action Plan 12-4 provides the steps needed to implement these recommendations.

Action Plan 12-4

School Bus Accident Data	
Strategy	Summarize and analyze bus accident reports to detect trends and guide bus driver training.
Action Needed	Step 1: Assign the responsibility for bus accident statistics to the coordinator Operations and Training.
	Step 2: Establish procedures for the compilation and analysis on accident statistics.
	Step 3: Evaluate and report bus accident statistics and identify reoccurring reasons.
	Step 4: Incorporate finding from the analysis on buss accident statistics in the bus driver training programs.
Who Is Responsible	Administrative Director, Department of Transportation.
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Communications With DOT Dispatch Operators	
Strategy	All buses transporting District students, including contractors, should be provided with District radios or be required to have the ability to be in continuous contact with the DOT dispatch operators.
Action Needed	Step 1: Incorporate a provision in the contracts with private bus companies that they are to acquire and install radios compatible with the District's dispatch system in their vehicles.
	Step 2: Implement provisions of private carries contracts (above) and conduct periodic inspections and tests to ensure compliance.
Who Is Responsible	Administrative Director, Department of Transportation.
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Track Bus Safety Training at Schools	
Strategy	Develop a system to ensure that schools have conducted the required school bus evacuation training.
Action Needed	Step 1: Assign the responsibility for a process to ensure that schools have conducted the required school bus evacuation training to the executive director (Transportation Operation).

	Step 2:	Develop a process where schools provide positive reporting of bus safety training.
	Step 3:	Monitor bus safety training at schools sites and follow up on a timely basis at those sites that are not in compliance.
Who Is Responsible	Administrative Director, Department of Transportation.	
Time Frame	July, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources.	

7   The District takes steps to ensure that appropriate student behavior is maintained on school buses.

The Miami-Dade school board had adopted policies emphasizing appropriate student behavior including The Code of Student Conduct, in elementary and senior high versions. These documents indicate that the code is in force while students are being transported on a school bus and refer to the loss of bus privileges as the consequence for breaking the rules of the bus.

Bus drivers are regularly trained in student management and the *Handbook for School Bus Drivers, Aides and Operations Staff* covers the rules for maintaining acceptable student conduct and the procedures for reporting discipline problems. The handbook also includes the Student Case Management Referral Form (SCMR) and instruction on its purpose and its use. The SCMR form is turned over to the school principal with the driver and the FOS keeping copies. The school site personnel, in turn, notify the bus driver of action taken relating to the student. Bus drivers may be consulted in particularly unique, difficult, or continuing cases involving behavioral problems on the school bus.

For the 2000-01 school year 468 incident reports were filed with the DOT. By far the most common incidents involved horseplay or fighting, which accounted for over 40% of the reports. Other frequent incidents included;" slip/fall on bus step", "object thrown at/from bus", and "student illness".

Acquires and Maintains Safe School Buses ─────

8   The District has established a process to ensure that a sufficient school bus fleet is acquired and available to meet the District's student transportation needs, but needs evaluate its policies to ensure efficient practices.

The District has not systematically evaluated whether its 12-year replacement schedule for school buses is economical

The only factor the District consistently uses to determine whether or not to replace a bus is the age of the vehicle. By policy, the District currently keeps buses in operation for 12 years with older buses used on shorter routes or as spares. The DOT keeps detailed multi-year records on its bus inventories, where the buses are assigned, and when they should be removed from service. Variation from this 12-year time period is extremely rare and is usually based on capital budgetary constraints determined outside of the DOT. For example, a bus may be kept in the spare inventory slightly past its twelfth year if funds for bus replacement are limited. In addition, all major repairs are

analyzed to determine whether it is more economical to make repairs or replace a bus. Projected student population, by school is also used to determine the demand for transportation services and the number of buses that need to be purchased. Student projections, however, which are provided to the DOT from School Operations, are made only on a year-to-year basis; multi-year projections are not used in determining bus purchase needs. All new buses are purchased through the state's pool purchase agreements.

While the District's bus acquisition and replacement policies and processes are well documented and generally adhered to by DOT staff, there may be room for improvement. The 12-year replacement schedule the District uses exceeds the State's 10-year recommended replacement schedule. While it may turn out that a 12-year replacement schedule is indeed more economical for the District than a 10-year replacement schedule (or an 11-year replacement schedule for that matter), no analysis has been done to determine whether the current replacement schedule is cost-effective. The schedule was set as policy over a decade ago and ever since it has been accepted as "the way things are." Indeed, a recent report by the District's Office of Management and Compliance Audits found indications that the 12-year schedule is inadequate given the fact that many of the buses auctioned off by DOT end up in use by bus vendors and transporting District students. The report also found that although the District's replacement policy establishes a 12-year age and 250,000 mile limit for school buses, buses are only averaging 150,000 miles after 12 years.

The District has not systematically evaluated the number of spare buses that are needed

The District targets its spare bus ratio at 18% of total routes, but the 18% target is an arbitrary standard and is probably too high. No analysis has been done to verify whether or not an 18% spare bus ratio is appropriate. Rather, the current ratio is used simply because that is "the way it has always been done." The goal of any school district transportation department should be a 12% spare ratio. If the District were able to reduce its spare buses to only 12% of its routes, it could recover approximately $173,000. [5] Additional savings would accrue to the District in reduced maintenance costs, since all spare buses have to be serviced every 20 days as well as daily buses.

In addition to its daily spare buses, the District keeps 104 emergency buses at its auction yard. DOT managers state that these buses are needed as a contingency against any sudden influx of students to the District such as was caused by the Mariel Boat Lift in 1980. However, although they are not in daily use, the value of these buses declines over time reducing the amount the District receives for them at auction. Furthermore, when added to the District number of spare buses, the District's spare ratio shoots up to 23.3% (see Exhibit 12-13). A more practical emergency contingency plan might be to rely on bus vendors in the event of an unforeseen ballooning of student population. If the District were to sell off its fleet of emergency buses, it might receive as much as $290,000 for it. [6]

Exhibit 12-13

Miami-Dade Maintains a Large Inventory of Spare Buses

Category	Bus Inventory
Buses in Daily Service	1,472
Regular Spare Buses	239
Emergency spare Buses	104
Total District Buses	1,815
Regular Spare Bus Ratio	16.2%
Total Spare Bus Ratio	**23.3%**

Source: Miami-Dade County Public Schools, Department of Transportation.

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[5] This estimate is based on the average sale price of $2,795 for the 87 buses over 12 years old that the District sold at its November 2000 auction.

[6] This estimate is based on the average sale price of $2,795 for the 87 buses over 12 years old that the District sold at its November 2000 auction.

The mix of large and small buses the District uses does not match its transportation needs

The DOT is currently doing no analysis to determine if the size of the buses the District purchases are appropriate to its needs. Instead, DOT managers have adopted a strategy of purchasing small buses only as a response to physical limitations, such as dead-end streets on which larger buses cannot turn around. Actual numbers of students per route, gas mileage and acquisition costs are not considered when deciding what size of bus to purchase. DOT senior managers justify their decision to purchase larger buses with the claim that the difference in price between larger and smaller buses is only "a few thousand dollars;" and since, in their view, the savings that would result from purchasing smaller buses is not great, they prefer the flexibility larger vehicles provide. As Exhibit 12-14 demonstrates, however, there can be a substantial difference in price between vehicles of different capacity.

Exhibit 12-14

Cost Differences for Type C Buses (Without Lifts or A/C) of Different Sizes

| Capacity	29 Seats	47 Seats	65 Seats	72 Seats	77 Seats
29 Seats		$2,517	$4,857	$5,419	$10,489
47 Seats			$2,340	$2,902	$7,972
65 Seats				$562	$5,632
72 Seats					$5,070

* Prices represent the least-costly option from the Spring 2001 DOE Pricing Guide.

Source: Department of Education, School Transportation Management Section.

The consultants reviewed a random sample of 100 of the District's bus routes to determine the actual bus size needed to serve students on each route. [7] The results of this analysis (which are presented in Exhibit 12-15) demonstrate that the District's use of 65- and 72-passenger buses is vastly disproportionate to its actual need. While 65- and 72-passenger buses currently make up 93% of the District's fleet, the District's existing busing needs (based on the sample data) require that 65- and 72-passenger buses comprise only 32% of the fleet. [8] Based on this analysis, it is estimated that the District could reduce its annualized acquisition expenditures for buses by $616,666 per year and reduce costs for gasoline by an additional $438,000 per year if it more appropriately targeted bus sizes to district needs.

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[7] The random samples were drawn from all seven bus transportation centers in proportion to their percentage of total routes. The sample included both regular and ESE routes.

[8] As discussed in Section 1, the percentage of smaller buses used can be increased even further by staggering start times within elementary, middle, and high school types.

Exhibit 12-15

The District's Bus Fleet Should Include a Much Smaller Proportion of Large Buses
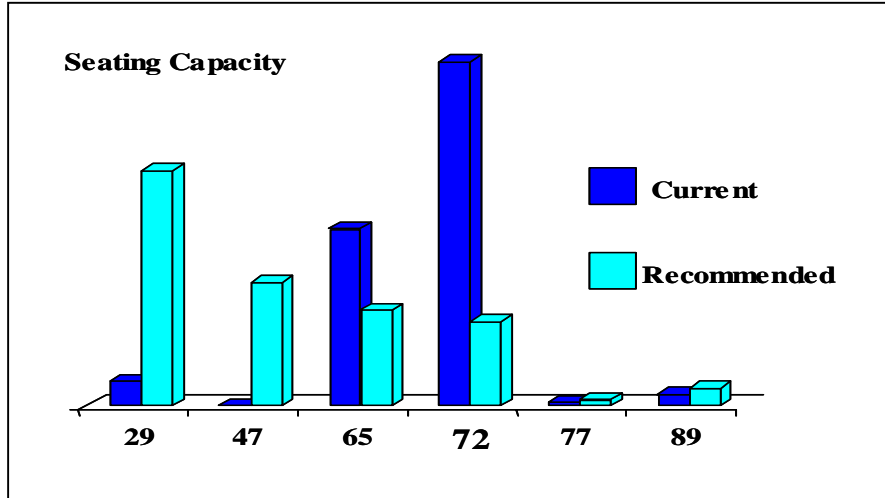
Source: Miami-Dade County Public Schools, Department of Transportation and Berkshire Advisors.

If the District altered its bus fleet to reflect the bus sizes recommended in 12-15, it could reduce its annual expenditure on buses by $616,666, or $7.4 million in each 12-year bus replacement cycle.

An additional implication of modifying the mix of small and large buses in the District's fleet is that less space will be available to serve students through courtesy passes. As discussed in Section 1 of this chapter, the use of large buses currently provides a "perk" to schools by increasing the number of students who can be transported using courtesy passes. Schools control courtesy passes and can provide them freely to students so long as there is excess space available on scheduled buses. If smaller buses were to be used—or if greater routing efficiency is achieved—schools would be forced to more closely monitor and ration courtesy passes. In a district in which principals and parents are accustomed to this perk, eliminating it would no doubt have political ramifications.

Moreover, operating cost-efficiencies associated with using smaller buses are also substantial. While maintenance costs might not be affected by bus size, it is indisputable that smaller buses consume less fuel. As Exhibit 12-16 shows, even if the difference in fuel efficiency between small, medium, and large buses is as little as one mile per gallon, the fuel savings that would result from the District from using smaller buses are considerable.

However, if the District improves its routing efficiency and is able to increase the load factors on its larger buses, shifting to smaller buses may not be necessary.

Exhibit 12-16
Smaller Buses Require Significantly Less Fuel Than Larger Buses

Bus Size (estimated mpg)	Fuel Needed Each Year	Current Fleet Mix	Recommended Fleet Mix
29 Seats (8mpg)	1,875 Gallons	115,335	1,100,925
47 Seats (7mpg)	2,143 Gallons	0	659,101
65+ Seats (6mpg)	2,500 Gallons	3,341,220	1,258,200
Total Amount of Fuel Required		**3,456,555**	**3,018,226**

Source: Berkshire Advisors.

Assuming a $1 per gallon cost for diesel fuel, the District could save as much as $438,000 in fuel costs each year by altering its mix of buses to reflect current ridership.

Recommendations

- *We recommend that the District conduct a cost/benefit analysis to determine whether its policy of replacing buses every 12 years is the most economical method of meeting student transportation needs.*

- *We recommend that the District reduce its spare bus ratio to no higher than 12% of its daily routes.*

- *We recommend that the District review its bus capacity needs more critically once routing efficiency has been improved. If warranted at that time, the District should purchase smaller buses for those routes where the higher seating capacity is not needed.*

Action Plan 12-5 provides the steps needed to implement this recommendation.

Action Plan 12-5

Analyze 12-Year Bus Replacement Schedule		
Strategy	Conduct a cost/benefit analysis of the cost-effectiveness of maintaining a 12-year bus replacement schedule. This analysis should be repeated periodically as conditions, vehicle costs, maintenance labor costs and other major factors change.	
Action Needed	Step 1:	For a representative sample of the entire bus fleet, determine year-by-year life cycle maintenance costs.
	Step 2:	Determine the average age and sale price for District buses of differing sizes and configurations when sold at auction.
	Step 3:	Use service records to determine the average and peak number of buses out of service at any one time
	Step 4:	Adjust purchase schedule if indicated by the analysis results.
	Step 5:	Repeat the analysis every five years to determine if policies need to be changed.
Who Is Responsible	District Director of Vehicle Maintenance	
Time Frame	December, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources.	

Reduce the Spare Bus Ratio to No More Than 12% of Daily Routes		
Strategy	Set a cap of 12% of daily routes for the number of spare buses maintained by the District.	
Action Needed	Step 1:	Submit new policy wording to the school board for approval.
	Step 2:	Change standard operating procedures to reflect the change to 12%.
	Step 3:	Plan a scheduled reduction in the new school bus purchases to reflect the change without radically increasing the age of the spare fleet.
	Step 4:	Auction off the District's fleet of "emergency" buses stored at its auction yard.
Who Is Responsible	District Director of Vehicle Maintenance	
Time Frame	December, 2002	
Fiscal Impact	This recommendation will result in a one-time cost recovery of $173,000. Additional annual savings will accrue to the District in reduced maintenance costs. In addition, the District could receive as much as $290,000 from the sale of the emergency buses.	

Review Bus Sizes in the Transportation Fleet	
Strategy	Review District bus capacity needs more critically once routing efficiency has been improved. If warranted at that time, the District should purchase smaller buses for those routes where the higher seating capacity is not needed
Action Needed	Step 1: See Action Plan 12-1 for issues relating to improved routing efficiency. Step 2: Review all assigned routes to determine required seating capacity. Step 3: Alter new bus purchases to reflect actual seating capacity needs.
Who Is Responsible	Administrative Director, Department of Transportation
Time Frame	December, 2002
Fiscal Impact	Based on current routes, this recommendation will result in an annualized capital savings of $616,666 in reduced bus purchases and $3.1 million over five years. In addition, savings in reduced diesel fuel expenditures will exceed $438,000 per year and $2.2 million over five years. However, until routing efficiencies are implemented, estimated savings from operating smaller buses could change.

9 The District does a good job of providing timely routine servicing for buses and other District vehicles and responds quickly and effectively to breakdowns and other unforeseen contingencies.

The District generally does a good job of providing routine servicing for buses

DOT has an effective system for providing routine inspections and preventative maintenance to buses without disrupting service. Buses and other District vehicles are scheduled in the computer system for inspection and service based on established time periods (i.e., every 20 school days for buses, every 90 days for most cars, every 60 days for certain police vehicles, etc.). In addition, mileage-based services are noted in the computer system and coordinated with the 20-day inspections to minimize the frequency with which vehicles are out of service. To facilitate planning and coordination of bus servicing, the system alerts managers three days prior to scheduled service. Buses are pulled out of service the night before they are to be inspected and spare buses are used to replace buses that are out of service for maintenance. [9] A random review of vehicle service records at three of the District's nine service centers confirmed that vehicles are being serviced on schedule. However, as noted in a recent internal audit of the Vehicle Maintenance Department, this process often results in some vehicles being serviced with very low miles between servicing, while others are traveling great distances between servicing. [10] That report also found that some buses were actually inspected two or three days ahead of schedule, but the schedule for the next inspection was not adjusted in the computer system. In some cases, this led to buses going 22 or 23 days between inspections. This occurs when a bus is inspected before schedule for one inspection and then "on schedule" for the ensuing inspection. While this is indeed a problem that DOT should address, it does not appear to reflect an inability of the District to inspect its buses on time.

While procedures are not consistent across transportation centers, the District's breakdown/accident procedures are effective at minimizing disruption of service to students. For instance, most transportation centers routinely dispatch tow trucks to tow impaired buses back to the transportation center for repair. Some, however, send a mechanic to the scene to attempt on-the-spot repairs. Regardless of the specific approach used, operating procedures are in place

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[9] Computer records of inspections and maintenance activity are kept for 13 months. Paper records are kept for at least as long as the District owns the vehicles.

[10] For example, a number of the cars, trucks and vans tested in the district's Office of Management and Compliance Audits review sample had preventive maintenance performed on them despite being driven less than 2,000 miles between service intervals. They also found a number of the cars, trucks and vans tested operated for more than 5,000 miles between service intervals.

and are being followed. The success of these efforts is reflected in the fact that DOT gets high marks from school principals and assistant principals for their handling of breakdowns and accidents.

The DOT employs several quality control procedures for vehicle maintenance, including the use of quality control staff to spot-check a selection of work orders. Warranty dates for major parts and systems are entered into the computer system and these items are also monitored closely to ensure that the District maximizes its service and/or reimbursements for repairs under warranty.

In part because its quality control procedures are effective, the quality of work provided by transportation maintenance is generally high as evidenced by the fact that reported breakdowns are infrequent despite the age of the District's bus fleet. It is also noteworthy that the District received no adverse findings in the last Department of Education Transportation inspection related to the 20-day inspection process or the condition of the District's school buses. The quality of vehicle maintenance services provided by DOT is also supported by the results of the employee survey. Fewer than one in 10 survey respondents (8.3%) "strongly disagree" with the statement, "District maintenance staff provide timely repair and maintenance of District vehicles" while more than half of the survey respondents (50.5%) "agree" or "strongly agree" with this statement. Moreover, only slightly more than one in twenty survey respondents (5.9%) "strongly disagree" with the statement, "District maintenance staff provide high quality maintenance of District vehicles" and 46.4% of the survey respondents "agree" or "strongly agree" with this statement.

Maintenance costs are typically charged back to other District departments

DOT does a good job of tracking and charging back maintenance costs attributable to work performed for other District departments. For the last two years, all labor costs—including support staff and management—have generally been charged back to the departments whose vehicles are serviced by DOT. [11] Labor costs are determined using the number of service hours documented on vehicle maintenance work orders. The percentage of total maintenance hours consumed by a particular department is then applied to all other DOT labor categories with the exception of the Director's salary. Expenditures for parts and supplies are also charged directly to the user departments.

The fees charged for vehicle maintenance services are generally considered reasonable. A paltry 2.4% of employee survey respondents "strongly disagree" with the statement, "Fees charged for District vehicle maintenance services are reasonable and appropriate." Moreover, 44.0% of the survey respondents "agree" or "strongly agree" with this statement. The fact that there is little dissatisfaction with the level of fees charged for vehicle maintenance is a testament to the quality of vehicle maintenance services DOT provides.

The existing work order system does not provide the management information needed to support operational improvement efforts

Although DOT does a good job of servicing its vehicles and keeps its buses in good condition, efforts to further improve performance are stymied because the existing work order system does not provide the management information needed to support operational improvement efforts. Most significantly, the District's vehicle work order computer system does not store data for more than 13 months making the tracking of long-term maintenance activities extremely difficult. In addition, the data that is stored on the computer system is not easily accessible. Even relatively straightforward information on average maintenance costs for vehicles over 10 years old is unavailable through the current system. Another shortcoming of the existing work order system is that it is not integrated with other District systems, such as payroll. Payroll data for mechanics is currently recorded four different times to accommodate the various systems that track employee time.

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[11] The maintenance and fuel costs for approximately 45 "VIP" vehicles have historically been absorbed by DOT. During the course of this study, however, the District ended the practice by eliminating District-provided vehicles for most staff members. Those that remain will now be charged back for all fuel and maintenance service.

Because ready access to such information is not available, no life cycle analysis is currently done to determine how maintenance practices are affecting departmental costs or whether particular makes or models of vehicles require more costly ongoing maintenance than others. Likewise, insufficient information is available to thoroughly analyze whether costly repairs on a vehicle should be completed or whether the vehicle should be replaced. Indeed, at present, completing a simple query as to the number of times a vehicle's brakes were replaced entails poring through boxes of archived paper files by hand.

Recommendations

- *We recommend that the District replace or modify its current work order system with a computer system that can maintain multi-year historical data for as long as the District owns its vehicles and which provides ready access to management information.*

- *We recommend that the District modify its motor vehicle evaluation procedures to consider expected annual maintenance costs—including labor and overhead costs—and compare that to the average annual cost of replacing the vehicle.*

Action Plan 12-6 provides the steps needed to implement this recommendation.

Action Plan 12-6

Replace Or Modify The Current Work Order System	
Strategy	Replace or modify the COMPASS work order system with a computer system that can maintain multi-year historical data for as long as the District owns its vehicles and which provides ready access to management information.
Action Needed	Step 1: Research and select a "tailorable" work order software system that allows scheduling, life-cycle cost tracking and complex queries and reports.
	Step 2: Train system users (i.e., managers, foremen and lead mechanics) on how to use system functions.
	Step 3: Code and convert current year information into the new system.
	Step 4: Switch from COMPASS to new system in stages (i.e., center-by-center).
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2002
Fiscal Impact	The fiscal impact will depend upon whether the current system can be modified or if replacement is required.

Modify Motor Vehicle Evaluation Procedures	
Strategy	Modify existing motor vehicle evaluation procedures to consider expected annual maintenance costs—including labor and overhead costs—and compare those costs to the average annual cost of replacing vehicles.
Action Needed	Step 1: Update Standard Operating Procedures to require a calculation of annual vehicle maintenance costs.[12]
	Step 2: Update Standard Operating Procedures to require an estimation of vehicle replacement costs.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2003

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[12] This procedure should be put in place only after the department has the capability to obtain life-cycle cost information on its computer work order system.

Fiscal Impact	This recommendation can be implemented within existing resources.

10 The District's fuel purchase, management and dispensation procedures are cost-efficient and operationally effective.

The District's approach to fuel procurement and management is generally quite effective

The District has established a number of effective practices to manage the use and procurement of fuel. These practices include the following:

- effective fuel procurement practices are in place,
- fuel usage is carefully tracked,
- fuel expenses are charged back to the user department,
- fuel inventories are maintained at appropriate levels, and
- inspections of fuel tanks are regular and timely.

A discussion of each of these issues follows.

Fuel procurement. The District purchases fuel through a competitive bid process that is re-bid each year and is coordinated by the Procurement Department.

Fuel use tracking. The District uses the E. J. Ward computerized fuel system to track usage by vehicle and department at its seven fueling stations spread geographically throughout the District. DOT Fuel Attendants pump all fuel and manually log the mileage of each vehicle when it is fueled. Fuel usage, by station and by vehicle, is monitored on a daily basis. Reconciliation of the E. J. Ward system and twice-daily fuel tank measures is also completed daily. Any discrepancies between the computerized tracking system, tank measurements and manual records (kept by fuel attendants and entered on a separate computer system manually by clerks) are investigated the next day. An informal hand-written logbook which lists the anomalies and the corresponding explanations or corrections is kept centrally, though this logbook is not used by anyone other than the staff member responsible for the reconciliation.

Charge backs. All fuel usage is charged back to the user department. Doing so helps to prevent excessive fuel usage because the managers of the using department have a strong incentive to monitor fuel usage. If fuel usage for their departments exceeds an appropriate amount the department's budget will be adversely affected.

Fuel inventories. The daily monitoring of usage and tank levels facilitates the management and timing of fuel purchases. Fuel stations have not run out of fuel, nor have deliveries had to be curtailed because tanks were too full. While the District has experienced low tank levels periodically, this has generally resulted from problems with tankers and delivery, not poor planning on the DOT's part.

Inspections. DOT staff at each of the fueling stations conduct routine checks of wells near underground fuel tanks to determine if fuel is leaking from tanks. Records of these inspections are documented and readily accessible on site. Staff also cooperates with the state EPA officials who inspect each of the maintenance facilities, including the fueling stations, twice per year. The District has responded appropriately to issues raised during these inspections as evidenced by paperwork in place at three fuel centers reviewed by the consultant.

Ineffective support systems hinder fuel management efforts

Staff report that the E. J. Ward system crashes fairly often requiring fuel attendants to log user codes and the amounts of fuel issued on paper for entry into the system at a later time by office clerks. Because of the procedures followed by DOT staff, including the checking and re-checking of system information and the diligent investigation of all anomalies, this process has not resulted in unresolved errors. However, it does slow down the fueling process and increase the workload of fuel attendants, clerks and managers. A more reliable electronic fuel tracking system would therefore be beneficial.

Recommendations ———————————————

- *We recommend that the District take steps to improve or replace its computerized fuel tracking system to ensure a higher level of reliability and to create a direct interface with the District's general ledger system.*

Action Plan 12-7 provides the steps needed to implement this recommendation.

Action Plan 12-7

Improve or Replace the Computerized Fuel Tracking System		
Strategy	Improve or replace the computerized fuel tracking system to ensure a higher level of reliability and to create a direct interface with the District's general ledger system.	
Action Needed	Step 1:	Determine whether or not the current fuel tracking system can be modified to improve reliability and interface directly with the general ledger.
	Step 2:	Research other fuel tracking systems that can interface with the District's general ledger computer system.
	Step 3:	Develop and adopt an improvement strategy for the computer system.
	Step 4:	Train system users (i.e., managers, clerks and fuel attendants) on system functions.
	Step 5:	Code and convert current year information into the new system (if necessary).
	Step 6:	Switch from the current system to the new system in stages (i.e., center-by-center).
Who Is Responsible	Administrative Director, Department of Transportation	
Time Frame	December, 2002	
Fiscal Impact	The fiscal impact to the District will depend upon whether the current fuel tracking computer system can be modified or if replacement will be required.	

11 The District's maintenance facilities are generally convenient, secure and supportive of maintenance activities.

Maintenance centers are appropriately located and configured

The District's nine maintenance centers—seven of which are also bus terminals and fueling stations—are spread sufficiently around the geographically large district to provide reasonable convenience to District users. All centers are well lighted, reasonably clean and orderly, and free of obvious safety hazards. Mechanics supply most of their

own tools, [13] and each center has space allocated for mechanics to lock their tools in movable tool storage cabinets. There have been no serious problems of tool thefts. Each site also has office space for data entry and other support services. At the 95th Street center, however, available space for support services is very cramped. This center is scheduled to move to a new, larger facility later this year.

Some of the maintenance facilities are ill-equipped to handle a large volume of buses. For example, the Central East maintenance facility has only two enclosed bus lifts while the Northeast facility has six. As a result, the concentration of buses at the various locations is determined more by maintenance capacity than by geographical convenience.

No systematic analysis has been completed on the feasibility and desirability of establishing additional terminals and servicing centers primarily because the cost of acquiring the real estate needed for expansion is assumed by management to be cost-prohibitive. It took over a decade to get the latest expansion site approved. Despite the imbalance in maintenance capacity at the various facilities, DOT has not had a problem inspecting and servicing buses on schedule. Nevertheless, no analysis has been completed to determine whether it is economically feasible to contract out for bus and/or vehicle maintenance on a large scale level. Given the real estate constraints facing the District, such analysis should be undertaken.

Transportation centers are secure

Three separate contracted security firms provide round-the-clock guards at most transportation facilities. At some sites, these guards are armed. Guards posted at entryways control automobile access to the facilities. However, once inside the gates, little direction and monitoring is provided by the guards. During the daytime, it is relatively easy to access maintenance areas and parked buses without interference from anyone. Nighttime security is significantly more controlled as there are significantly fewer people with nighttime access to the transportation facilities. The District's contracts with the security firms also allow the District to charge back to a vendor any loss or damage that occurs after hours while facilities are completely under that security firm's control.

The District has not considered the use of guard dogs because of the amount of evening and nighttime activity at many of the centers. Neither has the District considered the use of closed-circuit television cameras for security monitoring. It should be noted, however, that it is unlikely that the use of security cameras would reduce the need for contracted guards as there would be a continuing need to place a guard at the traffic entrance to all facilities. The primary benefit of security cameras would be during the day when it is relatively easy for outsiders to access maintenance areas and parked buses.

Each maintenance center has an on-site parts and supplies storage area that is reasonably secure. The parts areas are "off limits" to everyone except the centers' stores clerks. Signs are posted and the on-duty stores clerk is situated at the entrance to the parts room. However, when parts clerks are away from the entryways or engaged with someone, undetected access to storage areas is possible, though the shrinkage of parts and supplies has not been significant.[14] Last year, gross adjustments to inventory stored at vehicle maintenance facilities amounted to only 0.16%.

All buses are returned to the transportation centers each night and remain locked inside the gates until the centers open for business the next morning. Drivers are not allowed to park buses at their homes.

The District has established effective systems and procedures to minimize problems associated with hazardous waste. There are systems and procedures in place to minimize problems associated with hazardous waste and staff is following these procedures. Safety apparatus, such as fire extinguishers, eye wash stations and first aid kits, are

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[13] Mechanics are provided with an annual tool allowance.

[14] Management attributes the lack of shrinkage to two practices. First, the Inventory Control division of DOT has procedures in place to aggressively monitor and track inventory, including requiring multiple checks and signatures for all inventory transfers and conducting manual counts of all inventory items at least once per year. Second, management has a "zero tolerance" policy for any internal thefts and has "made examples" of some employees caught pilfering inventory.

available at all sites. Little is being done, however, to minimize the amount of hazardous waste created by Transportation operations.

A detailed analysis of the costs and benefits of installing new oil filtration systems on buses is needed

One activity the District touts—the installation of a new oil filtration system on buses—may not have met the expectations set for it. One anticipated benefit – a reduction in the amount of waste oil created – may have been realized but no analysis has been performed to confirm this fact. Moreover, the program may be more costly than originally anticipated because the cost/benefit analysis used to justify the program had a number of short-comings including those below.

- The District assumed an average of 3.5 oil changes per year when using a standard oil filtration system and changing oil every 6,000 miles. Yet, the actual average annual mileage on District buses is only about 15,300 necessitating only 2.5 oil changes per year. Furthermore, manufacturers of new bus engines recommend oil changes only every 12,000 miles.

- The District assumed maintenance on the new oil filtration system would require 15 minutes per year to change filters, add additional oil and prepare a sample kit for analysis as compared to the 30 minutes per event for oil changes under the standard system. Yet maintenance staff report that the amount of time required to service the new oil filtration system is actually longer than the standard oil change process because, under the new system, considerable time is required to check and repair the additional hoses the system requires.

- In its analysis the District did not account for the time required to initially install the new oil filtration system— up to four hours.

- The District's analysis did not account for the initial cost of the new oil filtration system, which ranges between $350 and $450.

- The District assumed that only two quarts of oil – that which is consumed by a normally functioning diesel engine—would be required each year for buses equipped with the new oil filtration system. However, each time an oil leak is detected, the entire system must be drained of oil before the oil filtration system can be repaired. This requires the replacement of 20 quarts of oil for every repair. Anecdotally, some staff report an average as high as three repairs per bus per year in some shops with an average of 1.5 hours required for each repair. [15]

The District's Office of Management and Compliance Audits recently completed an audit of the costs and benefits of the oil filtration system and recommended that the department end the program.

Recommendations

- *We recommend that the District reverse its decision to equip all school buses with the new oil filtration system.*

Action Plan 12-8 provides the steps needed to implement this recommendation.

Action Plan 12-8

Reverse the Decision to Equip All School Buses With the New Oil Filtration System

Strategy	Reverse the decision to equip all school buses with the new oil filtration system.

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[15] The previously discussed limitations of the vehicle maintenance work order system prevents these assertions from being verified.

Action Needed	Step 1: Immediately cancel any existing orders for new oil filtration systems.
	Step 2: Return for credit any unused systems that the supplier will take back.
	Step 3: End the practice of installing the filter systems on any additional buses.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	March, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

12 The District's maintenance staffing and training is generally adequate, but some improvements could be made.

The District's approach to assessing maintenance staffing levels would benefit from additional refinements

The District applies a 20:1 ratio of buses to mechanics and a 40:1 ratio for all other vehicles. Current staffing levels conform to these standards which were adapted from standards developed by Charles Long of Common Sense Management, a consulting firm that focuses on school bus fleet maintenance systems. While this system appropriately weights the importance of school buses over other types of vehicles, it does not adequately account for differences among the various types of non-bus vehicles the DOT services. For example, the required maintenance skills and time allotted to repairing a large delivery truck or a dump truck differs greatly from the skills and time necessary to service cars and passenger vans. A recent internal audit noted that based on DOT's current operating procedures and estimates for vehicle inspections, inspection repairs and preventive maintenance, there appears to be an under-utilization of mechanics at five of the nine maintenance centers. While this observation is based on estimated time, not actual work orders, the District would clearly benefit by refining its allocation formula by analyzing its own actual experience servicing various types of vehicles based on work orders.

Moreover, while the District's current staffing formula provides managers with a reasonable measuring stick for allocating mechanics, there is no corresponding ratio in place for determining the proper ratio of managers to staff. Some maintenance managers report putting in long hours of overtime—for which they are not paid—to stay current with their workload. Meanwhile, foremen and lead mechanics, who do earn overtime pay, often take home more in pay than their managers. This staffing discrepancy therefore creates a disincentive for foremen to become maintenance managers.

The District provides incentives for mechanics to become ASE certified in multiple areas

The National Institute for Automotive Service Excellence (ASE) certifies mechanics in automotive specialties. Although certifications must be obtained on a mechanic's own time, the district provides very lucrative financial incentives for mechanics to become certified. For example, an individual mechanic can earn up to $4.20 per hour above his or her base hourly salary if he or she is certified in up to 14 ASE specialties. This is the most lucrative incentive of its kind in the State. Almost half of the district's mechanics receive incentives under this program. As Exhibit 12-17 shows, of the 133 vehicle mechanics employed by the department, almost half have been certified in one or more specialties and 6% have been certified in 16 or more.

Exhibit 12-17

Almost Half of the Districts Mechanics Receive Incentives Under the ASE Certification Program

Percent of Mechanics and the Number of ASE Certifications

- 16+ 6%
- 11-15 4%
- 6-10 10%
- 1-5 29%
- 0 51%
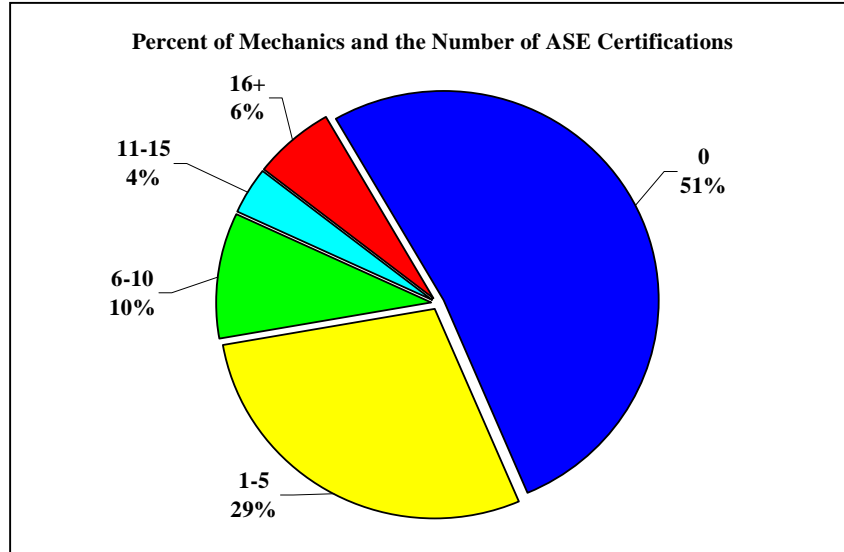
Source: Miami-Dade County Public Schools, Department of Transportation.

Having so many ASE certified mechanics is a great benefit to the District. Not only does the ASE certification help to ensure the quality of vehicle maintenance work performed but also when mechanics are certified in more than one area the District can make flexible use of their skills.

In-service training provided by the DOT mostly relates to policy changes and safety regulations, not to vehicle maintenance techniques. This training is provided on an as-needed basis, not at regular intervals. Similarly, initial training of maintenance workers when hired focuses on general District policies and procedures, not on maintenance practices.

Recommendations

- *We recommend that the District tailor its mechanic staffing allocation formula to reflect actual District experience.*

- *We recommend that the District develop a staffing formula that can be used to target the number of managers needed to support vehicle maintenance operations.*

Action Plan 12-9 provides the steps needed to implement this recommendation.

Action Plan 12-9

Modify the Mechanic's Staffing Allocation Formula to Better Reflect Actual District Experience		
Strategy	Tailor the mechanics staffing allocation formula to better reflect actual District experience.	
Action Needed	Step 1:	Review 12 months' worth of work orders to determine the time spent maintaining and repairing various categories of vehicle types.

	Step 2:	For non-bus vehicles, determine the average amount of time spent by mechanics on each vehicle type.
	Step 3:	Establish corresponding formulae for each vehicle type based on average repair times.
	Step 4:	Compare projected mechanic needs by vehicle type to the current 40 to 1 ratio to determine if the current staffing formula should be changed.
Who Is Responsible	District Director of Vehicle Maintenance	
Time Frame	December, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources.	

Develop a Staffing Formula That Can Be Used to Determine The Number of Vehicle Maintenance Managers Needed		
Strategy	Develop a staffing formula that the District can use to determine the proper number of managers in its vehicle maintenance operations.	
Action Needed	Step 1:	Collect peer and industry information on management practices in other school district vehicle maintenance operations.
	Step 2:	Compare industry and peer information with the District's current organizational structure.
	Step 3:	Gather information on how managers currently spend their time and the types of factors that increase their workload.
	Step 4:	Develop a management to staff ratio based on collected information and apply it to current operations to determine if there is an imbalance.
Who Is Responsible	District Director of Vehicle Maintenance	
Time Frame	December, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources.	

13 The District maintains an inventory of parts, supplies, and equipment, but needs to improve its tracking systems and its procurement practices.

The District does a very good job of tracking, transferring, and monitoring its inventories of parts, supplies and equipment

The DOT does a very good job of tracking, transferring and monitoring its inventories of parts, supplies and equipment. Three signatures – from the parts person who pulls the item(s), from the parts supervisor who verifies what has been pulled, and from the foreperson who receives the item(s) – are required for all inventory transfers. Transaction activity reports are also run daily and checked against paperwork received from the various centers to catch any anomalies or keystroke errors. Restocking of items is automated and based on minimum and maximum parts levels set by managers and entered into the computer system.

The inventory control division completes "cycle counts" on all items at least once each year during which each item is manually counted and counts are compared to information in the computer system. In addition to the scheduled cycle counts, stock amounts for each item are manually recounted each time an order is pulled during the daily course of business. These stock counts are also compared to the computer system each day as part of the transaction activity reporting process. In addition, tires and higher cost items (all items over $300) are counted weekly, and these counts are compared to information on the computer system as well. As an added control, an inventory control manager randomly spot checks various inventory items as a quality control measure on the daily counts. Vendors are charged back for errors found after the fact.

As a result of this constant monitoring activity, the District has lost only a miniscule amount of its total inventory. For example, last year's total adjustments, both positive and negative, amounted to less than $6,000 out of a total inventory of approximately $3.8 million over the course of the year or 0.16% of total inventory.

The District makes effective use of its Visa purchase program to control the size of its parts and supplies inventories

Although the District has stable, predictable maintenance schedules, it doesn't employ "just in time" delivery of parts and supplies because there is too much variation in the specific parts and supplies required at each scheduled servicing. Rather, to control the size of its parts and supplies inventories the District has established automated reorder points for items stocked in the warehouse and has expanded its use of the Visa purchase. The Visa program allows the maintenance unit to obtain items not on a pre-approved bid list and to obtain these items much more quickly than through the normal purchase order process. While a number of approvals are still required for Visa purchases, the process takes anywhere from a couple of hours to one day while the purchase order process can take weeks.

This Visa purchase program could be improved by decentralizing the approval process for Visa purchases. Authorizing maintenance managers to approve purchase requests at their sites would reduce delays in obtaining needed parts and supplies. This in turn might reduce the need for and use of spare buses. Spare buses are currently used to replace vehicles that are out of service being maintained or repaired. Another shortcoming related to the Visa program is that Visa purchases are not recorded in the computer work order system. As a result, any life-cycle analysis involving Visa purchases would currently require reviewing hard copies of Visa receipts, which are kept with other vehicle records.

In addition, the District might achieve parts inventory efficiencies by exploring the use of parts and supplies vendors as the District's "warehouse." By having the nine vehicle maintenance centers order parts directly from large-scale vendors, the District might be able to eliminate its need for warehouses and the operating expenses associated with them.

The District has generally established effective practices for purchasing parts and supplies, though improvements could be made

The District has established competitive procurement and qualification processes and these are being followed for the purchase of vehicle maintenance related parts, services and supplies. Even vendors used through the Visa purchase program must be pre-qualified.

Moreover, while the District does not participate in pool purchase arrangements with other local jurisdictions, as the largest local public purchaser of goods and services in the State, it is able to negotiate advantageous purchasing arrangements with vendors.

One potential area where the District might not be obtaining the best purchase price is with the purchase of motor oil. A recent internal audit found that all motor oil purchased by the District since 1997 was purchased from a single vendor under an arrangement that had not been competitively bid. As with other maintenance parts and supplies areas, the District should select its oil vendor(s) through a competitive process.

The District is vigilant about getting reimbursed for warranted items that require repair, but need to improve its tracking system

Warranty information on vehicles and major systems, such as drive trains and lifts, are entered into the computer system when a vehicle is purchased or when a major system is replaced. The DOT aggressively uses this information to ensure it is reimbursed for warranted items that require repair. In fact, when the DOT handles a warranty repair internally, it often generates a "profit" because the rate at which manufacturers reimburse the District for labor (i.e., $45 per hour) is often higher than the DOT's actual labor rate.

It should be emphasized however; that because the computer system does not automatically flag when a repair may be under warranty the DOT must rely on the vigilance of its supervisors, managers, and staff to ensure warranty repairs are reimbursed. At present, it is incumbent upon the foreperson, the lead person and the mechanic to ascertain whether an item being repaired is under warranty. For major items this is an easier task because warranty dates are entered in the system for each vehicle, but this system is only effective for warranty terms less of less than 13 months as the District's computer system only stores data for that long. For smaller items such as starters and fuel pumps, the District must rely entirely on the memory of maintenance staff to determine whether an item is under warranty. Despite the best efforts of these staff, there is no assurance that items under warranty are not repaired or replaced at District expense.

Recommendations ⎯⎯⎯⎯⎯⎯⎯⎯⎯⎯⎯⎯⎯

- *We recommend that maintenance managers be authorized to control the use of Visa purchases at each maintenance center to reduce delays in obtaining parts and supplies needed for repairs.*

- *We recommend that parts and service purchases made through the Visa program be entered into the work orders system so that accurate life-cycle analysis can be completed.*

- *We recommend that the District select its motor oil vendor(s) through a competitive process to ensure the best price is received.*

- *We recommend that the District consider contracting with large-scale vendors instead of operating its parts and supplies warehouse.*

- *We recommend that the District replace its computerized work order system with one that allows for the life-cycle tracking of warranty information and automatically flags warranted items when they are due to be serviced*

Action Plan 12-10 provides the steps needed to implement this recommendation.

Action Plan 12-10

Authorize Maintenance Managers to Control the Use of Visa Purchases At Each Maintenance center	
Strategy	Allow maintenance managers to control the use of Visa purchases at each maintenance center to reduce delays in obtaining parts and supplies needed for repairs.
Action Needed	Step 1: Amend the standard operating procedures for Visa purchases to allow maintenance managers final purchase approval within established limits.
	Step 2: Train maintenance managers to use the required monthly reconciliation process for Visa purchases.
	Step 3: Implement the new procedures at all maintenance centers simultaneously.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Ensure That Visa Purchases Are Entered Into the Work Order System	
Strategy	Enter parts and service purchases made through the Visa program into the work orders system so that accurate life-cycle analysis can be completed
Action Needed	Step 1: Revise standard operating procedures for Visa purchases to require the Lead Mechanic or Foreperson to input parts and services purchased with Visa cards into the work order system when the transaction is completed.
	Step 2: Implement the new procedures at all maintenance centers simultaneously.

Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Select Motor Oil Vendor(s) Through a Competitive Process

Strategy	Establish a competitive process for the purchase of motor oil to ensure the best price is received
Action Needed	Step 1: Establish specifications for motor oil purchases.
	Step 2: Issue an RFP for motor oil suppliers.
	Step 3: Identify potential vendors and inform them of the opportunity to bid.
	Step 4: Establish and apply proposal criteria that heavily weights lowest price.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	June, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Consider Outsourcing Warehouse Activities

Strategy	Consider contracting with large-scale vendors instead of operating its parts and supplies warehouse.
Action Needed	Step 1: Determine the annual operating costs for the District's vehicle maintenance warehouse activities.
	Step 2: Complete a market analysis on local competition in the parts and supplies industry to determine if adequate scale exists in the local market.
	Step 3: If so, seek out competitive bids for the supply of parts and supplies to the maintenance centers.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Replace the Computerized Work Order System With One That Allow for the Life-Cycle Tracking of Warranty Information

Strategy	Replace the computerized work order system with one that allows for the life-cycle tracking of warranty information and automatically flags warranted items when they are due to be serviced.
Action Needed	Step 1: See Action Plan 12-6, Recommendation 1.
	Step 2: Ensure that any new system has the capability of tracking and flagging warranty information.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2002
Fiscal Impact	The costs of implementing this recommendation are presented in Action Plan 12-6.

Management Oversight and Accountability ———

14 The technological and computer support for student transportation functions is evolving, but has significant shortcomings and substantial future efforts are required.

Student transportation computer systems

While the District currently maintains its Computerized Automated Transportation System (CATS), this system is not Windows-based, is not web-enabled, and does not provide graphical user interfaces. The system requires extensive manual effort to maintain and has limited utility for the routing and scheduling of school buses. The student transportation staff relies heavily on manual records and other paper documents to do their jobs.

The DOT is currently testing a replacement system, MAPNET NT, in one of its seven Transportation centers; however the staff interviewed by Berkshire Advisors indicated that the new system was very complex to use. With the new system, there has been discussion as to how geo-coding will be controlled and which organization will be responsible. Currently, DOT does not control or have input access to the geo-codes it needs to perfect its routing and scheduling functions, as these data elements are controlled by the Office of Information Technology (OIT).

Transportation support computer systems

For administrative applications the DOT has developed its own "File Maker Pro" system to supplement the District's mainframe applications. This system does not have electronic interface with the District's mainframe applications and, as a result, there is a substantial amount of data re-entry from one system to another as well as time spent verifying transactions between the systems.

Budget monitoring is performed with both weekly and monthly reports as well as with information available on-line. The DOT staff closely monitor their accounts and ensure their records are in agreement with the mainframe financial systems.

While the DOT has recently created a centralized database on its local system to break down expenditures by the various DOT work locations in order to monitor the cost of supplies and equipment, many systems remain fragmented. In the vehicle maintenance area, for example, payroll information was observed by Berkshire Advisors to be recorded four times, reflecting the lack of integration among systems and illustrating the inefficiencies inherent in the current situation.

DOT staff recognizes the inefficiencies of the current circumstances and are continually seeking ways to improve and coordinate systems. These efforts include regular discussions with the central OIT and continual assessment of technology needs, priorities, and strategies.

Recommendations ————————————

- *We recommend that the DOT and OIT electronically integrate existing systems to eliminate redundancies thereby improving accuracy and operational efficiency.*

- *We recommend that the DOT move forward with the development and implementation of a new routing and scheduling system in conjunction with the centralization of routing functions and that the responsibility for geo-coding reside with the user department.*

Action Plan 12-11 provides the steps needed to implement these recommendations

Action Plan 12--11

Integrate Existing Systems

Strategy	Electronically integrate existing systems to eliminate redundancies thereby improving accuracy and operational efficiency.
Action Needed	Step 1: In coordination with OIT, prioritize the integration of existing systems. Step 2: Build computerized links to integrate systems.
Who Is Responsible	Administrative Director, Department of Transportation and the Director of the Office of Information Technology.
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources

Computerized Routing And Scheduling System

Strategy	The District should move rapidly to complete the installation of an effective computerized routing and scheduling system.
Action Needed	See Action Plan 12-1.
Who Is Responsible	Administrative Director, Department of Transportation
Time Frame	July, 2002
Fiscal Impact	Resources for this project are currently in the District's budget.

15 The District has no accountability system in student transportation and no tracking or reporting of performance.

The District has not established clear goals or measurable objectives for its student transportation operations, nor has the District established operational benchmarks by which to compare its operation to that of peer districts. [16]

On the pupil transportation side of the organization, seven semi-autonomous transportation centers operate without measurable objectives. There is little in the way of performance data available and that information that does exist is rarely summarized or analyzed to support decision making.

On the vehicle maintenance side of the organization, Berkshire Advisors found more reporting of performance data, such as information on bus breakdowns. Information available for each of the garages, however, was rarely summarized to obtain a District-wide perspective or used to determine the comparative performance of the various garages.

The District's DOT does not regularly collect, track, analyze, or report on basic performance indicators such as "on-time" arrivals of school buses, cost per mile or accident rates. While much of this type of information is available in detail form at the operational levels of the organization, it is not compiled and summarized for management

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[16] In its preliminary assessment, the Florida Sterling Council Examiners report that DOT has some goals, but there is not an action plan in place to achieve them. Overall, DOT does not use performance measurement indicators to manage business. While raw data may be available, there is generally a lack of analysis that converts this data into information used to review performance, identify priorities, and manage or improve performance.

purposes. Therefore, the District management lacks the daily, weekly, monthly, and annual reports needed to monitor performance.

The District does not use any form of customer satisfaction survey to determine service areas that need improvement. Complaint forms are available but are not used on a consistent basis and are not compiled or summarized to serve as a management tool. As a recent initiative, however, the Director of the DOT has established a "measurement" committee to develop a survey instrument to measure customer satisfaction.

Recommendations

- *We recommend that the DOT move to adopt an accountability system with performance indicators from which measurable objectives can be developed and report the results these efforts to the superintendent, school board and public.*

- *We recommend that the DOT establish clear and measurable goals and that it benchmark its performance within in the DOT and to peer districts and report the results these efforts to the superintendent, school board and public.*

- *We recommend that the DOT institute customer service measurement instruments and utilize this information to make organizational improvements and report the results these efforts to the superintendent, school board and public.*

Action Plan 12-12 provides the steps needed to implement these recommendations

Action Plan 12-12

Accountability system with goals and measurable performance indicators		
Strategy	Adopt an accountability system with performance indicators and measurable goals. Benchmark performance within the DOT and to peer districts and report the results these efforts to the School Board and public.	
Action Needed	Step 1:	The administrative director of the DOT should assume the responsibility for the development and implementation of an accountability system.
	Step 2:	Select performance indicators that are measurable and in general use in the industry. These might include such indicators as cost per mile, on-time arrivals, accidents per million miles, bus occupancy rates, breakdown rates, average ride times, and other measures of effectiveness and efficiency.
	Step 3:	Establish uniform system of data collection for selected performance indicators.
	Step 4:	Establish and disseminate to managers and staff measurable goals and objectives based on selected performance indicators.
	Step 5:	Benchmark performance indicators both within the organization (e.g., among Transportation centers) and with peer school districts.
	Step 6:	Evaluate these statistics and document reasons for variances.
	Step 7:	Report performance related to goals and benchmarks to the superintendent, board of education and the public on an annual basis
	Step 8:	Develop improvement plans, as needed, to assist managers and other employees in meeting individual and department goals in the future.
Who Is Responsible	Administrative Director, Department of Transportation	
Time Frame	July, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources.	

.**Measure Customer Service**		
Strategy	Institute customer service measurement instruments and utilize this information to make organizational improvements.	
Action Needed	Step 1:	Assign the established "measurement" committee of the DOT the responsibility to develop a survey instrument to measure customer satisfaction.
	Step 2:	Widely disseminate the survey instrument.
	Step 3:	Collect and analyze data from the survey.
	Step 4:	Use information obtained from survey to improve customer service and customer communications.
	Step 5:	Report customer satisfaction survey results to the Superintendent, Board of education, and the public on an annual basis.
Who Is Responsible	Administrative Director, Department of Transportation.	
Time Frame	July, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources	

16 The DOT coordinates longer-term planning and budgeting for student transportation within the context of District planning efforts, but needs to provide more cost reduction options to the superintendent and school board.

Budget planning

Staff of the DOT conducts a meticulous review of all budget categories, including an analysis of prior budget variances, as part of the budget development process. Interviews with DOT managers and a review of budget documentation indicate that the impact decisions will have on student transportation costs are considered as part of the District's decision making and long-term school planning process.

Program growth projections are coordinated with appropriate instructional offices in projecting transportation needs for the coming year. These programs include the various magnet programs, ESE, opportunity scholarships, and others.

On the other hand, the potential for budget reductions is not systematically considered as part of the budget process and the cost implication of current and alternative transportation policies are not presented to the board. Although there is some evidence that efforts are made to reduce the number of "space-available" courtesy riders in the District's search for possible budgets reductions.

Operational planning

DOT staff consults with school and community planners to identify the pupil transportation implications of community growth, future schools, school renovations, and attendance boundary changes. Staff at the Transportation centers meet with local community and law enforcement officials in determining the most appropriate loading/unloading zones and school bus routing issues.

Recommendations ──────────────────

- *We recommend that the DOT present and review the cost implications of current policies in the areas of ESE transportation, Magnet student transportation, bell schedules, and potential cost saving alternatives at the superintendent and board level of the District.*

Action Plan 12-13 provides the steps needed to implement these recommendations

Action Plan 12-13

Board Review of Current Transportation Policies	
Strategy	Review the cost implications of current policies in the areas of ESE transportation, Magnet Student transportation, bell schedules, and potential cost saving alternatives at the Superintendent and Board level of the District.
Action Needed	Step 1: Develop comprehensive review of the cost implication of current transportation policies for ESE, Magnet, and bell schedules along with cost saving alternatives. Step 2: Present to the superintendent and the governing board the cost implications of current policies and alternatives for consideration.
Who Is Responsible	Administrative Director, Department of Transportation
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

17 The District monitors the fiscal condition of student transportation functions by regularly analyzing expenditures and reviewing them against the budget, but needs to improve its tracking systems.

A healthy attitude of "trust, but verify" seems to prevail at the various levels of the DOT organization as it relates to District maintained budget and accounting records. Accounts and transactions are monitored carefully to ensure their accuracy. Expenditures are controlled to budget allocations and budget adjustments, when needed, are performed in accordance with the policies established by the chief financial officer.

Berkshire Advisors noted that bus driver overtime cannot effectively be monitored and controlled because it is not distributed to work locations or charged to individual 'jobs". These overtime charges are not distributed to appropriate cost centers and programs, but are accumulated in department-wide accounts. Furthermore, potentially offsetting revenue sources, such as the charges for activity trips that may have generated the bus driver overtime, are not made available to DOT management.

While the DOT garages use a "job cost" system to track labor and material to vehicle maintenance records, the computer system in use (COMPASS) limits the historical record of charges and activity to 13 months, thereby compromising the ability of staff to monitor, analyze, and manage the vehicle maintenance function.

Recommendations ──────────────────

- *We recommend that bus driver overtime accounts be allocated to a level where they can be effectively controlled and that offsetting revenue data be provided to DOT managers on a regular basis to assist them in monitoring these accounts.*

- *We recommend that the DOT replace or modify the current job cost system, COMPASS, so that it can be integrated with other related systems, such as the payroll system, and so that DOT garages will not be limited in tracking the history of expenses charged to the various vehicles in the fleet.*

Action Plan 12-14 provides the steps needed to implement these recommendations.

Action Plan 12-14

Allocation Of Overtime		
Strategy	Bus driver overtime accounts should be allocated to a level where they can be effectively controlled and offsetting revenue data should be provided to DOT managers on a regular basis to assist them in monitoring these accounts.	
	Step 1:	Assign the responsibility for the implementation of bus driver overtime allocation to the Executive Director of DOT.
	Step 2:	Determine appropriate allocations to centers and other offices based on prior experience and expected needs.
	Step 3:	Train center managers in the use of budget monitoring tools.
	Step 4:	Provide managers data on offsetting revenue to assist them in managing the overtime accounts.
Action Needed	Step 5:	Generate periodic reports on overtime usage and offsetting revenues for the Administrative Director's review.
	Step 6:	Hold managers accountable to control overtime expenditures within budgeted allocations.
Who Is Responsible	Administrative Director, Department of Transportation and the Chief Financial Officer.	
Time Frame	July, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources.	

Replace Current Job Cost Computer System	
Strategy	Replace or modify the current job cost system, COMPASS, so that it can be integrated with other related systems, such as the payroll system, and so that DOT garages will not be limited in tracking the history of expenses charged to the various vehicles in the fleet.
Action Needed	See Action Plan 12-6.
Who Is Responsible	Administrative Director, Department of Transportation
Time Frame	July, 2002
Fiscal Impact	Resources for this project are currently in the District's budget.

18 The District provides accurate counts of the number of students transported on the periodic FEFP survey.

The periodic Florida Education Finance Program (FEFP) survey is a very important activity of the DOT in that it is the basis for transportation reimbursement from the State. The DOT provides instructions and training to bus drivers and support staffs on the student count process and required forms. The DOT coordinates this effort with other school district functions that may be impacted by the count process.

Student rosters, including names and identification numbers, are prepared by bus drivers and compared to computerized rosters maintained on the CATS system by routing personnel. Routing staff edit rosters for spelling and numerical errors and investigate other potential errors. While there is little evidence that these counts are

verified in the field, the District has received positive audits of its FEFP survey process from both the state's Auditor General and the Department of Education.

Results of the survey are summarized and reported to the State. The DOT uses the FEFP survey results to evaluate trends and identify transportation issues.

19 The District has not adequately analyzed the potential for expanded contracting of student transportation and vehicle maintenance.

Bus operations

The District contracts for a small percentage (approximately 4%) of its regular bus routes and also provides schools with a listing of approved bus contractors for activity trips. The District also contracts for the transportation of certain ESE students with unique and special needs. Private buses used on District routes or authorized for activity trips are regularly inspected by the DOT. These contractors must meet insurance and other requirements established by the District to ensure their viability.

The District monitors the performance of contract providers through field observations, accident investigations, and an annual review of all contracted bus driver credentials. The District has aggressively suspended contractors that fail to perform adequately. DOT has not, however, regularly or systematically compared the costs of contracting student bus services with in-house services. This lack of analysis reflects the District's view of contracted bus routes as a public service—as a way to support local small businesses—rather than as a potential way to improve efficiencies.

In a district as geographically large as Miami-Dade, with 1,472 daily bus routes, one would expect a greater proportion of its routes to be served by outside vendors. At the very least, a thorough examination of the costs and benefits of contracting should be conducted. Such a study should not only include an accurate computation of the costs of the in-house transportation services but also include a thorough market analysis to determine the availability and commitment to outside firms with the capital and expertise needed to provide a significant portion of the District's bus services. It would be appropriate for the District to develop a Request for Qualifications (RFQ) to determine the market of viable contract bus providers followed by a bid process for bus routes. Costs obtained from bids should be compared to the cost of in-house services on an on-going basis.

Vehicle maintenance

Certain specialized automotive maintenance tasks such as paint and bodywork, radiator rebuilding, and transmission repair have been successfully contracted to private sector vendors. According to DOT managers, approximately $1 million in outside repair work was purchased by DOT. Other maintenance activities are often informally reviewed by DOT staff to determine if they are good candidates for outsourcing. Prior to obtaining authorization to contract out vehicle maintenance tasks, a formal analysis of potential cost saving is conducted by DOT staff. District staff conduct an inspection of any vehicle maintenance work performed by a private vendor to ensure quality control. These inspections are completed prior to authorization for payments for services rendered.

A recent report by the District's Office of Management and Compliance Audits found several weaknesses in internal controls over the purchase of outside repairs including problems with cost estimating, add-on vendor charges, and vendor evaluations.

Other contracted services

The DOT also contracts for security guard services at its Transportation centers and garage locations.

Recommendations

- *We recommend that the DOT develop key cost information and prepare a cost comparison of contracted vs. in-house bus operations to use as a basis for decision making regarding the expansion or contraction of contracted bus services. This analysis should include a Request for Qualifications (RFQ) to determine the market of viable contract bus providers followed by a bid process for bus routes to establish the costs of contracting.*

Action Plan 12-15 provides the steps needed to implement these recommendations

Action Plan 12-15

Compare Cost of District Vs. Private School Bus Operations		
Strategy	Develop key cost information and prepare a cost comparison of contracted vs. in-house bus operations to use as a basis for decision-making regarding the expansion or contraction of contracted bus services.	
Action Needed	Step 1:	Assign the responsibility for the development of comparative cost information to the Executive Director of DOT.
	Step 2:	Develop a comprehensive analysis of the cost of District in-house bus operations.
	Step 3:	Conduct a Request for Qualifications (RFQ) to determine the market of viable contract bus providers followed by a bid process for bus routes.
	Step 4:	Conduct a comparison of the cost of in-house bus operations to contracting for these services.
	Step 5:	Use the comparative analysis as a basis for expansion or contraction of the number of bus routes contracted out.
Who Is Responsible	Administrative Director, Department of Transportation.	
Time Frame	July, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources	

20 The District has taken some steps to minimize administrative layers, but more needs to be done.

Berkshire Advisors noted certain areas where excessive management layers were present in the organization and that the District took action in February 2002 to reduce these layers. While the large number of management layers noted in Miami-Dade is similar to other comparable large school systems, the District took the opportunity to reduce cost and improve communications by "flattening" its organization. One such area was the reporting relationship of the director of Transportation who reported through an associate superintendent to the deputy superintendent of School Operations. The Director of DOT now reports directly to the new chief business officer position.

Another such area was the existence of two Executive Directors within the Transportation Department. The February 2002 reorganization reduced the number of Executive Directors within the DOT to one.

A recent report on the vehicle maintenance section of the DOT by the District's Office of Management and Compliance Audits concluded, however, that "…there appear to be excessive layers of administrative and support staff, as well as underutilization of vehicle mechanics."

The decentralization of certain transportation functions to the seven Transportation centers results in redundancy, inefficiencies, and the lack of uniformity and coordination. These functions include the routing and scheduling of buses, bus dispatching and radio operators, and the maintenance of driver personnel records.

- **Routing and Scheduling** See section 1 of this chapter for Recommendations and Action Plans relating to the centralization of the routing and scheduling functions.

- **Bus Dispatch and Radio Operations** The DOT currently employees 36 Radio Dispatch Operators at approximately $27,500 annually, for a total cost of this function of almost $1 million per year excluding employee benefits. Employee benefits add about another 20% to these costs, bringing the total cost, including employee benefits to about $1.2 million per year. Based on the relationship of Radio Dispatch Operators to buses in other large school districts, a reduction of at least 30% could be achieved without any degradation of service.

- **Personnel Record Keeping** Personnel records should be centrally maintained to ensure that District and DOT policies are adhered to in a uniform and consistent manor. This is particularly important for bus driver personnel files containing information on the status of driver's licenses, training attendance, and drug test results.

There is no evidence that DOT staff review and present to the superintendent and school board options to further flatten the organizational structure of the DOT, nor does the staff compare itself with peer school districts or other benchmark organizations.

Recommendations ———————————————

- *We recommend that at a minimum, the routing, dispatching, and personnel record keeping functions be consolidated and centralized within the DOT to improve operational efficiency, reduce cost, and ensure the uniform application of District and DOT policies and procedure. The DOT should also present options to the superintendent and school board to further flatten the DOT organizational structure to reduce redundancy and inefficiency.*

Action Plan 12-16 provides the steps needed to implement these recommendations.

Action Plan 12-16

Centralize Selected Functions

Strategy	At a minimum, the routing, dispatching, and personnel record keeping functions should be consolidated and centralized within the DOT to improve operational efficiency, reduce costs and ensure uniformity. The DOT should also present options to the superintendent and school board to further flatten the DOT organizational structure.
Action Needed	Step 1: See Action Plan 12-1 relating to the centralization of school bus routing and scheduling functions.
	Step 2: Assign the responsibility for District-wide radio dispatch operations to the DOT's Executive Director. Assign the responsibility for centralization of personnel record keeping to the Coordinator of Operations and Training.
	Step 3: Analyze and modify, as appropriate, radio dispatch protocols and procedures.
	Step 4: Physically bring together bus dispatching resources and train staff on uniform standards and procedures.
	Step 5: Evaluate and report on the effectiveness of centralized bus dispatch operations and the centralization of personnel record keeping.
	Step 6: Present other options to the superintendent and school board to further flatten the DOT organizational structure.
Who Is Responsible	Administrative Director, Department of Transportation.
Time Frame	July, 2002
Fiscal Impact	This recommendation will result in cost saving in the area of radio dispatch operations. There are currently 36 radio dispatch operators located at the transportation centers that cost approximately $1.2 million per year. These costs can be reduced by at least 30% or about $350,000 per year and $1.75 million over five years through the centralization of these services.

13 Food Service Operations

The Miami-Dade County Public Schools food service program is financially viable and meals served by the District are nutritious. The District does not effectively review food cost or labor standards. Policies that are set by the District are frequently not followed at the school level.

Conclusion

The Miami-Dade County Public School District (the District) has a Department of Food and Nutrition (the department), which operates on a non-profit, non-loss basis and meets the state and national guidelines for reimbursable meals. Although the department is well managed, it has not implemented effective controls for food cost, labor cost, food safety, or purchasing. Addressing these issues will become increasingly important, as the District will not allow students off campus during the lunch period in the last 12 of the 37 high schools. Significant attention should be given to the outdated physical facilities in food service. In order to maintain financial viability specific efforts must be made to address the costs of maintaining and upgrading the physical facilities used for food services. The Department's financial performance must improve if it is to effectively address these changes.

During the course of this review, Berkshire Advisors, Inc. identified a number of District accomplishments related to food service operations, some of which are included in Exhibit 13-1 below.

Exhibit 13-1

**The District Has Had a Number of Notable Accomplishments
in Food Service Operations Management Structures in the Last Three Years**

- The department has established an extensive and well-managed training program.
- Department staff have excellent educational backgrounds that are pertinent to their job duties.
- The department has implemented a breakfast program.
- The department has established a state approved revenue sharing program with high schools.
- The department has begun to implement a non-pricing meal program at selected schools and has planned to expand the program after reviewing the results in the test schools.

Source: Berkshire Advisors, Inc.

Overview of Chapter Findings

Berkshire Advisors, Inc., has reviewed the District's food service programs using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. The consultants employed several methodologies to develop chapter conclusions and action plans. For instance, the consultants conducted on-site interviews with department and unit-level managers and also visited facilities to directly view operations. The consultants also analyzed data supplied by the department and reviewed state and peer District data. The results of an employee survey were also used to assess the overall quality of the food service program

An overview of chapter findings is presented below.

Effectiveness

1. The Department of Food and Nutrition has a clearly defined mission statement and well-defined operating policies and performance expectations. However, a lack of consistency in how operating policies and procedures are implemented hinders effective operations. (Page 13-6)
2. Organizational roles and responsibilities have not been defined to ensure adequate technical oversight of food service operations at the school level and, in many cases, staffing levels exceed what is needed to provide high quality food services. (Page 13-7)
3. The District has established a comprehensive food service training program. (Page 13-11)
4. The District has taken effective steps to eliminate a number of barriers to participation in the school meals program, yet a number of barriers to increase student participation remain. (Page 13-11)
5. The District has not established cost-efficiency benchmarks that can be used to improve the management of food operations. (Page 13-14)
6. The District does not regularly evaluate the management and operations of the food service program. (Page 13-17)
7. The District has not systematically assessed the benefits of service delivery alternatives nor does it systematically evaluate the types of program services it offers. (Page 13-18)

Financial Accountability

8. Although the District has an effective annual budgeting process, a five-year budget is currently not prepared. (Page 13-19)
9. Shortcomings in the District's financial controls and management processes increase the risk of revenue loss. (Page 13-21)
10. The District's approach to accounting for and reporting meals served, while generally sound, can be improved by using available technology to supplement existing point of sale systems. (Page 13-23)
11. Although the District employs a number of effective purchasing practices, numerous opportunities to improve purchasing practices exist. (Page 13-24)
12. Although the District has a generally effective inventory control system, improved communication with commodity suppliers would reduce inventory requirements. (Page 13-28)
13. The District has a generally effective system for receiving, storing, and disposing of food, supplies, and equipment. (Page 13-29)
14. The District has not developed and implemented effective plans for repairing and replacing equipment. (Page 13-30)

Meal Planning And Preparation

15. Although the District's central office designs menus that meet the nutritional needs of students, these menus are frequently changed at the school site. (Page 13-31)
16. The District has not established effective practices to ensure the service of high quality food with minimal waste. (Page 13-32)

Safe And Sanitary Environments

17. Procedures to ensure food safety are in-place; however, opportunities to improve food safety practices exist. (Page 13-33)

Fiscal Impact of Recommendations

Two recommendations – the recommendation to improve the use of commodities and the recommendation to establish a new meals per labor hour formula – will have a significant fiscal impact. Exhibit 13-2 shows these recommendations. Making better use of commodity processing would allow the District to utilize $600,000 ($3,000,000 over 5 years) worth of United States Department of Agriculture (USDA) supplied commodities per year that it currently does not accept. In addition, using a more accurate meals per labor hour formula – one that is based on actual District need and that is established using benchmark comparisons – should result in labor savings of

$22,500,000. Three additional recommendations total another $4,380,000 in savings. One recommendation (hiring of an Administrative Director for Food Services) results in an increase in expenses of $300,000 over five years.

Exhibit 13-2

Six Food Service Operations Action Plans Have a Positive Net Fiscal Impact of Nearly $30 Million Over Five Years

Recommendation	Five Year Fiscal Impact
• Action Plan 13-2: Establish a new meals per labor hour standard for food production in the schools reflecting changes in the program over the past 15 years. The department has a budget for salaries of $31,243,861 for the 2001-02 school year. If 80% of that budget is in school cafeteria salaries and an 18% increase in productivity is found, a savings of about $4,500,000 per year would result.	• Five-year savings of $22,500,000
• Action Plan 13-3: Hire an Administrative Director for Food Services. Cost to the District of an additional $60,000 per year. Some of the actual cost is off set by the reassignment of the Assistant Superintendent who supervised food services in addition to other duties.	• Cost to District of $300,000 over five years.
• Action Plan 13-11: Prepare claim for reimbursement of the monthly National School Lunch Program on a timely basis. The claim for reimbursement averages approximately $7.5 million per month. If the claim were submitted two months sooner (possible considering the District point of sale system) the District could receive interest on the 7.5 million over the two-month period the District had the money instead of the state. At 4% annual interest on an average balance of $15 million (two months) the savings would be $600,000 per year.	• Five-year savings of $3,000,000
• Action Plan 13-13: Divert additional USDA commodities directly to manufacturers who will return processed commodities reflecting the fair market value of the commodities to the District. Commodities having a fair market value of $1,058,410 were not accepted during the 2000/2001 school year. At least $600,000 of this amount could be diverted to a processor.	• Five-year savings of $3,000,000
• Action Plan 13-16: Change from low fat ½ pints of chocolate milk to nonfat ½ pints of chocolate milk. The District currently pays $0.1635 for low fat white milk and $0.1595 for skim milk. If the same price difference was available for chocolate milk the District would save $176,000 per year based on 44 million ½ pints of chocolate milk served per year.	• Five year savings of $880,000

Recommendation	Five Year Fiscal Impact
• Action Plan 13-17: Purchase additional items through the commodity food distributor. Moving commodity chicken nuggets alone to this distributor would save $100,000 per year.	• Five year savings of $500,000

Source: Berkshire Advisors, Inc., Inc.

Background

The department is managed by an Assistant Superintendent and is divided into Finance, Facilities, Operations, Technological Services, Planning and Production, and Training and Nutrition Education. The department still uses scratch cooking to provide many items to the customer. Many elementary schools are provided food service as satellite locations rather than preparation on site. The department provides the District with the specifications used for purchasing of food service items. The department uses information supplied by the Office of Information Technology to prepare reports used by operations.

The department provides the District with food service policies that comply with the USDA requirements for the National School Lunch Program. Schools are provided with menus and pricing from the department. The department provides assistance in the determination of students eligible for the free or reduced priced meals. This determination is used by the District to establish eligibility for other programs.

Exhibit 13-3

USDA Meal Reimbursement Rates

Meal	Student type	Reimbursements	Total Supplement
Breakfast	All	$0.21	$0.21
	Reduced price	0.64 + 0.21	0.85
	Free	0.94 + 0.21	1.15
	Severe Need Schools	0.94 + 0.21 + 0.22	1.37
Lunch	All	$0.22	$0.22
	Reduced price	1.49 + 0.22	1.71
	Free	1.89 + 0.22	2.11

Source: USDA.

Exhibit 13-4

2001-2002 District Full Meal Prices

Meal	Elementary School	Middle School	High School	Adult Price
Breakfast	$0.60	$0.70	$0.70	$1.00
Lunch	$1.25	$1.50	$1.50	$2.00

Source: Miami-Dade County Public School District.

The department provides food services for all the District schools. The District had revenues of $124,865,070 for the 2001/2002 Fiscal Year. The District has 3,795 food service workers. The department uses the USDA approved food based menu pattern and has implemented offer Vs served in the schools as required. Offer Vs served is a USDA required service method in secondary schools and an optional service method in elementary schools that allows the students to choose between individual food items being offered. This allows students to take what they

want instead of forcing students to receive food that will be thrown away. The department provides food service for teachers, administrators and guests at school sites. The secondary schools have an a la carte program. The a la carte program is in addition to the National School Lunch Program and allows students (mainly in secondary schools) to buy individual items in addition to or instead of, the food being offered on the lunch menu.

Exhibit 13-5

The Food Service Program Fund Balance Is Positive, But Could Be Increased to Prepare For Future Needs

	Fiscal Year 1998-99	Fiscal Year 1999-00	Fiscal Year 2000-01
REVENUE			
National School Lunch	$ 74,404,470	$ 75,390,228	$ 79,073,419
USDA Donated Foods	4,251,013	3,657,300	4,052,012
State Supplement	2,972,394	2,829,116	2,762,669
Food Sales	25,042,713	27,862,044	30,382,688
Interest and other	210,116	236,329	296,190
Miscellaneous	75,541	207,518	56,829
Transfer from General Fund	2,367,425	1,234,609	198,532
Total Revenue	**$109,323,672**	**$111,417,144**	**$116,822,339**
EXPENDITURES			
Salaries	$ 34,096,919	$ 35,579,668	$ 38,717,245
Benefits	10,068,674	8,500,484	8,895,653
Purchased Services	3,826,024	4,505,006	4,837,530
Energy Services	4,588,014	4,083,111	3,936,999
Food and Supplies	47,376,493	50,138,760	54,188,852
Capital Outlay	2,607,903	3,071,006	3,460,307
Indirect Cost and Other	4,301,101	4,939,419	2,090,570
Total Expenditures	**$106,865,128**	**$110,817,454**	**$116,127,156**
Net Operating Income	2,458,544	599,690	695,183
FUND BALANCE	**$ 7,444,040**	**$ 8,043,730**	**$ 8,738,913**

Source: Miami-Dade County Public School District Financial Reports.

The District is implementing changes that will call for additional availability of food program funds to finance an expanded need for service. The District's decision to no longer allow high school students off campus at lunchtime is a result of off campus incidents that involved students being injured, when parents thought the student was safe on campus. The department is opening new points of sale, offering new items and bringing brand name fast food entrees on to campus to help serve these additional students during lunch.

The District breakfast program has been implemented at all schools. The students are able to choose between a large variety of items. Students who eat breakfast have a better chance to learn.

Twenty-eight of the thirty-six senior high schools participate in the state approved a la carte profit sharing program. This program has proven to be very successful in the schools that have chosen to participate. The school agrees to allow two lunch periods, which allows the department to maximize service and reduce waiting. This increases sales, which allows vending revenue to be shared with the school-approved student body-funding program.

The department has begun to implement a non-pricing program discussed in Section 4, which when successful will reduce administrative costs.

Effectiveness———————————————————————

1 **The Department of Food and Nutrition has a clearly defined mission statement and well-defined operating policies and performance expectations. However, a lack of consistency in how operating policies and procedures are implemented hinders effective operations.**

The food service program has a clearly defined vision and mission statement and well defined operating policies and performance measures

For the most part, the foundation necessary to ensure a well-managed food services program is in place. The department's vision and mission statements, which follow, provide an overall direction for the program.

Vision. The vision of the Miami-Dade County Public Schools' Department of Food and Nutrition is to promote excellence in food and nutrition services as an integral part of education, by having nutritious school meals and nutrition education programs available for all children regardless of economic status, cultural diversity or special needs.

Mission. To safeguard the nutrition integrity and well being of children in Miami-Dade County Public Schools, through the management of school food service and nutrition education programs consistent with their nutritional needs, by serving nutritionally adequate meals.

To promote nutrition and health education for the formation of good eating habits and good health, recognizing the demonstrated relationship between good nutrition with the capacity of children to learn and develop, and the prevention of chronic disease.

To encourage and promote a unified effort between school personnel and the Miami-Dade County community to assure an opportunity for adequate nutrition and educational programs for every student.

To establish a positive perception of school food service and nutrition education programs, by serving as the primary source of state-of-the-art information, for the school food service marketplace.

Policies and procedures. In addition, the department has an operational manual that details operating policies and procedures on issues ranging from Federal Requirements to Food Safety. A number of performance measures have also been established for the program. These measures include:

- Program Authority
- Meal Services
- Management of Non-Food Items
- Free and Reduced Price Meals and Verification
- Record Keeping and Cash Control
- Equipment and Facilities
- Personnel
- Sanitation and Safety
- School Allied Programs

Policies and procedures are not consistently followed at the school level

The Food Services Department has not taken adequate steps to ensure the policies and procedures that have been established are consistently followed at the school level. For example, cafeteria managers do not consistently complete daily production reports in a timely manner. When a menu item is changed at the school level this information is not forwarded to the supervisor. While the procedures call for food to be served at a safe temperature no procedure was in place to accomplish this practice. However, the District has implemented the recommendations of the consultant to ensure proper food safe temperatures. The lack of consistent implementation of department policies and procedures negatively affect the administration of the food service program.

Recommendations

- *We recommend that the District implement an annual performance evaluation of site managers. This evaluation should include a technical evaluation by staff from the Department of Food and Nutrition as well and the site administrator.*

  Action Plan 13-1 provides the steps needed to implement this recommendation.

Action Plan 13-1

Evaluate Performance Of Site Managers Annually		
Strategy	To have an annual performance evaluation of site managers.	
Action Needed	Step 1:	Develop a performance evaluation form with input from principals, bargaining unit, managers and food service coordinators.
	Step 2:	Develop a written procedure for having the managers evaluated jointly on an annual basis in a meeting with the principal and food service coordinator using the performance evaluation developed in step 1.
Who Is Responsible	Administrative Director	
Time Frame	June 30, 2003	
Fiscal Impact	This recommendation can be completed with existing resources.	

2 Organizational roles and responsibilities have not been defined to ensure adequate technical oversight of food service operations at the school level and, in many cases, staffing levels exceed what is needed to provide high quality food services.

The overall organization of the Food Services Department is sound

At the time of publication of this report, the District has a stated intent to revise the overall organization of the Food Services Department. The current stated intent of the District is to replace the shared leadership position with a full-time professional food service person. Below this new position, the current organization is lead by 9 subordinates, each of whom is responsible for key aspects of the food service program:

- Unit A Financial Services – Two financial analysts who coordinate the District financial reporting and the food services operational reporting. They supply the Assistant Superintendent and staff with financial information.

- Unit B Food Service Facilities – Updates specifications for equipment and provides equipment plans for new schools and renovations.

- Unit C Operations – Three directors supervise the operational aspects of the program. One supervises the high schools and the other two have divided the District into north and south regions and supervise the middle and elementary schools in those areas.
- Unit D Technology – Coordinates the point of sale terminal operations in the schools. Supervises the help desk operation and the District technological support personnel.
- Unit E Planning and Production – Supervises the purchase of all food items used in the District. Coordinates with the purchasing branch to award bids for food and services.
- Unit F – Training and Nutrition Education – Develops and supervises the department training programs. Develops and maintains the menu cycles to ensure the food-based menu pattern is in compliance with USDA requirements.

Overall, roles and responsibilities of each unit and administrator within the Food Services Department are well defined and appropriate. Organizational charts clearly define organizational relationships and staff at all levels understand their responsibilities. The department does not have a Chief Operating Officer (director dedicated solely to the department with overall responsibility for the department). The Assistant Superintendent is providing direction and has made many excellent changes over the past 18 months but is not a food service director. The department would benefit from a director with an extensive food service background. No other large District in the nation is operating without a dedicated food service director.

Roles and responsibilities for principals versus centralized food service managers have not been appropriately defined

The roles and responsibilities of the school level versus centralized staff have not been structured to ensure central office staff can effectively fulfill their responsibilities. Both centralized food service managers and school-level administrators (e.g., principals) play an important role in ensuring high quality and cost-effective food service operations. Central office administrators – led by the Assistant Superintendent – are responsible for ensuring the food service program is cost-effective, that food services are of consistently high quality throughout the District, and that District, state, and federal requirements relating to the food services program are adhered to. School-level administrators, on the other hand, are responsible for ensuring the effective delivery of food services as the school level.

At present, school-level cafeteria managers report directly to the principals at the schools in which they work and have no formal relationship to centralized food service staff. As discussed in recommendation 13-1 no evaluation of any type is currently provided for the site food services supervisor. Despite the lack of a formal organizational role for centralized food service staff in the delivery of food services at the school level, at many schools effective working relationships have been established. At other schools, however, school board policies and procedures, which state that principals and central office food service supervisors should work together cooperatively, are not effectively implemented. As noted in the previous Section, school-based administrators do not consistently ensure that District policies and procedures (such as those relating to the timely completion of reports, food production quantities, and the requirement that daily sanitation checks be completed) are followed. In addition, at some schools, steps that could be taken to encourage greater use of food services (for example, by serving breakfast in the classroom, opening additional points of sale at the secondary schools, or scheduling meal periods so that the number of students released for lunch during each meal period is the same.) At the elementary schools the number of lunch periods is most frequently a function of the space available for the students to eat. At the secondary schools the principal determines the number of lunch periods. High schools of similar size and facilities will have either one or two lunch periods. A single lunch period for three thousand students at once causes problems, which should be balanced with the benefits.

Certainly, an appropriate balance should be reached between the needs of the food service program and the needs of a school in determining how best to meet the food service needs of students and faculty. In some cases, modifying meal schedules to accommodate school needs or implementing practices that may not maximize food service revenues may be appropriate. However, because the Food Service Department currently plays a minimal role in determining how food services are provided at the school level, the level of cooperation between principals and food services varies greatly from school to school. In addition, because centralized food service managers currently play

no role in the evaluation of school-based cafeteria managers there is currently no way to assess the technical skills and capabilities of these managers from a food services perspective.

Staffing levels for school-based food service operations are excessive

Food service staff are currently allocated to individual schools based on a meals per hour labor formula. No member of the staff can remember the formula ever being reviewed for accuracy. This formula overstates staffing needs because it does not consider changes that have been made in the food service program that have had a marked effect on staffing needs. The current staffing formula overstates staffing needs in a number of ways.

- **More hours are allocated for breakfast than are warranted**. The current meals per labor hour standard used by the District (18 meals per hour for elementary schools, 16 meals per hour for middle schools, and 14 meals per hour for high schools) provides more labor than is needed for breakfast. At present, the formula assumes the same labor hours are required to prepare a breakfast as a lunch despite the fact that breakfast contains approximately 50% less food than lunch. No study was done by the District to determine the amount of labor needed for breakfast; The *School Food Service Manual (Revision 4)* recommends, "For a simple menu, a formula of 50 breakfasts per labor hour is workable." (This higher standard is confirmed by the Florida Department of Education which typically finds that each breakfast counts as only half a lunch when computing meals per labor hour.) The fact that the District uses a higher than appropriate standards for breakfast means that significantly more food service staff are currently employed by the District than are needed. Indeed, given that the District currently prepares an average of 44,000 breakfasts a day to elementary school students, 9,400 breakfasts per day to middle school students, and 9,400 breakfasts per day to high school students, increasing the labor hour standards for these meals to 36, 32 and 28 meals per hour respectively means that schools are currently staffed with a total of 1850 more worker hours than are needed per day. [1]
- **The District purchases a much larger percentage of its entrees and a la carte items than it did 15 years ago**. The department now purchases as much as 85% of the entrees served in high schools from fast food vendors such as Pizza Hut or McDonald's. This food is provided to the department ready to eat and requires no labor to produce or cook. Indeed, the only labor required is the labor needed to sell these entrees. Likewise, many of the District's a la carte sales consist of canned beverages or chips that require no labor to produce. Nonetheless, the department's meals per labor hour formula has not been adjusted to reflect the prevalence of ready-to-eat a la carte items and entrees provided by fast food vendors. When the formula was developed, few, if any, ready-to-eat entrees were purchased by the Miami-Dade County Public Schools (or any school District for that matter).
- **School-based food service workers no longer perform some activities that required significant labor in the past**. When the meals per labor hour formula was first developed cafeteria staff were required to wash meal trays. This work no longer needs to be performed because students use disposable trays at virtually all schools (Note: The District no longer has dish machines in many schools and the cost of purchasing trays and machines and labor far exceeds the 2.4 cents of disposable.)

The labor hour formulas for the Houston Public Schools and the Los Angeles Unified School District (LAUSD) both have higher standards than Miami-Dade. A comparison of the standards in an elementary or middle school serving 1000 lunches, 500 breakfasts and $500 in a la carte sales or a high school serving 2000 lunches, 1000 breakfasts and $1,000 in a la carte sales shows the following hours earned.

- Elementary: Houston 83.3 LAUSD 47.3 Miami-Dade 97.1
- Middle Schools: Houston 100 LAUSD 59.5 Miami-Dade 117.6
- High Schools: Houston 176 LAUSD 137 Miami-Dade 250

Therefore, because the meals per labor formula is outdated and does not reflect actual need, the level of food service staffing at schools is excessive.

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[1] This analysis assumes that other than for breakfasts, the meals per labor hour formula currently used by the District is accurate. This assumption is, of course, incorrect as discussed in the remainder of this Section.

If the District were to use the highest meals per labor formula for lunch menus from a comparison District (Houston ISD TX), the savings would result in a 14% increase in productivity in elementary schools, a 15% increase in productivity in middle schools and a 29% increase in productivity in high schools. An average savings of 18% for lunch would result in an additional savings of about $4,500,000 per year (assuming that half the assigned labor of the department works preparing lunch).

Recommendations ─────────────

- *We recommend that the District revise the staffing formula to reflect actual need based on products available and District changes.*

Action Plan 13-2 provides the steps needed to implement this recommendation.

- *We recommend that the District open the position of Food Service Administrator.*

Action Plan 13-3 provides the steps needed to implement this recommendation

Action Plan 13-2

Develop Accurate Staffing Formula		
Strategy	Determine the number of hours needed to efficiently operate the cafeterias. The review should include a review of products available commercially as well as those items made from scratch.	
Action Needed	Step 1:	District to review current menus and make any changes that are anticipated.
	Step 2:	Review current scratch cooked items and provide amounts made by site by menu frequency.
	Step 3:	Determine if any menu item could be replaced with a more cost effective alternative that maintains quality and specifications.
	Step 4:	Perform a time and motion study to determine actual hours needed to accomplish the food service mission.
Who is Responsible	Administrative Director	
Time Frame	June 2002	
Fiscal Impact	Can be accomplished with current District resources. Initiation of this recommendation should at least reduce labor costs by $4.5 million per year, or $22.5 million over 5 years.	

Action Plan 13- 3

Hire an Administrative Director		
Strategy	Recruit and hire an administrative director to operate the department under the oversight of the chief business officer.	
Action Needed	Step 1:	Review the current job description and salary level for the vacant food service director position.
	Step 2:	Open position and conduct nation wide search for an administrative director.
	Step 3:	Advertise the position on the American School Food Service Assocaition (ASFSA) web site and announce the opening on meal talk as well as the normal postings. [2]
	Step 4:	Hire a new director using District hiring procedures.

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[2] Meal talk is a popular chat room of the Food and Nutrition Information Center (FNIC) of the USDA.

Who is Responsible	Supervisor or the Food Service Administrative Director
Time Frame	June 2002
Fiscal Impact	$60,000 additional net cost to the program per year, or $300,000 over five years. At the time of our review, the supervisor of the food service program had split responsibilities.

3   The District has established a comprehensive food service training program.

The District has established an excellent food service training program

The District has established an extensive training program for food service workers. A formal and comprehensive training plan has been established that covers the full range of training needs – from training in basic food service skills to management training for newly promoted supervisors. The objectives for each training component are well articulated and cover each of the following components: food, work place, and service. In addition, the training program is evaluated on a regular basis to ensure the District's investment in the training of food service workers achieves desired objectives.

The training program incorporates a number of excellent features including the following.

- The training program includes a number of tests and other evaluation components that ensure that program participants actually are learning the material that is being taught;
- Training is provided in various locations throughout the District (it varies by the type of training and the needs of the employees) to make it easier for food service employees to attend classes; and
- The use of training aids and hands-on participation not only increases the effectiveness of the training program but also makes the training program more enjoyable for participants.

4   The District has taken effective steps to eliminate a number of barriers to participation in the school meals program, yet a number of barriers to increase student participation remain.

The District has taken a number of steps to eliminate barriers to student participation in the schools meals program

Food service managers should be commended for the initiatives they have undertaken to eliminate barriers to student participation in the schools meals program. These initiatives generally fall into three broad categories: increasing the awareness of the benefits of the schools meal program; minimizing competition; and modifying pricing strategies.

- **Increasing awareness**. The District has implemented a number of strategies to increase awareness of the benefits of the school meals program. For example, the District distributes to students and parents materials that explain and promote the school food service and nutrition program. In addition, the Department of Food and Nutrition administrators have worked with representatives of the Instructional Services Department to ensure that the benefits of healthy eating habits are incorporated in the District's academic program.
- **Minimizing competition**. Another strategy the District has employed to improve participation in the schools meals program is to limit the alternatives available to students (i.e., to minimize competition). Most notably, the District has implemented a pilot program in 20 high schools that involves a state-approved plan to share

revenue from a la carte sales and vending machines. Under this plan schools agree to discontinue the use of outside vendors and to provide two lunch periods; in return, they receive a share of the revenue derived from the vending machines on campus. Two lunch periods allow the department to provide full service menus to students without their waiting in long lines. The release of as many as 4,000 students at one time on a closed campus imposes a logistical nightmare on timely service. The Food Services Department gains the revenue previously lost to outside vendors and the District avoids the potential liability from the use of outside vendors. In an effort to serve students more efficiently the department has already provided carts for service to students where they are on campus. The department will send a cart to the quad or other location in order to reduce crowding in the cafeteria and increase sales.

- **Modifying pricing strategies**. Another strategy the District has employed is to eliminate charging for meals at selected schools where a high percentage of students are eligible for free or reduced price meals by use of the USDA approved Provision 2 non-pricing program. This program allows a District to survey the number of free, reduced and paying students who participate in the program on a regular basis at a school. This information is then used to determine a percentage of meals served on an average day that would have been free, reduced or paid and is called the base year data. This percentage is then used, in place of individual student eligibility to claim meals. The number of meals served each day is claimed in each category by the percentage of students found to be participating in the base year. Each student may go through the line for a meal without needing to pay or use the keypad. The information is good for a total of three years (unless an extension is requested) so meal applications do not have to be distributed in those schools using Provision 2. In a school with few paying students the cost of identifying them in the lunch line exceeds the cost of feeding them. Not charging for a meal tends to increase the participation in the schools meals programs because of the stigma associated with receiving subsidized meals is eliminated. Moreover, revenues lost by not charging the small number of students who are not eligible for free or reduced price meals at these schools are more than offset with revenue increases associated with the subsidy the District receives for serving eligible students. This program has been implemented at 26 school sites. The program is currently being evaluated by Food Service Department staff for implementation at other schools where it has the potential to be financially effective.

A number of barriers to increase participation in the school meals program have not been adequately addressed

Despite the considerable effort the District has focused on reducing barriers to participation in the school meals program, a number of barriers remaining particularly outside the 20 schools participating in the pilot program to minimize competition with reimbursable meals, insufficient effort has been focused on reducing competition. Indeed, in some high schools, principals have actually invited outside vendors onto the campus to provide services in competition with reimbursable meals. Not only does this practice create increased competition for the school meals programs (when the focus should be on reducing competition) but also creates a liability for the District if a student who purchases meals from one of these vendors becomes ill. (This is by no means merely a hypothetical concern. Vendors have been observed serving food at unsafe temperatures.) Moreover, while vendors typically pay schools to be allowed to sell food on high school campuses agreements and payments are not consistent across schools, are not approved by the Board, and are not consistently enforced. (Vendors do not always provide the agreed upon products for sale that have been included in the application to serve food.) In addition, accounting for vendor sales (and the associated payments that should be made to the school) is not consistently rigorous and may not include appropriate financial controls. These problems and potential liabilities for the Miami-Dade County Public Schools by the use of outside vendors are further addressed in a letter from Rochelle Birnbaum of Katz, Kutter, Haigler, Alderman, Bryant & Yon. The Food Services Department would need to increase the number of serving points on each campus to offset the removal of the vendors. If the District does not discontinue the use of outside vendors, then the entire method of approval and payment at least needs to conform to District policy and various laws as outlined in the letter.

The District also has not made sufficient efforts to ensure the food service program is as attractive as possible to District students and to understand barriers that limit participation. Students at the middle and elementary school level are not surveyed to provide input into menu preferences, to solicit ideas on how to improve the food service program and, perhaps most importantly, to understand what factors are most important to a student's (or his/her parents') decision to participate in the school meals program. Moreover, while high school students are surveyed (most recently in 2000), the survey focused primarily on what was currently being served and provided little

information on the core question of what factors influence decisions to participate in the school meals program. In addition, this survey was not broadly based. Only 300 survey responses were received from high school students (or ¼ of 1% of the total high school population.) [3]

Recommendations

- *We recommend the District discontinue the use of outside vendors on campus.*

Action Plan 13-4 provides the steps needed to implement this recommendation.

- *We recommend the District survey students at all levels to determine current satisfaction levels as well as suggestions for improvements in service and menu item availability.*

Action Plan 13-5 contains the steps necessary to implement this recommendation.

Action Plan 13- 4

Eliminate the Use of Outside Food Vendors		
Strategy	Eliminate the use of outside food vendors.	
Action Needed	Step 1:	Notify all food service vendors that the contracts will not be renewed for the next school year.
	Step 2:	Food Service develop a list by school of additional food service locations and products needed to replace vendors.
	Step 3:	Food Service develop a school by school plan, reviewed with the principal, for implementing additional sales locations at each school at the start of the 2002/2003 school year.
	Step 4:	Purchase equipment and train staff to open the new locations.
Who is Responsible	Chief Business Officer	
Time Frame	September 2002	
Fiscal Impact	Can be accomplished with current District resources. The cost of equipment and staffing will not exceed the additional net of revenue beyond expenses.	

Source: Berkshire Advisors, Inc., Inc.

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[3] While a sample of size of 300 is sufficient to draw conclusions if the survey participants are appropriately selected, the survey of high school students was not structured so that statistically reliable conclusions can be drawn from a relatively small sample of survey respondents.

Action Plan 13- 5

Survey Student Food Preferences		
Strategy	Survey students to determine current preferences and recommendations for possible future improvements.	
Action Needed	Step 1:	Contact ASFSA and University of Mississippi State School Food Service Department to obtain survey instruments.
	Step 2:	Make changes and develop the survey instrument for each type of school in the District.
	Step 3:	Review the proposed survey with staff and students and make changes as necessary.
	Step 4:	Send the survey out to a representative sample.
	Step 5:	Review completed surveys and makes changes in the program as necessary.
Who is Responsible	Administrative Director	
Time Frame	June 2002	
Fiscal Impact	Can be accomplished with current District resources.	

Source: Berkshire Advisors, Inc., Inc.

5 The District has not established cost-efficiency benchmarks that can be used to improve the management of food service operations.

The benchmark measures needed to effectively manage food service operations either do not exist or have not been appropriately determined

Four primary factors affect the cost-effectiveness and financial viability of food service operations: food costs and labor costs (together representing 80% of the expenses), fees charged, and participation rates (representing over 90% of the sales). *The School Food Service Manual (Revision 4)* addresses each of these specific areas in separate chapters. A food service program that is working to optimize its performance should focus considerable attention on each of these factors and establish benchmarks against which it can gauge its performance. In the Miami-Dade County Public Schools, however, benchmark measures for each of these key factors either do not exist or have not been sufficiently established.

- **Labor costs**. Labor costs represent over 40% of the District expenses. The actual hours of labor "earned" is set by the labor hour standard that is currently used by the District. It is not appropriate for a variety of reasons including the following: more hours are allocated for breakfast than are warranted; the District purchases a much larger percentage of its entrees and a la carte items than it did 15 years ago when labor standards were established; and some activities that previously required significant labor are no longer performed by school-based food service workers. (Each of these reasons is discussed in greater detail in Section two of this chapter.)

- **Food costs**. The District's approach to calculating the cost per meal served lacks the detail needed to serve as an effective benchmark for evaluating performance. At present, the cost of entrees served by the District is calculated by averaging the cost of all entrees offered rather than by calculating the cost of individual entrees. Averages, however, often conceal more than they reveal.[4] This is especially true in school food service operations because students select entrees with vastly different frequencies. For example, pizza is selected more than ten times as frequently a prepared chef salad. Rolling the cost of all entrees into a single average cost

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[4] When thinking about how averages can conceal useful information it is helpful to remember the old story about the person who drowned while crossing a river that was "on average" two feet deep.

per entrée may conceal the cost of wasted food for low demand items because these costs are spread over all items. Likewise, the benefits of purchasing high demand items (such as pizza) for which purchasing economies might be significant are difficult to isolate without information on cost for each type of item served. Because the menus are frequently changed at the school level and no record of these changes is provided to the department a distorted theoretical food cost is obtained. The actual food being served is frequently not the food being costed.

In addition, the food costs calculated by the District are distorted because the District does not adequately account for the cost of commodities (which the District receives from the federal government for free). For example, the District currently discounts the actual cost of each lunch served by 15 cents despite the fact that it does not accept commodities worth 15 cents per lunch. (While entitled to receive 15 cents of USDA commodities for each lunch served, the actual value of the commodities the District accepts per lunch is approximately 10.9 cents.) These commodities are used in all the District foodservice operations (lunch, breakfast, a la carte and adult feeding) not just on student lunches. The District discounts the cost of breakfast by 15 cents despite the fact that USDA does not provide a commodity entitlement for the breakfast meal. The distortions created by these inaccurate adjustments for commodities make it difficult for food service managers to accurately evaluate food costs and to take appropriate steps to control them. The District's current calculation of food costs are inaccurate because students often take more food per meal than is provided in food cost calculations. This combined with the frequency with which food substitutions are made makes the calculated food cost as used by the District inaccurate. Indeed, in over half the observations made of school food service operations at the school sites menu substitutions were observed. Again, unless the cost of food consumed is accurately calculated food service managers cannot take informed steps to control food costs.

- **Participation rates**. The District does not calculate participation rates in a way that is helpful to informed decision making. While overall participation rates, which can be determined based on the total number of meals served, are calculated more detailed information on program participation is not calculated. For example, the District does not track participation by program categories such as free, reduced and paid for lunch, and breakfast, as compared to the number of students in each category who are actually eligible to participate. Likewise, the District does not track the information needed to compare participation between schools of similar size and student populations. Without this information it is extremely difficult to ask questions about why participation rates vary from one site to another (or from one meal to another within a school). Consequently, in trying to develop strategies to increase program participation the District is essentially "flying blind." The food services coordinator who is responsible for the financial viability of the unit operations cannot compare actual participation rates between schools. While current data does provide the number of meals served by category it does not provide the number of students in each category who do not participate. As an example at a school serving 1000 lunches of which 800 are free, 100 are reduced price, and 100 are full price, the participation rate would show 80% free, 10% reduced and 10% paid; however, if there were 1600 eligible free students on campus you would be missing 50% of the eligible participation and not know it.

The benchmark information that is available is not used to improve the management of food service operations

Key performance benchmarks for labor costs, food costs, and program participation are not used to improve the management of food service operation. The food service program operates on a non-profit, non-loss basis and has not made an effort to evaluate potential savings in food or labor costs. At present, the District does not compare its performance with that of other comparable Districts or use these results for comparisons to identify opportunities for improvement. In addition, the District does not effectively communicate performance information to program participants. Widely sharing information on program performance gives stakeholders the opportunity to use the data to address opportunities for improvement in the areas for which they are responsible. In addition, the very act of making performance information public can create positive internal and external pressure to improve.

The timeliness and reliability of performance information poses a significant barrier to make more effective use of food service benchmark information

The department does not receive timely information from the Office of Information Technology (OIT). Financial reports are two months old before the department receives them. The information provided by OIT is not compatible with food service programs. Consequently, Food Service Department staff must manually enter data provided by information technology into food service management programs. This is not only a costly waste of resources but also increases the potential for errors.

Recommendations —————————————————————

- *We recommend the District develop accurate food cost data.*

Action Plan 13-6 provides the steps needed to implement this recommendation.

- *We recommend the District receive information from Office of Information Technology in a format that may be electronically input into the food service software.*

Action Plan 13-7 provides the steps needed to implement this recommendation.

Action Plan 13-6

Develop Accurate Theoretical Food Cost Data	
Strategy	Develop accurate theoretical food cost data.
Action Needed	Step 1: Eliminate use of commodity discount price for breakfast.
	Step 2: Cost lunch menus with and without commodities.
	Step 3: Cost menu changes made at the District level.
	Step 4: Provide menu cost data to area coordinators.
Who is Responsible	Administrative Director
Time Frame	January 1, 2003
Fiscal Impact	Can be accomplished with current District resources.

Source: Berkshire Advisors, Inc., Inc.

Action Plan 13-7

Develop Information Compatibility Between OIT and Food Services		
Strategy	Receive information from Office of Information Technology in a format that may be electronically input into the food services software.	
Action Needed	Step 1:	Prepare a sample of all the reports currently produced by food services.
	Step 2:	Prepare a sample of all reports currently received by Food Services from OIT and highlight requested format changes.
	Step 3:	Develop a priority list for implementation of various requested changes.
	Step 4:	Develop a timeline for the implementation of changes.
Who is Responsible	Director of OIT and Administrative Director	
Time Frame	June 30, 2003	
Fiscal Impact	Can be accomplished with current District resources.	

Source: Berkshire Advisors, Inc., Inc.

6 The District does not regularly evaluate the management and operations of the food service program.

Operational reviews currently performed by the department should focus on both compliance issues and management issues

Although the District performs reviews of food service operations at both the site and the District, these evaluations focus primarily on ensuring the District is compliance with United States Department of Agriculture regulatory requirements rather than on improving operations and management. The Compliance Visitation Criteria (FM 3974 evaluation form) used during site visits currently focuses 70% of the checks on regulator requirements (for example, Menu Pattern, Milk and Offer Vs Served) while only 30% of the checks focus on management issues (for example, leftovers, food storage and schedules). Because the information obtained from these reports does not contain the data needed to evaluate actual management of the cafeteria the report is unable to be used effectively. As an example a school may not prepare enough of a menu item repeatedly yet the current checklist does not ask for this information. Analysis of performance data, benchmark comparisons with other school Districts, and even comparisons between school sites are not included as part of these reviews. As previously noted in Section 5 of this chapter, current department management does not have a priority of using information as a management tool. Currently, the District cannot use information effectively because it is neither timely nor reliable.

Although the District's review of District and site operations focuses primarily on compliance issues rather than issues of management and cost-effective operations, it should be noted that when problems are identified at school sites action plans are prepared to address these deficiencies. Observations at school sites, discussions with Food Service Department managers, and reviews of available information also suggest that not only are action plans developed but also they are implemented on a timely basis. The current practice of developing and implementing action plans to address perceived shortcomings bodes well for the department's ability to implement management and operational improvements if department management begins to focus more attention in these areas.

Recommendations

- *We recommend the District revise the supervisor's compliance visitation criteria form to include operational information.*

  Action Plan 13-8 provides the steps needed to implement this recommendation.

Action Plan 13-8

Include operational information of visitation form		
Strategy	Revise the supervisor's compliance visitation criteria form.	
Action Needed	Step 1:	Revise the current visitation form to include frequency of menu substitutions, timely completion of daily production reports, amount of overproduction and amount of underproduction.
	Step 2:	Review revised form with cafeteria managers and school principals.
	Step 3:	Implement use of new form.
Who is Responsible	Administrative Director	
Time Frame	July 1, 2002	
Fiscal Impact	Can be accomplished with existing District resources.	

Source: Berkshire Advisors, Inc., Inc.

7 The District has not systematically assessed the benefits of service delivery alternatives nor does it systematically evaluate the types of program services it offers.

The District does not evaluate on a regular basis the potential benefits of service delivery alternatives, such as contracting or privatization

The Food Service Department has not established a process whereby it systematically evaluates the potential benefits of alternative service delivery approaches, such as contracting or privatization. Other Districts, by contrast, have made the decision to contract out all of their food service operations or to privatize the management of food service operations. Given the scale of the Miami-Dade County Public Schools and its scope of operations the advantages to privatization that other school Districts have experienced may not accrue to the District. However, the fact that the District does not systematically evaluate these issues leaves open the question as to whether privatization would be beneficial.

It should be stressed that the District's evaluation of alternative service delivery approaches should not focus exclusively on issues of significant magnitude (such as whether it would be beneficial to privatize all food service operations or to outsource overall food service management). The District's evaluation of alternative service delivery options should address smaller issues as well. For example, the District currently stores small wares at a District warehouse where they must be unpacked upon receipt and repacked when it is time to distribute them to schools. (Small wares currently received at the warehouse includes such items as scoops, knifes, and serving spoons.) As part of its examination of service delivery alternatives, the District should assess whether receiving the items at the District warehouse and then transporting them to individual schools is cost-effective as compared to an alternative service delivery approach where small wares would be distributed to schools on a "just-in-time" basis. Other school Districts have found that adopting this practice can reduce net costs associated with distributing small wares by eliminating storage costs, delivery costs, inventory shrinkage, and obsolete inventory items. Small wares are the only item delivered in less than case quantity by the warehouse. The District currently contracts for the delivery of sanitation supplies, food and paper goods but has not assessed if other items such as small wares or food trays could be distributed by contract with an outside vendor.

The District does not evaluate the costs of program services it offers

The Miami-Dade County Public Schools provides a full range of food service programs to meet the needs of its students including breakfast programs, summer food programs, and after-school nutrition programs. These services are provided at any site requesting the program regardless of the financial impact as part of the District vision to provide "for all children regardless of economic status…". District management makes all services available at all sites.

Recommendations

- *We recommend the District evaluate some additional services as prudent.*

  Action Plan 13-9 provides the steps needed to implement this recommendation.

Action Plan 13-9

Study For Contracting Of Services	
Strategy	Determine if contracting for delivery of services such as small wares, preventive maintenance or meal trays can be better obtained from private contractors. The action plan below uses small wares as the illustration.
Action Needed	Step 1: Develop comparison of small wares delivered by the District and amount of small wares delivered to the District.
	Step 2: Develop actual cost of storage and delivery of small wares by the District warehouse
	Step 3: Prepare estimate of small wares to be used by the District in the 2002-03 school year.
	Step 4: Prepare a Request For Proposal for delivery of small wares by current vendor.
	Step 5: Compare actual cost of District delivery with cost from vendor.
	Step 6: Use most cost effective method of small wares delivery.
Who is Responsible	Administrative Director
Time Frame	July 1, 2002
Fiscal Impact	Can be accomplished with existing District resources.

Source: Berkshire Advisors, Inc., Inc.

Financial Accountability

8 **Although the District has an effective annual budgeting process, a five-year budget is currently not prepared.**

The Food Service Department has established an effective process for establishing and managing an annual budget

The Food Services Department currently prepares an annual budget that reflects reasonable expectations for the coming year. The department must evaluate both revenue and expenditures. The revenue forecast for food services is unique in a school District because it may increase revenue by offering a product that students want to purchase. This annual budget is based on an analysis of revenue and expenditure trends, as well as forecasts of expected student participation. A number of steps are involved in making these budget forecasts. The District looks at historical student attendance trends then considers the impact of changes in the National School Lunch Program from USDA. The impact of the cost of living increase provided for in the National School Lunch Program is considered along with the changes in the level of commodity food reimbursement. The District is also assessing the impact of closing high school campuses and the renovation of cafeteria facilities. Despite the fact that information on food service operations is not consistently timely and may not be 100% reliable (this issue is discussed in Section 5 of this chapter) the District has done an effective job of forecasting revenue and expenditures. As Exhibit 13-6 shows, budgeted versus actual revenue and expenditures during the 2000-01 fiscal year were quite accurate with actual revenues varying from budget revenue by only 1.7% and actual expenditures varying from budgeted expenditures by only 1.1%.

Exhibit 13-6

The District Creates Accurate Budgets

Category	Budgeted	Actual	Difference	Percent Difference
Expenditures	$114,919,685	$116,127,156	$1,207,471	1.1%
Revenues	$122,777,151	$124,866,156	$2,089,005	1.7%

Source: Miami-Dade County Public School District Financial Records.

The Department also does an effective job of managing the budget throughout the budget year although its ability to make timely adjustments is limited by the fact that the information on ongoing financial performance is not always timely or accurate. (Shortcomings related to the quality and timeliness of management and financial information the Department receives is discussed in Section 5 of this chapter.) Budgeted sales versus actual sales are evaluated on a monthly basis however the data is received from the Office of Information Technology so late that it is difficult to quickly address a potential problem. If actual results are significantly different than projections the department could take corrective actions by, for example, sending a region food service coordinator to the site to review the problem. The former Assistant Superintendent met with the central office staff monthly to review the financial data that had been received.

The Department does not use budget forecasts to plan for the future

The Food Services Department currently does not prepare a five-year cash plan that includes anticipated expenditures and forecasts revenue to anticipate future food service needs. The use of a five-year plan would allow the District to prioritize the efforts currently underway to improve the elementary and middle school kitchens in addition to the expansion and "makeovers" of the high schools. This plan should include the expected closure of high school campuses, the upgrading of the cafeteria facilities and the possible expansion of Provision 2. The department has made efforts to forecast the cost of some of the renovations that are planned but has not developed a complete five-year projection with anticipated revenues and expenses instead relying on one-year budgets. The department has begun to implement this suggestion.

Recommendations

- *We recommend the District develop a five-year plan with detailed revenue and cost projections.*

  Action Plan 13-10 provides the steps necessary to implement this recommendation.

Action Plan 13-10

Develop Five-Year Plan With Detailed Revenue And Cost Projections		
Strategy	Develop a five-year plan that includes both anticipated revenues and expenditures.	
Action Needed	Step 1:	Develop a five-year revenue forecast based on District projections, food service growth, campus closures, and anticipated changes.
	Step 2:	Develop a five-year plan for District expenditures, including a priority list of kitchen modifications and the cost for each.
	Step 3:	Modify the projections each year for change and the addition of a new 5th year.
Who is Responsible	Administrative Director	
Time Frame	July 1, 2002	
Fiscal Impact	Can be accomplished with existing District resources.	

Source: Berkshire Advisors, Inc., Inc.

9 Shortcomings in the District's financial controls and management processes increase the risks of revenue loss.

The District has established effective financial control procedures; however, these procedures are not consistently followed

For the most part, the District has established effective policies and procedures relating to financial controls. For example, procedures for collecting, depositing, and disbursing money are in place. In addition, procedures to account for reimbursable meals and other sales have been established.

The primary problem the District faces with regard to financial controls is simply that the policies and procedures that have been established are not consistently followed. Two examples are especially noteworthy.

- **State filings are not timely**. The District's claim form to the state for payment of subsidies owed to the District for serving students receiving meals provided under the National School Lunch Program is typically not sent until two months after the close of the month claimed. Given that the monthly payment averages $7.5 million during the year, the interest earnings that are foregone by taking two months to submit the claims (rather than one month) total approximately $600,000 per year.

- **The manager does not consistently complete daily production reports at the school level because other end of shift duties sometimes take priority.** During the on-site reviews when the daily production reports were requested they were not available. When the daily production report is not completed in a timely manner the possibility of error increases making the filing of the claim for reimbursement inaccurate. The daily production report contains much of the information used to confirm the daily sales report and if the daily production report is not done the daily sales record is not checked for accuracy. At one site (Edison High School) the reports had not been completed for the previous week. The action plan in Section 6 has addressed this problem by adding a check of the daily production records to the supervisor's checklist.

In other cases, appropriate financial procedures have not been established or existing money management practices are not in the District's best interest. One example of such problems is as follows.

- **The District is excessively deferential to its banks**. To ensure the accuracy of its bank deposits the District counts receipts twice before depositing them. The bank then recounts this money. When a discrepancy between the District total and the bank total exist the principal fills out a form that accepts the banks total without question. Rather than being so deferential to the bank a review of discrepancy reports suggests that at times it may be prudent to request a videotape of the counting room at the bank before accepting the bank's count as being accurate. Whenever a discrepancy occurs of over $50 (about once a month) a review of the actual bank records should be requested by food services. If the review shows that the discrepancy is in large bills (bills over $5) then a review of the videotape should be requested. Because the District has counted the bills twice and large bills (not change or one dollar bills) are the most likely to be taken by a bank counter then a review should be requested. The District should investigate the significance of this potential problem.

It should be stressed that the issues relating to the implementation of financial controls are simply further examples of two issues that have already been discussed in this chapter. First, as discussed in Section 1, the District has not taken steps to ensure that food service procedures are consistently followed at all District locations. In addition, the fact that central food service managers have no direct control over school-based food service personnel (as discussed in Section 2) also contributes to this problem.

The District is unable to fully evaluate income and expenditures against its budget because the information is not timely and cannot be input into the food service financial software

Two issues that have already been discussed at length in this chapter also complicate efforts to ensure the effective financial management of food service operations. First, as discussed in Section 5, financial information that is provided to the Food Services Department from the Office of Information Technology is not always timely and may be inaccurate given that it must be manually keyed into Food Service Department systems. While it is positive that the District uses automated data processing for financial reporting, in this instance the use of these system does not necessarily ensure the accuracy and timeliness of the information reported. Second, as also discussed in Section 5, the District's approach to determining food costs is flawed in a number of ways. Consequently, persons planning menus do not have access to accurate information costs per meal for different menu alternatives and therefore are unable to adequately consider costs when planning menus.

Recommendations ────────────────────

- *We recommend the District develop procedures to ensure the daily production reports are completed daily and that claim forms be submitted to the state in a timely fashion.*

  Action Plan 13-11 provides the steps needed to implement this recommendation

Action Plan 13- 11

Ensure Daily Production Reports Are Completed And Claim Forms Are Submitted To The State In A Timely Fashion		
Strategy	Develop procedures to ensure daily production reports are completed and that claim forms are submitted to the state in a timely fashion	
Action Needed	Step 1:	Develop department procedure that specifies daily production reports must be completed at each site.
	Step 2:	Develop department procedure that specifies timelines for submitting claim forms to the state.
	Step 3:	Ensure that sites are monitored to ensure daily production reports are completed and claims forms are submitted to the state in accordance with District procedures.
Who is Responsible	Administrative Director	
Time Frame	July 1, 2002	
Fiscal Impact	Can be implemented using current District resources. Can generate about $600,000 of additional interest per year for the District program, or $3,000,000 over 5 years.	

Source: Berkshire Advisors, Inc., Inc.

10 The District's approach to accounting for and reporting meals served, while generally sound, can be improved by using available technology to supplement existing point of sale systems.

The District has a generally effective system to account for and report meals served

Accurately accounting for all meals served is extremely important to any school food service operation. As with any "business" enterprise, accurately accounting for "product" sold is essential to developing strategies for increasing sales. In school systems, however, accurately accounting for meals served is especially important because so much of the food service revenues are generated from reimbursements for students who are eligible for free and reduced price meals. (In the Miami-Dade County Public Schools, for example, more than 62% of the total student population are eligible for free or reduced price meals.) If the District cannot accurately count and report the number of meals served it cannot submit a claim to the state for federal reimbursement that is accurate.

Miami-Dade County Public Schools recognize the need to accurately account for and report meals served and has invested in the technology needed to do so. In particular, the District has implemented a point of sale system to account for meals on a real time basis. Information from the point of sale registers is then electronically transmitted from schools to the central office computers that are used to submit meal counts to the Florida Department of Education. In addition, the District has established procedures to monitor claims and to verify that meals are claimed in the proper category. For example the department goes to the school sites and reviews the actual applications to ensure that they have been accurately completed. The information from the student application is then made a part of the student record and downloaded into the point of sale terminal. The sales reports are then electronically compared on a daily basis with the number of eligible students by category to ensure that over claims are not made.

The District is exploring plans to use available technology to supplement existing point of sale systems

While the point of sale systems that are currently used are generally effective in tracking the number of meals served there are some gaps at the high school level. Due to space and scheduling constraints, meals at a great many high schools throughout the District are served from carts that are strategically placed throughout the campus. Serving students where they are, rather than requiring them to come to the cafeteria to be served, increases participation in the food service program. However, because current point of sale systems requires a hard wired phone connection and electrical hook-up the possible locations are limited or the cart must be used without the point of sale system (a cash box is used). While the District requires cart operators to record sales of a la carte and meals, these reports may not be consistently accurate and must then be transposed by hand into the daily sales report. The District should explore the use of battery-powered terminals for use on these carts. Information from these terminals would be recorded after each sale and then downloaded at the end of each meal. The cost of these terminals would be about $750 and would allow the cart to be placed on campus wherever the students are located. As the District closes more high school campuses the need for carts and terminals will increase. Reimbursable meals are served only from locations that have the point of sale system and this would allow increase sales.

Recommendations ———————————————————

- *We recommend the point of sale system be expanded to include a remote battery powered terminal that does not require a phone line or electrical hook-up.*

Action Plan 13-12 provides the steps needed to implement this recommendation.

Action Plan 13- 12

Expand The Point Of Sale System		
Strategy	Work with point of sale manufacturer to develop a point of sale terminal for use at remote locations on high school campuses.	
Action Needed	Step 1:	Survey campuses to determine the number of potential remote point of sale locations in the District.
	Step 2:	Contact current point of sale provider to determine if a remote terminal is available or can be provided.
	Step 3:	Contact other point of sale providers if current system is not adaptable to determine if another manufacturer can provide a system.
	Step 4:	Install remote system at two schools to determine if the product meets District requirements.
Who is Responsible	Administrative Director	
Time Frame	July 1, 2003	
Fiscal Impact	The cost of any equipment will be more than offset by increased revenue and net income.	

Source: Berkshire Advisors, Inc., Inc.

11 Although the District employs a number of effective purchasing practices, numerous opportunities to improve purchasing practices exist.

The District employs a number of effective purchasing practices

A review of school board rules, Food Services Department policies and procedures, and interviews with District staff indicate that the District currently employs a number of effective food service purchasing practices complying with state and federal purchasing regulations. In particular, the District has developed specifications for the purchase of major food, supply and equipment items. These procedures help to ensure that the District receives the best products and the lowest prices. In addition, the District's competitive bid process provides vendors with an equal opportunity to provide service. Under this process, for all items over $10,000 the District is required to put an item out for formal bid. When a formal bid process is used, the bid must be advertised and the sealed bids are received by purchasing. The bids are then reviewed by food services and compared with the approved products list that the District had established. The award is then made to the low bidder of a product on the approved products list.

A number of opportunities to strengthen purchasing practices have been identified

The District does not undertake a regular evaluation of purchasing practices to identify opportunities to use resources more effectively. The fact that purchasing practices have not been subject to ongoing scrutiny may explain why the significant opportunities to strengthen purchasing practices presented below have been identified.

- **Use of commodities**. The District does not use commodities effectively in the purchase of processed products. Instead of receiving commodities (for example, cheese) directly from the USDA, the commodities can be shipped instead to a food processor that uses the commodities in the manufacturer of processed food (for

example, pizza) that is then sold to the District. The value of the commodities used in manufacturing the product is then deducted from the price the manufacturer charges the District. In this and in previous school years, the District failed to take advantage of at least $600,000 worth of commodity entitlements that could have been used in this manner. The District has processed commodities that are not cost effective and failed to consider processing that would save significant dollars (19 cents per slice on pizza and 7 cents per serving on chicken nuggets). In addition, the District will not incur commodity storage costs because the commodities are shipped directly to the food processor. (In prior years, the department has over ordered commodities for use by the District and been charged by the USDA for loss of product. The risk of incurring such fines is eliminated if a high percentage of commodities are shipped directly to food processors.) The current mark-up charged by the commodity distributor averages about $1 per case (based on price per hundredweight) less than the mark-up charged by the Districts frozen food distributor (based on percentage mark-up). If the District were to increase the use of commodities delivered by the commodity distributor by 100,000 cases a year (a figure easily obtained using just chicken nuggets) the savings would be directly made to the bottom line of the profit and loss statement.

- **Bid practices**. Unlike other large Districts with significant purchasing power the District does not bid most major food items directly from the manufacturer. (The only food item currently bid on by manufacturers is pizza.) Instead, food distributors bid on supplying major food items. However, the distribution of these food items is not included as part of the food supply bid. Because distribution services are bid separately from the items themselves the item may be marked up twice before the District gets the products, once by the bidder for the items and then again by the distributor. These bidding practices increase purchasing costs in at least two ways. First, because major food items are not bid on directly by manufacturers, the food distributors who bid to supply these items must "mark up" these items to provide a profit for themselves. In addition, the distributor who has won the most bids to provide major food items has a significant cost advantage over competitors when the time comes to bid to distribute these items. Indeed, this advantage is so significant that in each of the past two years there has only been one bidder for the distribution of non-commodity items. Obviously, if there is little competition to provide a service, service providers have little incentive to "sharpen their pencils" when developing their bids. Another reason why this method increases costs to the District is all manufacturer volume discounts and stocking rebates are provided directly to the distributor and not the District. As an example if the District were to bid chicken products directly from the manufacturers the companies would have to give their best prices directly to the District. Not surprisingly, these bid practices increase the cost of the food purchased by the Miami-Dade County Public Schools.

- **Cost and quality tradeoffs.** At present, the District does not adequately consider the quality of food items when making purchasing decisions. Qualified product lists are currently used to identify the types of products the District can purchase. These qualified products lists essentially indicate that the products listed meet minimum District standards. Alternatively, the District could prepare a bid that makes the award to qualified products meeting the bid specifications on a percentage basis of both price and quality. The use of such a list would enable the District to make cost versus quality tradeoffs when making purchasing decisions. In addition, updating product specifications and reviewing quality annually will ensure that all manufacturers have the opportunity to develop products for the District. At present, product specifications are typically reviewed and updated every year.

- **Product decisions.** Making more appropriate product purchasing decisions can also significantly reduce District purchasing costs. For example, skim milk costs the District 4 mills less per unit to purchase than 1% milk from the price comparison report submitted by the department. While the difference between skim and 1% would likely be noticeable to students for regular milk they are unlikely to notice difference when purchasing chocolate milk. Given that the District currently buys about 44 million pint units of chocolate milk per year, changing the product purchasing decision from 1% chocolate milk to skim chocolate milk will save the District $176,000 annually and $880,000 over five years.

Recommendations

- *We recommend the District effectively utilize commodity processing.*

Action Plan 13-13 provides the steps needed to implement this recommendation.

- *We recommend the District use manufacturer direct pricing on major items.*

Action Plan 13- 14 provides the steps needed to implement this recommendation.

- *We recommend the District evaluate Quality with Cost in purchasing decisions.*

Action Plan 13- 15 provides the steps needed to implement this recommendation.

- *We recommend the District evaluate the use of non-fat chocolate milk.*

Action Plan 13-16 provides the steps needed to implement this recommendation.

- *We recommend the evaluate purchase of items from commodity distributor.*

Action Plan 13-17 provides the steps needed to implement this recommendation.

Action Plan 13-13

Effectively Utilize Commodity Processing		
Strategy	Determine which commodities can be processed with significant savings to the District.	
Action Needed	Step 1:	Review commodity entitlement with the state department of agriculture to determine what commodities will be available.
	Step 2:	Meet with manufactures to determine which menu items can be processed.
	Step 3:	When bidding potential items using commodity ingredients have a price for the product with and without commodities.
	Step 4:	Award contracts with both commodity and non-commodity pricing.
	Step 5:	Purchase commodity or non-commodity from the manufacturer depending on the commodity supply and cost effectiveness.
Who is Responsible	Administrative Director	
Time Frame	July 1, 2002	
Fiscal Impact	Can be accomplished using current District resources. Improved practice should be able to reduce food costs by $600,000 per year, or $3,000,000 over five years.	

Source: Berkshire Advisors, Inc., Inc.

Action Plan 13-14

Use Manufacturer Direct Pricing On Major Items		
Strategy	Obtain manufacturer direct pricing on major items before distribution bid.	
Action Needed	Step 1:	Determine which items the manufacturer can directly bid.
	Step 2:	Bid items by manufacturer and make awards.
	Step 3:	Bid the distribution as a percentage mark-up over District pricing.
Who is Responsible	Administrative Director	
Time Frame	July 1, 2002	
Fiscal Impact	Can be accomplished with current District resources	

Source: Berkshire Advisors, Inc., Inc.

Action Plan 13- 15

Evaluate Quality With Cost In Purchasing Decisions

Strategy	Purchase the best quality products and the best price.
Action Needed	Step 1: Change purchasing award criteria to include taste test, recall history, packaging, and other non-price factors affecting the product.
	Step 2: Determine which products and manufacturers meet District specifications.
	Step 3: Base award on overall value of the product using District criteria from Step 1.
Who is Responsible	Administrative Director
Time Frame	July 1, 2003
Fiscal Impact	Can be accomplished using existing District resources

Source: Berkshire Advisors, Inc., Inc.

Action Plan 13-16

Evaluate The Use of Non-Fat Chocolate Milk

Strategy	Use non-fat chocolate milk in place of 1% chocolate milk.
Action Needed	Step 1: Have the dairy provide pricing for non-fat chocolate milk based on mark-up over fixed prices for raw milk from Bid award 099-ZZ03.
	Step 2: Substitute non-fat chocolate milk for 1% chocolate milk and determine student reaction.
	Step 3: Change bid specifications to non-fat chocolate milk if the price is less and the students accept the product.
Who is Responsible	Administrative Director
Time Frame	July 1, 2003
Fiscal Impact	Can be accomplished with existing District resources. For this product alone, the District should be able to reduce food costs by about $176,000 per year, or $880,000 over five years.

Source: Berkshire Advisors, Inc., Inc.

Action Plan 13-17

Evaluate Purchase Of Items From Commodity Distributor

Strategy	Evaluate purchase of chicken nuggets through the commodity distributor.
Action Needed	Step 1: Obtain direct manufacturer price for commodity and non-commodity chicken nuggets.
	Step 2: Order chicken nuggets into the commodity distributor to a par stock level based on the menu cycle.
	Step 3: Order will be commodity if available, non-commodity if commodity is not available.
	Step 4: Distributor will price and deliver as awarded under the current District contract.
Who is Responsible	Administrative Director
Time Frame	July 1, 2003
Fiscal Impact	Can be accomplished within existing District resources. For this product alone, the District should be able to reduce food costs by about $100,000 per year, or $500,000 over five years.

Source: Berkshire Advisors, Inc., Inc.

12 Although the District has a generally effective inventory control system, improved communication with commodity suppliers would reduce inventory requirements.

The District has a generally effective inventory control system

The District has developed a generally effective food service control system that is appropriate to the size of the food service program. Inventory levels are important for two major reasons: the cost of goods in inventory and the possibility of spoilage if too much product is on hand. The District ordering system used at the school level requires that some items be ordered two weeks in advance and some three weeks in advance. While it is possible to change an order, it is sometimes difficult to know all of the items included in the delivery of some menus. The inventory of commodity products is sometimes "force fed" to a school even if not on the menu in order to keep inventory levels down. The state system requires that the commodities be ordered before the menu patterns are made.

The District takes appropriate steps to manage and control its inventory. This is important because every dollar that is tied up in inventory is not available to the department for other uses. The District conducts a physical inventory of food and supplies on a monthly basis, regularly compares inventory records with physical inventories, and has established written guidelines for inventory controls.

Ineffective communications with vendors increases inventory levels somewhat

The ordering process involves both commodity and non-commodity items at the same time, depending on which item is on hand. At present, the District places an order with the commodity distributor and when the distributor goes to the warehouse to pick up the order an item may not be in stock. The distributor then calls the District and the District changes the order. Delivery times are uncertain in large part because vendors may not have requested items in stock at the time the District orders them. Because it does not know when items will be delivered (and certainly does not want to run out of needed items) the District maintains somewhat larger inventories of items than would be necessary if delivery times were more certain. The goal is to use the commodity items when available and have purchased items ready to replace them when the commodity item is gone.

Recommendations

- *We recommend the commodity and non-commodity order systems be streamlined so managers can place orders for products that are on hand at the supplier.*

Action Plan 13-18 provides the steps needed to implement this recommendation.

Action Plan 13- 18

Change The District Commodity Order Procedure For The Distributor
Strategy — The commodity and non-commodity order systems need to be streamlined so managers can place orders for products that are on hand at the supplier.

Action Needed	Step 1:	Have current OIT computer generated order sent to food services instead of the distributor.
	Step 2:	Food services compares the order to the inventory and makes adjustments.
	Step 3:	Food services sends modified order to distributor.
	Step 4:	The distributor then delivers the order.
Who is Responsible	Administrative Director	
Time Frame	July 1, 2002	
Fiscal Impact	Can be accomplished using current District resources.	

Source: Berkshire Advisors, Inc., Inc.

13 The District has a generally effective system for receiving, storing, and disposing of food, supplies, and equipment.

The District has established generally effective policies and procedures for receiving, storing, and disposing of food, supplies, and equipment and the policies are consistently implemented throughout the District

Discussions with food services staff at both the District and school levels as well as a review of school board rules and policies and procedures indicates that the District has established a generally effective system for receiving, storing, and disposing of food, supplies, and equipment. The storage of food and supplies represent a significant investment of District resources. The items must be secured from theft and available as needed for delivery. Written guidelines for receiving, storing, and disposing of food, supplies, and equipment have been established and observations suggest are consistently implemented throughout the District. Other effective practices that are currently employed by the District include the following.

- Delivery documents are signed and dated by an authorized receiver;
- The District refuses and obtains appropriate credit for unacceptable products;
- Products issued from a central warehouse require an approved requisition slip;
- First in, first out (FIFO) inventory practices are employed for perishable items;
- The age of items is tracked by the inventory systems;
- Available storage space is used effectively;
- Storage space in observed locations is ample and sufficient to ensure that items can be easily counted during inventory and easily rotated; [5] and
- Storage space in observed locations are properly ventilated.

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[5] Three storage locations were observed as part of this engagement.

14 The District has not developed and implemented effective plans for repairing and replacing equipment.

Although the District has done some planning with regard to equipment needs, overall too little attention has been focused on addressing equipment needs

Appropriate and reliable equipment is essential to the effective operations of a school food service program. At present, however, the District has just written a draft for a bid to be submitted in June 2002 to purchase, repair, track and maintain equipment. Previously the District has focused too little attention on addressing these important needs. While the District has developed plans for equipping new schools it has not developed effective plans for replacing existing equipment. Indeed, because repair records for existing equipment are not maintained the District has little basis for determining the useful life of its equipment (which is necessary for the development of equipment replacement schedules) or for determining whether it is more economical to repair or replace equipment when it fails. In addition, the District focuses far too little attention on preventive maintenance. Without repair records it is difficult to estimate the corrective maintenance expenses that could have been avoided if a cost-effective preventive maintenance program was in place; however, effective preventive maintenance typically not only reduces corrective maintenance but also lengthens the life of equipment. The use of the five-year plan recommendation in the budgeting Section would address the replacement funding.

To its credit, the District has established – through contractors and its own staff – an effective system for repairing equipment. Conversations with food service managers and a review of a sample of work orders suggests that these services are provided in a timely manner.

The District has developed effective procedures for ensuring meals are served when important equipment is out of service. This is typically done by transporting meals from other production sites. Also, some food production facilities have "back-up" equipment they can use when their first line equipment is out of service. Because the Food Services Department has trucks that deliver to satellite schools the District is often able to get the replace foods to the distressed cafeteria without calling for outside assistance.

See recommendations and action plan 13-9.

Meal Planning And Preparation⎯⎯⎯⎯⎯⎯⎯

15**Although the District's central office designs menus that meet the nutritional needs of students, these menus are frequently changed at the school site.**

The District has well planned menus designed to meet the nutritional needs of students. However these well-planned menus are often not what are served to students

The District employs six licensed dieticians to develop and plan menus that meet all United States Department of Agriculture nutritional guidelines – indeed, many of the meals served at breakfast even exceed minimum nutritional requirements. In addition, special menus have been developed to meet the nutritional needs of students with special dietary needs (e.g., those with physical handicaps, food allergies, and/or special medical needs or limitation on what they can eat.).

However, the efforts of centralized dietary experts are quite frequently frustrated by school level food service managers who make menu changes without first having them approved by centralized dietary staff. (When menus are changed without prior approval, the resulting meals may or may not comply with USDA nutritional guidelines.[6] Indeed, at each of the 24 schools where food service operations were observed during this study, menu changes had been made without first notifying and receiving approval from either food service coordinators and/or District nutrition specialists. There are a variety of reasons that menus are currently changed. Recommendations made in Sections 1,2,5,6,11,12 and 13 deal with these reasons and provide solutions.

The District does not effectively evaluate convenience and/or pre-packaged foods

The use of convenience and/or prepackaged food can be a cost-effective, nutritious alternative to foods made from scratch if they are appropriately evaluated and selected. At present, however, the District does not systematically evaluate these foods to assess whether they meet nutritional requirements and student taste tests. Because the District does not do student preference surveys and has not evaluated labor standards the effectiveness of convenience foods has not been evaluated. District staff has a strong bias against prepared foods yet the introduction of prepared pizzas and hamburgers has increased sales, improved student participation and proven to be very successful. Although some new items are able to filter through the District process the system itself makes it very difficult. The recommendation to take value into consideration in the purchasing Section will make the approval process much easier.

The District does not currently make a systematic assessment of when it is more cost-effective to serve convenience and/or pre-packaged food rather than to make menu items from scratch. In many cases the District currently prepares items from scratch where, based on the experience of other school Districts the consultants have studied or worked in, purchasing convenience and/or pre-packaged food items is clearly the more cost-effective alternative. For example, the District currently prepares rolls from scratch, even hand rolling them, rather than purchasing ready-

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[6] It should be noted that the implications of serving meals that do not meet USDA nutritional guidelines are by no means trivial. On the contrary, the District can lose the ability to claim reimbursement for the entire meal if one component is missing or fails to meet the weekly menu nutritional requirements. Indeed the claim for the entire day for the entire school can be denied if the production records do not show the proper amount of food available for service.

bake dough (which could be made from commodities). In addition, at some sites cookies are made from scratch when after all the costs in time and labor required to purchase and clean equipment are considered purchasing cookie dough, already portioned and ready to bake is clearly the more cost-effective alternative and still allows the cafeteria to have the "fresh baked" cookie smell.

Recommendations

- *We recommend the District evaluate the use of convenience foods.*

Action Plan 13-19 provides the steps needed to implement this recommendation.

Action Plan 13- 19

Evaluate The Use Of Convenience Foods		
Strategy	Analyze the possible replacement of scratch prepared items with commercial convenience food products.	
Action Needed	Step 1:	Determine actual cost of scratch preparation and cooking items such as rolls, cookies, and salad dressings.
	Step 2:	Interview vendors to determine what products are available for replacement of scratch prepared items.
	Step 3:	Compare cost of purchase with actual cost of scratch preparation.
	Step 4:	Taste test those items that may be cost effective and meet District nutritional standards with students in a blind taste test to determine acceptability.
	Step 5:	Develop purchasing specifications and award a bid for items that are cost effective and nutritionally sound.
Who is Responsible	Administrative Director	
Time Frame	July 1, 2003	
Fiscal Impact	Can be accomplished with existing District resources.	

Source: Berkshire Advisors, Inc., Inc.

16The District has not established effective practices to ensure the service of high quality food with minimal waste.

Although the District employs some effective food production practices, too little attention has been focused on ensuring the volume of food produced meets the needs of individual schools

The District has established several effective food production practices. Most notably, the District uses standardized recipes which provide clear directions, a chronological listing of ingredients, cooking procedures, serving containers and utensils, yield, and portion size. In addition, the District notes serving sizes on portioning utensils on the menu or production records and uses appropriate portioning utensils. It is worth noting that in a District the size and scale of the Miami-Dade County Public Schools taking these steps to ensure standardization across the large number of schools served is especially important and the District should be commended for its efforts in this regard.

While the District has been effective in ensuring needed standardization of food production across sites, it has been less effective in ensuring that food production is tailored to meet the needs of individual schools. In particular, school level food service staff do not observe what food is taken by students but not eaten (i.e., plate waste) and therefore do not provide this information to menu planners who can use it to adjust menus, as appropriate, at individual schools and for the District as a whole. Likewise, the District has not established effective practices for minimizing the overproduction or underproduction of food. Indeed, at each of the 24 schools where first-hand observations of food service operations were made either overproduction or underproduction of food was observed. This is a problem because when desired food items are not produced in sufficient quantities participation rates will suffer, while it is wasteful and expense to produce more food than is needed. Overproduction results in wasted food production. Records demonstrate that overproduction occurs on the same item day after day at some schools. Underproduction of food results in students who do not get the items listed as being available on the menu, much like a restaurant that does not have items that are on the menu. Because over and underproduction are not reported to the management staff it continues to occur with great frequency. This area has been dealt with in previous recommendations.

Procedures for ensuring the safety of food that is produced in one location and served in another location were inadequate

In a District as large as Miami-Dade County Public Schools it is often not cost-effective or practical to produce food at each school site. In recognition, the District has established a number of production locations at which food is prepared and then transported to individual schools in bulk. The District had not taken adequate steps, however, to ensure the safety and quality of food that is transported. Most notably, the temperature of food is not checked both before transportation and after it has been received at a school site to ensure that safe temperatures have been maintained during transport. With OPPAGA permission the District was informed of this problem and has changed procedures to implement temperature controls.

See recommendations and action plans 13-13 and 13-14.

Safe And Sanitary Environment————————

17 Procedures to ensure food safety are in place; however, some opportunities to strengthen current practices exist.

The District has established a number of useful practices to ensure food safety

District managers are aware of the importance of food safety and have implemented a number of practices to ensure food safety. For example, copies of rules and regulations governing food safety are on file at each District school. In addition, the District maintains logs recording the temperatures of school-site refrigerators and freezers. Likewise, the kitchens are generally clean and the employees take pride in their individual workstations. In addition, the District has distributed written emergency procedures and plans to each cafeteria site for reporting, investigating, and correcting the cause of accidents and has made these documents available to all employees.

Moreover, the District has established a goal to improve safety and environmental practices. In particular, the District has established as a goal the implementation of a Hazard Analysis Critical Control Points (HACCP) program. Such a program will improve the quality and the safety of food served to the students. The program keeps records that are essential to "due diligence" in a lawsuit concerning food safety. HACCP is the preferred method of insuring food safety by the federal government and all suppliers of government commodities have been required to implement HAACP. The program consists of step-by-step controls over the time and temperature of food items

from the time they are received until they are placed back in the storage area. The recipes are modified to reflect food safety even before the final product is made.

The District should continue to initiate a number of steps to enhance food safety

The District's commitment to strengthening food safety is reflected by its stated goal to implement a HACCP program. While the District is in the process of implementing this program a number of steps should be taken immediately to enhance food safety. In particular, the District should more closely monitor food temperatures and cooking schedules (to ensure that food is not prepared too far in advance). When observing food service operations at school sites, the consultants observed some items being prepared too far in advance to ensure food safety. For example, the consultants observed corn on the cob being placed in the steamer before 8:00 a.m. – a full three hours prior to the time it was to be served. Because food temperatures are not closely monitored at school sites, preparing food well before it is served is especially risky. The issue of food safety from vendors allowed on campus must be addressed if the vendors are still allowed on campus.

Recommendations ———————————————

- *We recommend the District implements the HACCP program at all sites.*

  Action Plan 13- 20 provides the steps needed to implement this recommendation.

Action Plan 13-20

Implement The HACCP Program At All Sites		
Strategy	Implement the HACCP program at all sites.	
Action Needed	Step 1:	Have several staff members take HAACP training.
	Step 2:	Have the test kitchen rewrite all recipes and menus to include HAACP standards.
	Step 3:	Have the training department rewrite all training procedures to include HAACP procedures.
	Step 4:	Implement a HAACP program on a test basis at each type of school.
	Step 5:	Rewrite procedures based on test site experience.
	Step 6:	Implement HAACP District wide
Who is Responsible	Administrative Director	
Time Frame	June 30, 2003	
Fiscal Impact	Can be accomplished with existing District resources.	

Source: Berkshire Advisors, Inc., Inc.

14 Cost Control Systems

While the District has adequate cost control systems in the areas of internal auditing, financial auditing, asset management, inventory management, risk management, financial management, purchasing and payment processing, certain improvements would enhance operating effectiveness and efficiency.

Conclusion

The Miami-Dade County School District has generally established adequate cost control systems. However, we have identified 8 of the 31 best practices which are not effectively implemented and/or certain enhancements which could be made to the cost control systems to improve effectiveness.

During the course of this review, Berkshire Advisors, Inc. identified a number of District accomplishments relating to cost control systems, some of which are included in Exhibit 14-1 below.

Exhibit 14-1

The District Has Had Notable Accomplishments Relating to Cost Control Systems in the Last Three Years

- A fax server system was implemented that improves the effectiveness of the procurement of goods and services.
- The District is in the process of implementing a web-based bid automation system for bid preparation, posting, evaluation, approval, dissemination, and award.
- The District is currently reviewing the installation of an automated treasury workstation system that will allow integration of data collection and processing of tasks.
- The District has implemented a purchasing card program.
- The District's Comprehensive Annual Financial Report received awards for excellence in financial reporting from the Government Finance Officers Association and the Association of School Board Officials; and the District's budget document received the Distinguished Budget Award from the Government Finance Officers Association for quality of presentation.

Source: Miami-Dade County School District.

Overview of Chapter Findings

Berkshire Advisors, Inc. reviewed the District's cost control systems using the Best Financial Management Practices and associated performance indicators developed by the Office of Program Policy Analysis and Government Accountability (OPPAGA) and adopted by the State Commission of Education. Berkshire Advisors, Inc., employed a number of methodologies to develop chapter conclusions and action plans. For instance, we conducted on-site visits and interviews with staff at various sites and locations, obtained and reviewed documentation of their activities, and surveyed other Districts. We also received input from parents and other citizens during public forums

held in various parts of the District and while visiting school sites. These inquiries and observations were also supported by detailed examination and analysis of various District records and supporting documentation.

An overview of chapter findings is presented below.

Internal Auditing

1. The District has established an effective internal audit function. (Page 14-12)

Financial Auditing

2. The District receives an annual external audit. (Page 14-15)

3. The District uses audit findings to improve operations. (Page 14-16)

4. The District obtains and reviews required financial information for school internal accounts, direct support organizations (DSOs), and charter schools. (Page 14-16)

Asset Management

5. The District does an effective job of segregating responsibility for the custody of capital assets from the responsibility for recording capital assets. (Page 14-22)

6. The District has established and implemented procedures that provide for the effective control of asset acquisitions. (Page 14-24)

7. Although the District maintains records that can be used to develop project costs and other project related data, the process for doing so is cumbersome and compromises the accuracy and timeliness of reporting. (Page 14-25)

8. With one exception, the District ensures adequate accountability for capitalized assets. (Page 14-27)

9. The District has established policies and procedures to safeguard most assets from unauthorized use, theft, and physical damage. (Page 14-29)

Inventory Management

10. Duties and responsibilities relating to inventory management are appropriately segregated. (Page 14-32)

11. The District has established and implemented effective procedures for ensuring the effective control of inventory requisitions. (Page 14-34)

12. The District has established adequate controls to provide for inventory accountability and to safeguard inventory. (Page 14-35)

13. While the District has taken some steps to manage inventory costs, opportunities to further reduce costs should be evaluated. (Page 14-35)

Risk Management

14. While in most respects the District has a comprehensive approach to managing risks, it does not have an approved disaster recovery plan. (Page 14-39)

15. While not fully documented, the District has in place effective policies and procedures for purchasing and reviewing insurance coverage. (Page 14-42)

Financial Management

16. While District managers verbally communicate their commitment to strong internal controls, this commitment is not consistently documented in the established procedures. (Page 14-48)

17. The District's accounting system facilitates collecting, processing, maintaining, and reporting financial transactions. (Page 14-50)

18. The District's performance in meeting deadlines for submitting financial reports to the State is adequate. (Page 14-52)

19. While the process for developing and monitoring budgets is generally sound, in some areas existing systems and procedures do not support efforts to evaluate performance against budget, or to prevent budget overspending. (Page 14-53)

20. The District has provided adequate controls to ensure accountability for cash resources. (Page 14-58)

21. The investment plan specifies the approved type of investments and performance criteria that maximizes return and mitigates risk. (Page 14-59)

22. The established controls for recording, collecting, adjusting, and reporting receivables are effective. (Page 14-61)

23. Controls have been established to provide adequate accountability for the payment of salaries and benefits. (Page 14-62)

24. The District analyzes, evaluates, monitors, and reports debt-financing options. (Page 14-64)

25. Grant activities are effectively monitored and reported. (Page 14-65)

Purchasing

26. The District adequately segregates purchasing responsibilities from the requisitioning, authorizing, and receiving functions. (Page 14-67)

27. Adequate controls have been established for authorizing purchase requisitions. (Page 14-68)

28. Purchasing practices and procedures are sound. (Pages 14-69)

29. Controls have been established to ensure that goods are received and meet quality standards. (Page 14-71)

Payment Processing

30. Disbursements are properly authorized, documented, and recorded. (Page 14-72)

31. The District's approach to processing invoices and payables while generally sound is labor intensive. (Page 14-73)

Fiscal Impact of Recommendations

The recommendations to improve cost control systems can be implemented with existing resources.

Background

Section 230.03(2), *F.S.*, requires the board to operate, control, and supervise all free public schools in the District. Section 230.23(3), *F.S.*, provides that the responsibility for the administration of the District is vested with the Superintendent as the secretary and executive officer of the board. Laws, rules, regulations, and grantor restrictions applicable to the District's activities define, among other matters, the purposes for which resources may be used and the manner in which authorized uses shall be accomplished and documented. To ensure the efficient and effective operation of the District in accordance with good business practices and with applicable legal and contractual requirements, effective cost control systems must be established and maintained.

The Superintendent is responsible for establishing and maintaining effective cost control systems. The objectives of efficient and effective cost control systems are to:

• Provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition;

• Make certain that transactions are executed in accordance with the board's authorization;

• Ensure that transactions are recorded properly to promote reliable financial data;

- Provide assurance that restricted assets are managed in compliance with applicable laws, regulations, and contracts; and

- Ensure that operating policies and procedures promote cost-effective and efficient methods of operation within the constraints established by applicable laws and regulations.

Organizational structure of the finance function. At the Miami-Dade County School District, many of the responsibilities for ensuring efficient and effective cost control systems rests with the financial function, which is headed up by the Chief Financial Officer (CFO). Exhibit 14-2 presents the organizational structure of the finance function at Miami-Dade County School District.

Exhibit 14-2

The Chief Financial Officer Manages Accounting and Finance Functions [1]
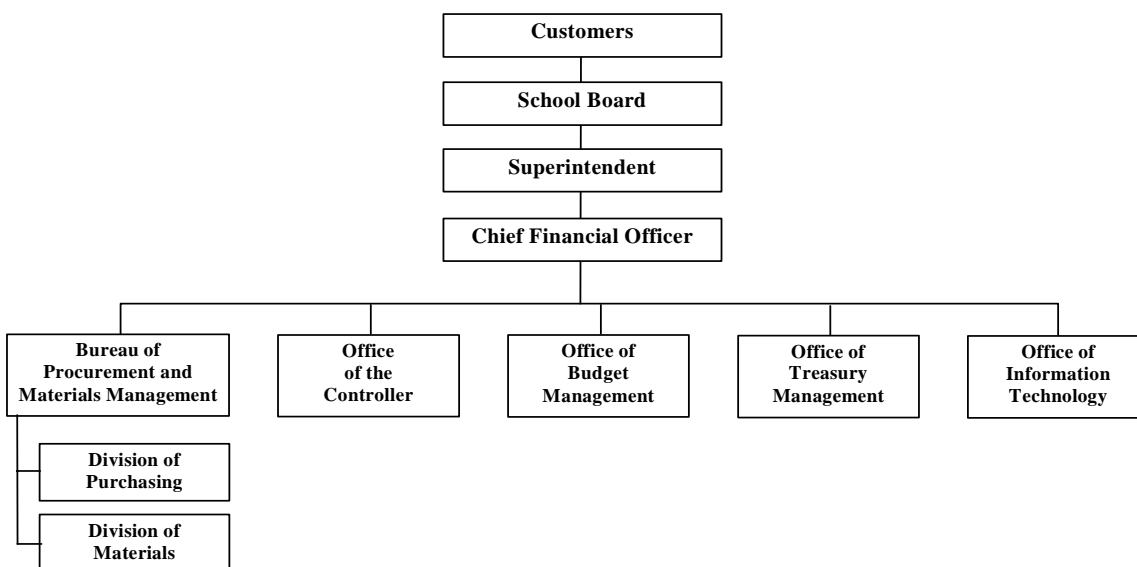
Source: Miami-Dade County School District.

Staffing within finance and accounting functions. The organizational structure of finance and accounting functions in school Districts, as well as the responsibilities assigned to the function, vary considerably from one District to another. Because of the variation in structure, it is difficult to make specific conclusions when comparisons of staff size between school Districts are made as to staffing efficiencies and economies. However, a broad general conclusion can be made from a careful review.

Miami-Dade County School District (MDCSD) is the largest school District in the State based on student enrollment. MDCSD management considers Broward, Duval, Hillsborough, Orange and Palm Beach County School Districts as peer districts. These are the next five largest school Districts in the State and vary in size, ranging from approximately 125,000 to 257,000 UFTE (unweighted full-time equivalent) students as of January 2002.

We surveyed these Districts as to the number of staff that performed general accounting responsibilities, including those employees that performed budgeting, accounts payable, payroll, food service, grants, facilities, and risk management accounting duties. A wide variety of positions, titles, and descriptions were identified as performing accounting responsibilities; however, the focus was on the function performed by staff rather than the title of the

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[1] In February 2002, the District implemented changes to the organizational structure. The Office of Risk and Benefits Management was added to the functions that have oversight by the Chief Financial Officer.

position held. The five peer districts, which responded to our survey, had from 80 to 122 employees performing accounting responsibilities as of January 2002. MDCSD has 176 staff members performing accounting responsibilities and 367,978.97 UFTE students as of January 2002. Using a ratio of the number of accounting staff to the UFTE as the measure, MDCSD ranked in the middle of the five peer districts. MDCSD had fewer accounting staff as a ratio to UFTE than three other Districts. This generalized comparison supports the conclusion that the number of MDCSD's finance and accounting staff fall within a reasonable range, based on the size of the school District when compared to its peers.

Overview of District financial results. As reflected on Exhibit 14-3, during the fiscal year ended 2000-01, the most recent fiscal year for which data is available, total revenues and other funding sources were approximately $3.35 billion and expenditures and other uses were approximately $3.16 billion. These totals reflect the general fund, special revenues fund, debt service fund, capital projects fund, and fiduciary funds activities. These amounts include both restricted and unrestricted sources and uses of resources. Over the three-year period ended 2000-01, the total revenues and other sources and the total expenditures decreased approximately 8%.

The decrease is largely the result of the change in other sources and uses of funds, which relate to the receipt of bond proceeds (source) and partial defeasance of general obligation bonds and certificates of participation (uses). Since other sources generally do not represent recurring revenue streams, we also compared revenues without other sources. When compared this way, revenues increased for the three-year period by 2.38% and expenditures increased by 10.53%.

Exhibit 14-3

Total Revenue and Other Sources and Expenditures and Other Uses Decreased by Approximately 8% Over the Past Three Years (in thousands)

	Fiscal Year		Increase/(Decrease)	
	2000-01	**1998-99**	**Dollars**	**Percent**
Revenue:				
Federal	$ 268,150	$ 34,692	$ 33,458	14.26%
State	1,523,175	1,560,222	(37,047)	-2.37%
Local	1,055,143	985,292	69,851	7.09%
Other Sources (Financing)	499,702	873,230	(373,528)	-42.78%
Total Revenue and Other Sources	3,346,170	3,653,436	(307,266)	-8.41%
Expenditures:				
Current Expenditures	2,481,970	2,244,417	237,553	10.58%
Capital Outlay	362,538	245,862	116,676	47.46%
Debt Services	144,337	213,895	(69,558)	-32.52%
Other Uses (Financing)	172,233	721,722	(549,489)	-76.14%
Total Expenditures and Other Uses	3,161,078	3,425,896	(264,818)	-7.73%
Excess of Revenues Over Expenditures	**$ 185,092**	**$ 227,540**	**$ (42,448)**	**-18.66%**

Source: Comprehensive Annual Financial Report.

Revenues. The District receives revenues from the State, federal and local sources. For the 2000-01 fiscal year, State revenues were 53.5% of total District revenues, local revenues were 37% of total revenues, and federal sources were 9.5% of total revenues.

State revenues are summarized on Exhibit 14-4. Revenues from State sources for current operations are primarily from the:

- Florida Education Finance Program (FEFP), administered by the Florida Department of Education.

- The State also provides financial assistance to administer certain categorical education programs. State Board of Education Rules require that revenue earmarked for certain programs be expended only for the program for which the money is provided. The major categorical education program funding sources include instructional

materials and transportation. The Florida Department of Education requires that categorical education program revenues be accounted for in the general fund.

- Workforce development proceeds are provided to the District to specifically fund adult and other vocational education services offered by the District.

- Lottery revenues are earmarked to finance educational enhancement and school advisory council activities.

- The State allocates gross receipt taxes, generally known as Public Education Capital Outlay (PECO) revenues, to the District, as well as provides other funds that are recorded as capital projects, special revenues, and debt service revenues.

Exhibit 14-4

State Funding Decreased 2.37% Over the Past Three Years (in thousands)

	Fiscal Year		Increase (Decrease)	
State Revenue Source	**2000-01**	**1998-99**	**Dollars**	**Percent**
Florida Education Program	$1,159,067	$1,016,247	$ 142,820	14.05%
Workforce Development	107,122	109,552	(2,430)	-2.22%
Categorical Educational Programs	116,080	137,670	(21,590)	-15.68%
Gross Receipts Tax (PECO)	38,167	32,751	5,416	16.53%
Lottery Funds	30,699	29,776	923	3.10%
Other	72,040	234,226	(162,186)	-79.33%
Total	**$1,523,175**	**$1,560,222**	**$ (37,047)**	**-2.37%**

Source: Comprehensive Annual Financial Report.

Local revenues are primarily generated from ad valorem (property) taxes. Exhibit 14-5 shows the taxes levied for the 2000-01 fiscal year increased 6.55% compared to the 1998-99 fiscal year. The increase in taxes levied corresponds to the increase in local revenue of 7.09% over the three-year period noted on Exhibit 14-3.

The non-voted millage levies are provided by law and Appropriations Act provisions. The required local effort is tied to State FEFP funding and represents the amount school Districts must levy in order to receive FEFP funding. Also, school Districts are authorized, by law, to levy up to 2 mills for local capital improvements. Exhibit 14-5 also reflects that the total millage rate decreased from 10.16 mills to 9.617 mills over the three-year period.

Exhibit 14-5

Ad Valorem (Property) Taxes Levied Increased 6.55% Over the Past Three Years (in thousands)

Description	2000-01		1998-99		Increase (Decrease)	
	Millage	Taxes Levied	Millage	Taxes Levied	Dollars	Percent
General Fund: (Non-Voted School Tax)						
Required Local Effort	5.998	$586,781	6.452	$560,743	26,038	4.64%
Basic Discretionary Local Effort	0.510	49,893	0.510	44,324	5,569	12.56%
Supplemental Discretionary Local Effort	0.194	18,979	0.220	19,120	(141)	-0.74%
Capital Projects Funds: (Non-Voted School Tax)						
Local Capital Improvements	2.000	195,659	2.000	173,820	21,839	12.56%
Debt Service Funds: (Voted School Tax)						
General Obligation Bonds	0.915	89,514	0.978	84,998	4,516	5.31%
Total	**9.617**	**$940,826**	**10.160**	**$883,005**	**$57,821**	**6.55%**

Source: Comprehensive Annual Financial Report.

The District receives federal funds for the food service program for serving breakfast and lunch at the schools. Federal funding is also provided for activities for various programs such as Title I. An increase of 14.26% occurred in the federal revenues for the three-year period as noted on Exhibit 14-3.

Expenditures. For the fiscal year ended 2000-01, current expenditures for District operations were 83% of the total expenditures, capital outlays relating to school construction and renovations projects comprised 12% of the total expenditures, and debt service (interest and principal) payments were 5% of the total expenditures. Of the total current expenditures, 98% are from the general fund. A closer review of general fund activities follows.

Review of General Fund Activities. The general fund reflects the general operations of the District. The resources accounted for in this fund are primarily for carrying out the educational programs offered by the District. During the 2000-01 fiscal year, the District reported revenues and other sources of $2.259 billion, and expenditures and other uses of approximately $2.254 billion. During the three-year period ended 2000-01, the District's general fund spending increased by 10.29%, which is higher than the 8.5% change in general fund revenues. Exhibit 14-6 and 14-7 summarize the changes over the three-year period.

General Fund Revenues. From review of Exhibit 14-6, the State provided 63% of the funding for the District, local taxes and other sources provided 36% of the funding for general fund activities, and federal sources funded 1% of revenues for 2000-01. This same funding relation existed for the three-year period ended 1999-00. In comparison, the statewide average for State funding for all Districts was 61% over the three-year period ended 1999-00. The peer districts averaged 58.6% for State funding, with a range from 40% to 70% over the period. In addition, the statewide average of all Districts for local taxes and other sources is 38%, and the average for the peer districts is 40.8%. [2]

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[2] The source of the information for the statewide average, the average for peer districts, and MDCSD data (unless otherwise indicated) is the Profiles of Florida School Districts Financial Data Statistical Report published by the Florida Department of Education. The most current year available for analysis is 1999-00.

Exhibit 14-6

Total General Fund Revenue Increased 8.25% Over the Past Three Years (in thousands)

	Fiscal Year		Increase (Decrease)	
Revenue Description	**2000-01**	**1998-99**	**Dollars**	**Percent**
Revenue:				
State	$1,433,108	$1,303,105	$130,003	9.98%
Local	697,818	663,820	33,998	5.12%
Federal	12,127	12,761	(634)	-4.97%
Other Sources (Financing)	116,113	102,541	13,572	13.24%
Total	$2,259,166	$2,082,227	$176,939	8.50%

The State Was the Major Source of Revenue for the General Fund During the 2000-01 Fiscal Year
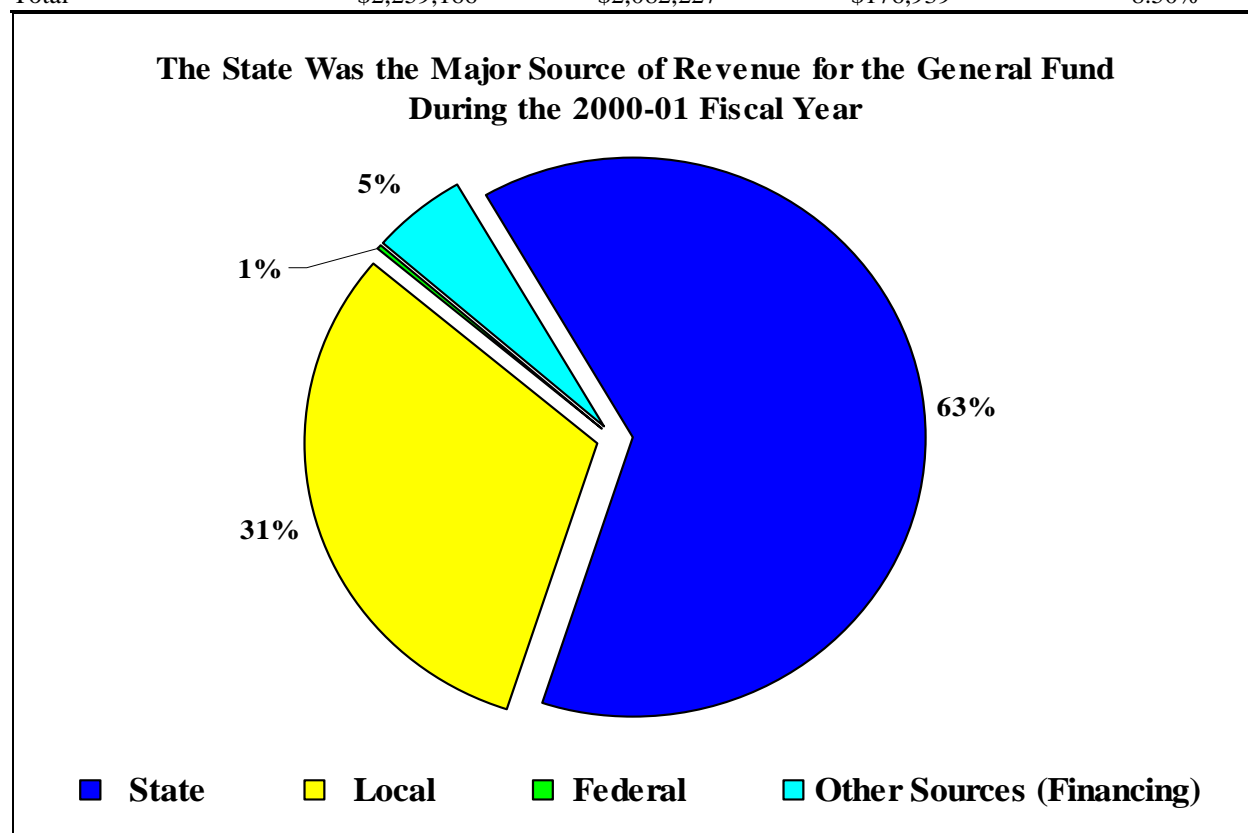
Source: Comprehensive Annual Financial Report.

General Fund Expenditures. Exhibit 14-7 provides the general fund expenditures for the 2000-01 fiscal year compared to the expenditures for the 1999-00 fiscal year. The increase in expenditures is directly related to the increase in salaries for instruction, instructional support, and school administration as a result of enrollment growth, new school openings, and cost-of-living-increases. Capital outlay increases are mainly the result of the costs of new school construction and renovation projects, and expanding technology into the classroom and District operations.

Exhibit 14-7

General Fund Expenditures and Other Uses Increased 10.29% Over the Past Three Years (in thousands)

	Fiscal Year		Increase (Decrease)	
Expenditures	**2000-01**	**1998-99**	**Dollars**	**Percent**
Current:				
Instructional Services	$1,371,852	$1,253,043	$ 118,809	9.48%
Pupil Instructional Services	118,378	108,239	10,139	9.37%
Instructional Media Services	44,050	40,603	3,447	8.49%
Instruction and Curriculum Development Services	23,399	19,648	3,751	19.09%
Instructional Staff Training Services	11,061	9,269	1,792	19.33%
School Board	5,105	4,341	764	17.60%
General Administration	7,709	6,998	711	10.16%
School Administration	142,464	132,336	10,128	7.65%
Facilities Acquisition & Construction	975	7,523	(6,548)	-87.04%
Fiscal Services	14,931	14,482	449	3.10%
Central Services	63,024	58,120	4,904	8.44%
Pupil Transportation Services	78,567	68,458	10,109	14.77%
Operation of Plant	193,387	173,496	19,891	11.46%
Maintenance of Plant	108,492	92,556	15,936	17.22%
Community Services	28,661	25,931	2,730	10.53%
Total Current Expenditures	2,212,055	2,015,043	197,012	9.77%
Capital Outlay:				
Facilities Acquisition & Construction	41,983	26,012	15,971	61.40%
Debt Services:				
Principal	497	1,011	(514)	-50.84%
Interest & fees	145	133	12	9.02%
Total Expenditures	2,254,680	2,042,199	212,481	10.40%
Other Uses (Financing)	199	2,367	(2,168)	-91.59%
Total Expenditures and Other Uses	**$2,254,879**	**$2,044,566**	**$210,313**	**10.29%**

Source: Annual Financial Report and Comprehensive Annual Financial Report.

Instruction and instructional services comprised 69% of the general fund's current expenditures for the 2000-01 fiscal year. Along with the instruction and instructional support reported in the special revenue fund, this function also comprised 69% of the total District current expenditures for the 2000-01 fiscal year. A review of the three-year period ended 1999-00, indicated that the statewide average for all Districts for this expenditure class, as well as the average for MDCSD and its peer districts, was also approximately 69%.

The categories of general administration, school board expenses, fiscal services, and central services comprised approximately 4% of the total general fund and total District expenditures for the 2000-01 fiscal year. The statewide average for all Districts, the average for MDCSD and its peer districts for the three-year period ended 1999-00, were approximately 4%.

For the 2000-01 fiscal year, salaries and fringe benefits were approximately 88% of the current expenditures for the general fund, and combined with the salaries and fringe benefits in the special revenue fund, these expenditures totaled $2,117,592,000. This represents 85% of the total current expenditures of $2,481,970,000. For the three-year period ended 1999-00, salaries and fringe benefits also averaged 85% for the District. This average was three to four percentage points higher than the statewide average and the average for peer districts for the same period.

Review of Financial Position. The financial position of the District is its net assets, or fund balance. All things being equal, an increase in net assets is an improvement in financial position. Likewise, a decrease in net assets is a decline in financial position. A common measure of financial position is the ratio of fund balance to operating activity. Much of the District's fund balance is restricted by legal requirements, or other commitments that make much of the fund balance unavailable for use for unexpected needs that may arise. Therefore, for purposes of this analysis, the unreserved fund balance of the general fund is used. The unreserved fund balance of the general fund and the ratio of unreserved fund balance to total expenditures for the three-year period ended 2000-01are presented in Exhibit 14-8. For the four peer districts that responded to our survey, unreserved general fund balance as a percent of total general fund expenditures and other uses ranged from 1.8% to 7.5% for an average of 4.4% for the fiscal years 1999-00 and 1998-99. The District's unreserved fund balance for those years compares favorably with the average of its peer districts. The statewide average of all Districts for unreserved general fund balance was not available.

Exhibit 14-8

General Fund Unreserved Fund Balance Over the Past Three Years (in thousands)

	2001-00	1999-00	1998-99
Beginning Unreserved Fund Balance	$ 93,015	$ 89,197	$ 55,578
Net Increase(Decrease)	(6,334)	3,818	33,619
Ending Unreserved Fund Balance	$ 86,681	$ 93,015	$ 89,197
Total Expenditures & Other Uses (General Fund)	$2,254,680	$2,100,465	$2,044,566
Ratio of Unreserved Fund Balance to Total Expenditures	**3.84%**	**4.43%**	**4.36%**

Source: Comprehensive Annual Financial Report.

Best Practices

To develop a better understanding of the District's efforts to control expenditures and to understand its financial operating processes, we evaluated the District's practices in the following eight cost control systems areas:

- Internal auditing,
- Financial auditing,
- Asset management,
- Risk management,
- Inventory management,
- Financial management,
- Purchasing, and
- Payment processing.

Internal Auditing

Background

Internal auditing, as defined by the *Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Auditors (Standards), is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. The primary purpose of the internal auditing process, as defined by these standards, is to help an organization accomplish its objectives by bringing a systematic, disciplined

approach to evaluating and improving the effectiveness of risk management, control, and governance activities. The Standards state that an effective internal audit function should assist an organization by (a) identifying and evaluating the significant exposures to risk, and (b) maintaining, evaluating, and promoting continuous improvement to the effectiveness and efficiency of controls as they relate to the reliability and integrity of financial and operational information, the effectiveness and efficiency of operations, the safeguarding of assets, and compliance with laws, regulations, and contracts. The Standards also state that the internal audit function should contribute to the organization's governance process by evaluating and improving the process through which values and goals are established and communicated, the accomplishment of goals is monitored, accountability is ensured, and values are preserved. The Institute of Internal Auditors also requires that the internal audit activity be formally defined in a charter, be consistent with the Standards, and approved by the board.

The authority for the internal auditing function in the Miami-Dade County School District is provided in Florida Statutes (Section 230.23(10) (1)). This statute permits school Districts to employ internal auditors to perform ongoing financial verification of the financial records of a school District and requires that internal auditors hired pursuant to this law must report directly to the board or its designee. The Office of Management and Compliance Audits (OMCA) performs the internal audit function for the District pursuant to Board Rule 6Gx13-2C-1.14. This Board Rule states the purpose, objectives and responsibilities, authority, professional standards, personnel, the scope of auditing activities, and the communication of results for the internal audit function of the District. The Board Rule substantively conforms to the Standards identified by the Institute of Internal Auditors.

The District has assigned responsibilities to ensure compliance with various legal requirements defined by the State Board of Education and by Florida Statutes to the internal audit function. These requirements include the following:

- State Board of Education Rule 6A-1.087, F.A.C., requires school Districts to provide for annual audits of school internal funds.
- Chapter 274 of the Florida Statutes, and Chapter 10.400 of the Rules of the Auditor General, require an annual inventory of tangible personal property be completed.
- State Board of Education Rule 6A-1.0013, F.A.C. and Section 237.40, Florida Statutes, require audits of direct support organizations by independent certified public accountants.
- Florida Statutes (Section 11.45(3)(1)1) require that annual audits of the District be performed by independent certified public accountants and that a triennial audit be performed by the Auditor General – these audits are coordinated by the internal audit unit.
- Florida Statutes (Section 228.056(8)(g), and Section 11.45(3)(a)2) also require that annual financial audits of charter schools be completed - the Office of Management and Compliance Audits receives and monitors the results of these audits (which are performed by independent certified public accountants).

An audit committee has been established to ensure that the overall audit coverage of the internal audit function is sufficient and appropriate to protect the citizens and to ensure that an adequate system of internal control has been implemented and is followed. The term of service, membership, scope of activities, and duties for this committee are established by the Board Rule. This advisory body is comprised of seven voting members, six citizen volunteers appointed on a rotating basis by the board chair, and one board member who is also appointed by the board chair. In addition, two non-voting District staff members – the chief auditor and the chief financial officer – are appointed to the audit committee by the superintendent.

1   **The District has established an effective internal audit function.**

The District has established an exemplary internal audit function that executes a comprehensive audit plan

If an internal audit function is to effectively fulfill its mission of helping an organization evaluate its exposure to risk, ensure the reliability and integrity of financial and operational information, safeguard assets, and ensure compliance with laws, regulations, and contracts, a number of key elements must be in place:

- The function must be organized to facilitate the performance of these duties

- Internal audit staff must have appropriate skills and experience

- Adequate resources must be devoted to the function

- Appropriate priorities must be established

- Audit staff must be granted appropriate authority

- Audit staff must be independent and objective

- Work must be appropriately planned and managed

- Reports and materials prepared by the unit must be useful to the persons responsible for implementing change

Each of these important elements is currently in place in the District's Office of Management and Compliance Audits.

Organization. The Office of Management and Compliance Audits (OMCA) has been structured to facilitate performing the internal audit function. The office is divided into six units, each of which is responsible for an important audit activity.

- Electronic Data Processing Audits – audits computer systems and provides support in the development and review of new systems.

- Capital Construction Compliance Audits – audits all construction related activities.

- Compliance and Investigative Audits – provides forensic auditing capabilities and assists the State Attorney's Office, Miami-Dade County School District Police, and the Office of Professional Standards in investigations that relate to fraud, waste, and abuse.

- School Internal Audits – performs audits of school internal funds.

- Property Audits – conducts the physical inventory of tangible personal property.

- Quality Control and Review Audits – provides internal quality control and review of reports prior to their issuance.

Organizing the office in this way both ensures an adequate focus on key audit activities, and also helps create needed expertise among the staff assigned to the unit.

Staff skills and experience. The quality of work performed by an internal audit unit will depend in large part on the quality and experience of staff who are assigned to the unit. Staff assigned to the Office of Management and Accountability have the requisite knowledge, skills, and other competencies needed to perform these duties. The office is headed by a chief auditor and an assistant chief auditor, both of whom are certified public accountants. In addition, of the total 38 positions assigned to the office, 27 positions (71 percent) are held by professional staff that have at least a college degree. Of the 27 professional positions, thirteen are certified public accountants (three of whom are also certified fraud examiners and one of whom is a certified internal auditor), and two are certified information systems auditors.

Resources. OMCA has adequate resources to effectively fulfill its internal audit responsibilities. Exhibit 14-9 summarizes how the office's existing staff is deployed by organizational unit.

Exhibit 14-9

Summary of OMCA Staffing Allocations

Unit	Professional Staff	Other Staff	Total Staff
Administration	2		2
Electronic Data Processing Audits	3		3
Capital Construction Compliance Audits	4		4
Compliance and Investigative Audits	7		7
School Internal Audits	10		10
Property Audits		8	8
Audit Quality Control and Review	1		1
Clerical		3	3
Total	**27**	**11**	**38**

Source: Office of Management and Compliance Audits.

At these staffing levels, the office is able to complete a comprehensive audit plan. Our review of the OMCA report of the activities accomplished for the 2000-01 fiscal year showed that a comprehensive range of activities was planned and the audit plan for the year was substantially implemented. (In only two areas did OMCA fail to implement the entire plan. For the 2000-01 fiscal year, OMCA completed 90 percent of the annual audits of school internal accounts and performed physical counts at 96 percent of work locations.) Exhibit 14-10 provides a summary of the activities performed by OMCA for fiscal year 2000-01.

Exhibit 14-10

Summary of Internal Auditing Activities for the 2000-01 Fiscal Year

Activity	Actual Staff Days Used for Activity
1 Audits of school internal funds and payrolls at 297 of 331 schools; including review of Pell Grant, procurement credit card purchases, community school programs, free & reduced price meal program at selected schools	2,292
2 Inventory of tangible personal property at 497 of 517 work locations	1,660
3 Issued Internal Audit Report	
Review of accounts payable function	170
Review of Construction Contract Administration	376
Review of payroll procedures at selected offices	27
Review and investigation of select construction projects	119
Audit of inventories for Department of Food & Nutrition, Department of Transportation, Maintenance Materials Management, Stores and Mail Distribution, Textbooks and Communications Management	226
4 Conducted 80 audits and investigations related to fraud, waste, and abuse in areas such as personnel, internal funds, payrolls, procurements, vendor payments, including interacting with the State Attorney's Office, MDCSD Police, and the Office of Professional Standards	560
5 Audit of television and radio stations	57
6 Audits of direct support organizations	53
7 Data Processing Audit Division	

Activity	Actual Staff Days Used for Activity
a. Participated in new system development for procurement credit card reconciliation software; automation enhancements in food services; debit card payments to prepay for meals; treasury management software, employee time and attendance system; procurement fax services system; automation of the bid process	83
b. Support of internal audit staff and automation of internal funds	163
c. Update on E-rate program	42
8 Membership on various committees	61
9 Training seminars	148
10 Other activities, school internal funds support, review of CAFR and liaisons with external auditors, etc.	181
Total	**6,218**

Source: Office of Management and Compliance Audits.

Priority setting. In an effective internal audit operation, the internal audit work performed must reflect the organization's priority needs. OMCA currently considers a number of factors when setting priorities for the unit's work:

- The results of an overall assessment of the risks associated with an area or activity that is made based on the chief auditor and unit staff's knowledge and understanding of District operations and input from the audit committee and District staff.

- Annual audit requirements established by State law, the State Board of Education, or School Board rules.

- The period of time since the last review of the area or activity.

The results of this analysis are used to develop an annual audit work plan that is reviewed and approved by the board. At year-end, OMCA details the audits and other activities accomplished during the year and compares the results with the audit plan. The results of this self-assessment are also then used to develop priorities for the coming year, and to establish an audit plan reflecting those priorities.

Authority. Unless internal audit staff has broad authority to access needed records and to objectively evaluate operations and procedures, they will not be able to effectively perform their duties. School Board Rule 6cx13 – 2c-1.14, grants OMCA this authority. This rule specifies that OMCA has the authority to access all records and areas within the school system and that unit staff shall be free to select the areas to be evaluated and to undertake objective evaluations.

Independence. If an internal audit function is to be effective, it must be completely independent. To ensure this independence, each auditor on an engagement must indicate his or her independence of attitude by their signature on the audit program. [3]

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[3] In addition to the review conducted as part of this study, OMCA has had three peer reviews of its operations by external CPA firms. Peer review is a periodic process during which the internal audit organization's policies and procedures are assessed to ascertain compliance with government auditing standards issued by the Comptroller General of the United States. Institute of Internal Auditor standards require that such quality assurance reviews be conducted at least once every five years by a qualified, independent reviewer or review team from outside of the organization. OMCA is in the forefront of Florida school District internal audit functions in regards to undergoing peer review and has undergone these reviews on a triennial basis. The use of work programs, independence of staff on engagements, and the adequacy of the internal quality control systems are included as part of the scope of the peer review. The results of the peer reviews of OMCA indicated that OMCA's system of internal control was suitably designed and working effectively, and those audits were conducted in conformance with applicable standards.

We observed, during the course of our engagement, that OMCA operated with the independence needed to effectively fulfill its mission. However, prior to December 2001, OMCA reported to a deputy superintendent. [4] The chief auditor indicates that although he was evaluated by the deputy superintendent, this reporting relationship did not compromise the independence of the unit nor affected its ability to effectively fulfill its responsibilities. In December 2001, Board Rule 6Gx-13-2C-1.14 was amended and now requires OMCA to report administratively to the board through the audit committee, as the board's designee as well as operationally to the superintendent. [5]

This change is not only good management practice; it brings the District in compliance with the law. Section 230.23(10) (1) of the Florida Statutes provides that the internal audit function should report directly to the board or its designee. (In this case, the designee is and should be the audit committee, which the board has established to oversee audit activities.)

Work planning. To ensure that the unit's work is carried out in an efficient and effective manner, this work must be effectively planned and managed. To meet this need, OMCA develops work programs for each engagement and then uses these work programs to manage the engagement. [6]

Useful reports. Obviously, if the work of an internal audit unit is to be beneficial to an organization, the reports must be persuasive and provide clear recommendations for improvement. A review of reports completed by OMCA indicates that they are clear, concise, and persuasive. The reports detail the scope of work performed, audit findings, and recommendations that are useful in assessing internal controls and improving operations. The reports also include a response to the report from the appropriate District managers, along with the corrective action that is planned by the managers.

Financial Auditing

Background

To ensure compliance with governing auditing standards, annual external audits are performed of the District's financial operations. In addition, audits are also performed of internal school funds, direct service organizations, and charter schools.

2 The District receives an annual external audit.

The District obtains an external audit in accordance with government auditing standards

Florida Statutes (Section 11.45) require that an annual financial and compliance audit of the District be performed in accordance with generally accepted auditing standards and government auditing standards. In compliance with this mandate, the District obtains external audits from an international independent certified public accounting firm each year.

For the fiscal years ended June 30, 1998, through 2001, the District received unqualified opinions from the external auditors on the financial statements stating that the financial statements present fairly the financial position and the

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[4]Board Rule 6Gx13-2c-1.14 stated that the internal audit function should report operationally to the superintendent, and in the organizational structure, this responsibility had been delegated to a deputy superintendent.
[5]As of February 2002, OMCA now reports operationally to the Chief of Staff.
[6] See footnote 3.

results of operations in conformity with generally accepted accounting principles used in the United States. In addition, the external auditor rendered opinions on the District's internal control over financial reporting and compliance with certain provisions of laws, regulations, contracts and grants as required by OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. The OMB Circular A-133 audit reports stated that the audits were also conducted in accordance with the provisions of Chapter 10.800, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida.

The District presents a Comprehensive Annual Financial Report (CAFR) which includes an introductory section that provides discussion on various programs, activities and functions of the District; the auditor's opinion on the financial statements; the audited financial statements, and selected statistical information. The CAFR, presented by the District, has received the Certificate of Excellence in Financial Reporting issued by the Association of School Business Officials for each of the past seventeen years and the Certificate of Achievement for Excellence in Financial Reporting issued by the Government Finance Officers Association for each of the past sixteen years. These prestigious awards are from nationally known programs, each of which has certified public accountants and/or other technical professionals critique the CAFR for program standards and generally accepted accounting principles, and are presented to recognize and encourage excellence in financial reporting. Only two other Florida Districts received either of the awards for their CAFR for the 1999-00 fiscal year, the most current period with available information.

3 The District uses audit findings to improve operations.

The District provides for timely follow-up of findings identified in the external audit

As required by State laws, the certified public accountant is required to provide the District with findings that were identified as part of the audit process. The District is required to provide a written explanation concerning the findings, including corrective actions to be taken to prevent recurrence of the findings. The status of the corrective action is documented in the audit reports for the next fiscal year. For example, schedules are included in the external audit reports for the fiscal years ending June 30, 1998, through June 30, 2001, that discuss the status of the corrective action taken by the District based on the prior year's audit report. Based on our review of these reports, the District uses the findings presented in the external audit reports to improve its accounting and financial management practices.

4 The District obtains and reviews required financial information for school internal accounts, direct support organizations (DSO's), and charter schools.

The District has implemented effective processes to manage school internal accounts; however, it does not have sufficient resources to ensure that all school internal funds are audited annually

This discussion of the District's approach to accounting, auditing, and managing school internal funds is divided into three sections. The first section presents general information about school internal funds, the second section describes how these funds are managed and accounted for at the school and District levels, and the last section discusses the District's approach to auditing the funds.

General information. In addition to funds received at the District level, individual schools also have receipts or revenues of a variety of types including the following:

- Receipts for planned operations of student clubs and activities.
- Sale of student activity tickets.
- Admissions to school or class plays, parties, or dances.
- Deposits and collections for the purchase of class pictures.
- Contributions made by the public, civic, or parent/teacher organizations.

These monies, which are collected within the school and deposited in the school's accounts, are commonly referred to as school internal funds. Although school internal funds are not material when compared to the District's overall financial operations, a substantial amount of money flows through the District's internal school funds. Exhibit 14-11 provides a summary of the financial activity over the last three fiscal years.

Exhibit 14-11

Three Year Financial Summary of School Internal Funds

Internal Fund Activity	2000-01	1999-00	1998-99
Fund Balance, July 1	$15,216,638	$13,674,920	$14,123,949
Internal Fund Receipts (including transfers)	73,314,273	70,211,330	62,691,909
Internal Fund Disbursements (including transfers)	(71,383,012)	(68,669,613)	(63,140,938)
Fund Balance, June 30	**$17,147,899**	**$15,216,637**	**$13,674,920**

Source: Comprehensive Annual Financial Report and Annual Financial Report.

Currently, each school has a checking account and most have savings and/or investment accounts, as temporarily idle funds are required by law to be invested. A centralized banking system is being considered for school internal funds, which would establish one bank account for all school internal funds. The proposed centralized banking system would account and track activity for each school, provide an automated bank reconciliation, allocate interest earned on the pooled funds to each school on a prorated basis, and allow schools to perform financial transactions on-line. The District will be issuing a request for proposal for an outside entity to provide these services.

Managing and accounting for internal school funds. Both school level and District level staff share responsibility for managing and accounting for internal school funds. At the school level, a secretary/treasurer typically serves as the bookkeeper for the funds and has responsibility for properly recording all money and assuring timely deposits, preparing checks for authorized disbursements with appropriate supporting documentation, preparing monthly bank reconciliations and submitting the correspondence to internal fund accounting.   System generated financial reports and their bank statements are used to prepare the bank reconciliations. The school principal, however, is ultimately responsible for the funds. Principle responsibilities include authorizing internal fund purchases, signing checks, and reviewing the financial accounting reports prepared by the bookkeeper. Specific policies and procedures related to the receipt and disbursements from internal school funds are established by Board Rules and are outlined in an accounting manual.

At the District level, school internal fund activity is reviewed by the internal fund accounting section of the controller's office. This section, which is comprised of a supervisor, six business managers, a secretary, and two hourly employees, is responsible for training bookkeepers and principals, responds to accounting questions from bookkeepers or principals, monitors compliance with policies and procedures outlined in the accounting manual; and, on a monthly basis, reviews and monitors the bank reconciliations and the financial reports for school internal accounts. Section staff perform monthly group training seminars for principals and bookkeepers and also perform on-site training or reviews at schools when necessary.   In addition, Office of Management and Compliance Audits (OMCA) staff assists the Internal Fund Accounting Unit, as needed, in answering questions and providing training to the bookkeepers and principals.

Numerous individuals handle moneys that are deposited in the school internal funds. These individuals, such as parent volunteers, teachers, etc. collect the moneys at fund raising events and there can be significant variation in understanding of how to properly handle the moneys. As such, there is higher risk that internal fund moneys can be both unintentionally and intentionally misused.

This risk is also increased because in many instances there is also, due to the small number of staff, an unavoidable lack of segregation of duties at the school level. The collection, receipt preparation, deposit of funds and posting and reconciliation of financial records are all typically performed by a single bookkeeper/treasurer. While the principal's supervision of the bookkeeper/treasurer enhances internal control, the level of internal control actually in place can vary significantly from school to school. As a result, training of principals and treasurers for managing and accounting for internal school funds, the monitoring and reviews performed by the internal fund accounting function and OMCA, and performing an annual audit of these funds becomes especially important.

Training program for principals and treasurers. In 1997, the deputy superintendent of school operations, OCMA and the controller's office initiated the Money Matters Support Program (MMSP) to assist principals with fiscal management that has proven successful in training principals and treasurers in the internal funds accounting process and reducing the number of audit findings. Voluntary participation by principals and treasurers is encouraged, however; participation in the MMSP is mandatory for new principals and principals of schools cited with audit exceptions. The program provides workshops for principals and school treasurers who are taught by OMCA, internal fund accounting business managers, and/or budget analysts. The program also provides for experienced principals and treasurers to serve as mentors to participants, and includes visits of model schools and other activities as well as a quarterly newsletter designed to provide support and relevant information to school-based staff regarding internal fund related issues and fiscal matters.

Audit of school internal funds. OMCA is charged with performing annual audits of each school's internal funds. (Performing such annual audits is required by State Board of Education Rule 6A-1.087, F.A.C.) Reports on the audits of school internal accounts, which include responses from the school and corrective action plans, are presented by OMCA to the Audit Committee which, in turn, presents them to the board.

For the fiscal years ended June 30, 2001, and 2000, the District did not meet the State Board of Education requirement that school internal funds be audited annually. During the 2000-01 fiscal year, OMCA completed and/or had in progress 297 school audits from a population of 331 schools (89.7 percent). During the 1999-00 fiscal year, OMCA performed slightly fewer audits. Audits were completed and/or in- progress for 273 out of the District's 330 schools (82.7 percent). OMCA's audit plan for fiscal year 2001-02 indicates that the unit will complete audits of all schools over a fourteen-month period rather than over the twelve-month period required by law and consistent with effective practices.

There are two primary reasons why OMCA has not met mandates to complete annual audits of internal funds at all schools. First, staff attrition in prior years and an inability to quickly fill vacant positions because of the competitive job market, reduced OMCA's resources. During this period, the audit committee moved the audits of internal fund accounts to a two-year cycle so that audits of other critical District operations could be completed. In addition, while at school sites, OMCA staff does much more than audit internal school funds; they may also review payroll records, food service, community school and after school care program records and procedures, and credit card program expenditures. While performing all these reviews while at a school site is cost-effective, doing so also reduces the resources available to perform required audits of internal school funds. It should be noted that OMCA is aware of these issues and has increased staff which, as noted, has resulted in an increase in the number of annual audits of school internal funds.

Annual audits of direct support organizations are performed each year

A direct support organization is a not-for-profit organization approved by the board, organized and operated exclusively to receive, hold, invest, and administer property, and to make expenditures to or for the benefit of public kindergarten through twelfth grade education, and adult, vocational, and community education programs. As Exhibit 14-12 shows that three direct support organizations provided support to the Miami-Dade County School District and its programs during the last three fiscal years.

Consistent with State law (Section 237.40, Florida Statutes) and State Board of Education Rules (Rule 6a-1.0013) the District requires each of these organizations to submit to an annual audit of its financial accounts. This requirement is specified in the agreement between the District and the direct support organization. These audits are currently performed by the Office of Management and Compliance Audits.

Exhibit 14-12

Three Year Financial Summary of Direct Support Organizations

Direct Support Organization	2000-01	1999-00	1998-99
Magnet Educational Choice Association, Inc.			
Assets	$ 263,106	$ 121,557	$ 176,733
Liabilities	550	119,260	$ 174,220
Fund Balance	262,556	2,297	2,513
Total Liabilities & Fund Balance	$ 263,106	$ 121,557	$ 176,733
Revenues	$ 468,117	$ 422,983	$ 326,142
Expenses	327,118	303,939	322,885
Net Increase (Decrease)	140,999	119,044	3,257
Beginning Fund Balance	121,557	2,513	668
Transfers and Reclassifications	---	---	(1,412)
Ending Fund Balance	$ 262,556	$ 121,557	$ 2,513
Miami-Dade Coalition for Community Education, Inc.			
Assets	$ 126,486	$ 74,645	$ 56,605
Liabilities	97,506	49,835	4,174
Fund Balance	28,980	24,810	52,431
Total Liabilities & Fund Balance	$ 126,486	$ 74,645	$ 56,605
Revenues	$ 61,815	$ 62,930	$ 85,526
Expenses	57,645	52,998	60,679
Net Increase (Decrease)	$ 4,170	$ 9,932	$ 24,847
Beginning Fund Balance **(Note 1)**	24,810	14,878	27,584
Ending Fund Balance	$ 28,980	$ 24,810	$ 52,431
Dade Schools Athletic Foundation, Inc.			
Assets	$ 37,773	$ 28,947	$ 38,446
Liabilities	$	$ 1,621	$ 15,648
Fund Balance	37,773	27,326	22,798
Total Liabilities & Fund Balance	$ 37,773	$ 28,947	$ 38,446
Revenues	$ 103,256	$ 114,266	$ 109,030
Expenses	92,809	109,738	137,362
Net Increase (Decrease)	$ 10,447	$ 4,528	$ (28,332)
Beginning Fund Balance	27,326	22,798	51,130
Ending Fund Balance	$ 37,773	$ 27,326	$ 22,798

 Note 1: 1999-00 restatement required by GASB Statement #33

Source: Audited Financial Statements.

Annual audits of charter schools are performed each year

Consistent with State law (Section 228.056(8)(g) and Section 11.45(3)(a)2, Florida Statutes, the District requires annual audits of charter schools. The Office of Management and Compliance Audits (OMCA) receives and monitors quarterly financial reports and the annual audited financial statements from the charter schools. OMCA reviews this information both to ensure that appropriate controls and accounting procedures are in place, and also to

assess whether the charter school is financially solvent. The reports and audit findings are then presented formally to the superintendent and the board on an annual basis.

Exhibit 14-13 provides a financial summary of the charter schools' activities for the last two years. Exhibit 14-14 lists the charter schools operating in the fiscal year ended 2001, and summarizes the audited total revenues and expenditures and the amount of funds received from the District (based on FTE membership and categorical allocations, less the 5 percent administrative overhead fee withheld by the District) for each charter school for that year ended.

Exhibit 14-13

Two Year Financial Summary of Charter Schools (in thousands)

Charter Schools Activity	2000-01	1999-00
Assets	$ 15,014	$ 6,522
Liabilities	$ 5,799	$ 3,126
Investments in General Fixed Assets	6,166	1,877
Fund Equity	3,049	1,519
Total Liabilities, Investments in General Fixed Assets, and Fund Equity	$ 15,014	$ 6,522
Revenues	$ 20,971	$ 10,764
Expenditures	(21,320)	(10,422)
Net Increase (Decrease)	(349)	342
Other Financing Sources	1,878	1,189
Beginning Fund Equity	1,518	(13)
Ending Fund Equity	$ 3,048	$ 1,518

Source: Comprehensive Annual Financial Report, Charter School Audited Financial Statements, and Office of Budget and Management. Differences are due to rounding.

Exhibit 14-14

Charter Schools Operating Results for Fiscal Year 2000-01 (in thousands)

Charter School	Revenues	Expenditures	Pass-Through Funds (1)
ASPIRA Youth Leadership Charter School - North	$ 1,073	$ 741	$ 706
ASPIRA Youth Leadership Charter School - South	761	816	688
Coral Reef Montessori Academy Charter School	1,211	862	646
Florida International Academy	890	963	654
Liberty City	1,429	1,420	1,061
MS/Barry University Connected Learning Center	1,505	1,196	918
Pinecrest Prepatory Academy	24	24	
Rosa Parks Community School	689	562	394
Ryder Elementary Charter School	2,713	2,444	1,809
Spiral Tech Elementary Charter School	726	829	607
The Doral Academy	3,873	5,385	3,040
Techworld (2)			
The Mater Center School	3,900	4,635	3,185
Youth Co-op Charter School	2,177	1,443	1,354
Total	**$20,971**	**$21,320**	**$15,062**

Note (1): Pass-through amounts represent District funding of charter schools pursuant to law, which is based on FTE membership.
Note (2): Techworld closed in January 2001.

Source: Comprehensive Annual Financial Report, Charter School Audited Financial Statements and Office of Budget and Management. Differences are due to rounding.

Recommendation

- *We recommend that the District comply with the requirements related to annual audits of the school internal funds.*

Action Plan 14-1 provides the steps needed to implement this recommendation.

Action Plan 14-1

Perform Annual Audits of All School Internal Funds and on a Timely Basis		
Strategy	Accomplish annual audits of all school internal funds as required by State statutes and rules.	
Action Needed	Step 1:	Ascertain the number of hours required to complete school internal funds on an annual basis.
	Step 2:	Develop audit plan that devotes the required audit resources to accomplish audits on an annual basis.
	Step 3:	Present audit plan to an audit committee for approval.
	Step 4:	Execute approved audit plan.
Who is Responsible	Chief auditor	
Time Frame	June 30, 2003	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

Asset Management

Background

Effective management of and accounting for fixed assets[7] is extremely important in a District as large as the Miami-Dade County School District because the value of the fixed assets owned by the District is enormous. As Exhibit 14-15 shows, the District's general fixed asset group is not only quite large (exceeding $3.2 billion in fiscal year 2000-01), but is also growing. The value of each asset group increased significantly between fiscal years 2001 and 1999 with an overall increase in asset value during this period of 13.6 percent.

Exhibit 14-15

Three Year Summary of Fixed Assets (in thousands)

Category	2000-01	1999-00	1998-99
Land	$ 156,080	$ 140,380	$ 125,005
Building and Improvements	2,159,063	2,066,629	1,978,702
Furniture / Fixture / Equipment	319,885	295,167	277,686
Motor Vehicle	109,534	102,393	94,550
Construction In-Progress	542,996	458,495	417,345
Total	$3,287,558	$3,063,064	$2,893,288

Source: Comprehensive Annual Financial Report.

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[7] Section 274.02, Florida Statutes and Chapter 10.400 of the Rules of the Auditor General require that property of a "non-consumable nature" with a value of $750 or more and a normal expected life of "one year or more" be capitalized and recorded as a fixed asset in the accounting system.

Fixed assets are used in business operations over a relatively long period of time and are not expected to be sold and converted into cash or consumed during the operating period as are inventories and supplies. In addition, to the extent feasible, each fixed asset item is tagged as being the property of the Miami-Dade County School District. Tagging items helps to ensure they are appropriately identified as District owned and recorded assets, and also serves as a deterrent to theft and use of fixed assets for personal use.

5 The District does an effective job of segregating responsibility for the custody of capital assets from the responsibility for recording capital assets.

Responsibilities for initiating, evaluating, and approving capital asset transactions are segregated from responsibilities for project accounting, property records, general ledger, and custodial functions

Responsibility for initiating, evaluating, and approving capital asset transactions should be segregated from the responsibility for project accounting, maintaining property records, recording transactions in the general ledger, and performing custodial functions (such as maintaining physical custody and tagging of assets). If a single person (or organizational unit) were responsible for each of these activities, the risk of malfeasance would increase because no checks would be in place to prevent an individual from, for example, approving the purchase and payment for a capital asset despite the fact the asset was never received.

The District currently does an effective job of ensuring that the responsibility for initiating, evaluating, and approving capital asset transactions are segregated from the responsibility for project accounting, property records, general ledger, and custodial functions. Responsibility for each of these activities is assigned to a distinct organizational unit.

Initiating the purchase of capital assets. Purchases of capital assets are initiated by principals, department heads, or the managers of other departments or offices within the District. These managers and administrators prepare purchase requisitions requesting that a capital item be acquired.

Approving the purchase of capital assets. Purchase order requests, initiated at the school or department level, must be properly approved by an authorized administrator or their designee. For capital expenditures associated with buildings and major capital improvements, administrators in the Office of Facilities Planning and Construction are required to evaluate expenditures to ensure they are consistent with the District's five-year capital plan.[8]

Maintaining property records and recording purchase transactions. The Division of General Accounting's Property Control section is responsible for maintaining all property records and for recording the purchase of capital equipment. The section is also responsible for the accuracy of the detailed property records in the property management system and for ensuring these records are updated in a timely manner.

Performing custodial functions. The Bureau of Procurement and Materials Management's Office of Stores and Mail Distribution is responsible for tagging all capital items with a barcode to ensure proper tracking and effective monitoring in the property management system. In addition, the staff is also responsible for transferring and retiring property, including the disposal of surplus property. School principals and department administrators, or their designees, serve as custodians for capital items and are responsible for safeguarding these assets.

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[8] The District's five-year capital plan, and any amendments to this plan, must be approved by the school board. In addition, the plan is reviewed to ensure it is consistent with Florida Department of Education guidelines.

Completing physical inventories. The Office of Management and Compliance Audits (OMCA) annually conducts a count of the District's capital assets and compares the information with department records. OMCA also conducts analyses of property reported lost or stolen.

General ledger accounting. The Office of General Accounting's Operational Accounting Unit prepares all journal entries associated with recording capital assets in the general ledger.

Project accounting. Project accounting is performed by the Office of Facilities Planning and Construction. This office accounts for both the internal and external costs associated with capital construction and improvement projects. At year end, an accountant from the Office of General Accounting reviews and reconciles project accounting information provided by the Office of Facilities Planning and Construction and, as necessary, prepares appropriate adjustments to the general accounting records.

The District performs annual inventory of all property

Rules mandated by the Auditor General require that school Districts annually conduct an independent inventory of property. As discussed, the District's Office of Management and Compliance Audits (OMCA) has been charged with completing these annual physical inventory counts. For the fiscal year ended June 30, 2001, OMCA property audit staff expended 1,660 days to complete the physical inventory counts. The property audit staff consists of one supervisor and seven property auditors whose primary purpose is to inventory personal property of the school system and perform test counts of the inventories maintained by the Departments of Transportation, Maintenance, Food and Nutrition, and Stores and Mail Distribution. Based on a review of June 30, 2001, financial information and discussions with District staff, the District expended $369,415 for salary and related fringe benefit costs associated with the seven property auditor positions.

The District does a credible job of meeting the Auditor General requirement that all physical inventories be counted. During fiscal year 2000-2001, OMCA performed physical inventory counts at 497 work locations and inventoried approximately $400 million in District property. Physical inventories were not taken at 20 locations which have $16 million of property recorded due to various reasons such as consideration of the disruption of the operating schedule of the location. It is estimated that 176,000 items were to be inventoried for the 2000-2001 fiscal year.

When viewed from the perspective of the percentage of the total work performed, the District's performance is certainly not deficient – inventories were conducted at 96 percent of the District's 517 work locations, and property accounting for 96 percent of the total value of recorded inventory was counted. The audit results indicated that 0.2 percent of total audited property costs were unaccounted for. When it comes to inventorying tangible personal property, it is extremely important that all District property be accounted for. Tangible personal property is susceptible to theft and misuse. One important way to discourage misuse and theft is to monitor and maintain appropriate accountability for these assets.

In an effort to decrease costs and increase efficiency and accuracy, many organizations retain professional inventory specialists. At reasonable prices, these firms perform tasks such as physical inventory counts, inventory assignment, bar code scanning, price audits, asset inventories, and capture data by UPC/SKU. As well as being convenient, outsourcing of the inventory count function can potentially increase the accuracy, timeliness, and reliability of inventory count data. Experienced professionals utilize state of the art technology to count, process, and deliver inventory results in a timely and efficient manner while maintaining data integrity via secured transmissions. Discussions with inventory count service providers revealed a reasonable price structure and national experience in performing services for school Districts. The average cost of performing inventory count services was quoted at $2 per unit counted. Based on the number of items counted in the fiscal year 2000-01 inventory count, Berkshire Advisors, Inc. estimated the cost of outsourcing the inventory counts performed by OMCA at $352,194 per year. Even though the estimated cost of outsourcing the inventory count function is marginally lower than the estimated salary and fringe benefits incurred by OMCA, additional factors such as travel, supplies, and other overhead costs as well as feasibility, scheduling, reporting, investigation, and reconciling issues must be considered in order to determine the appropriateness of outsourcing the inventory count function for the District.

6 The District has established and implemented procedures that provide for the effective control of asset acquisitions.

All key elements needed to ensure the effective control of asset acquisitions are in place in the Miami-Dade County School District

A number of elements must be in place to ensure effective control of asset acquisitions:

- Authority for initiating capital asset transactions must be appropriately defined.
- An effective process for acquiring, receiving, and paying for items must be established.
- Budgets must be prepared to guide overall asset acquisition decisions.
- Procedures must be in place for appropriately accounting for purchased items.

In the Miami-Dade County School District , each of these key elements is in place and working effectively.

Authorizing capital asset transactions. The District has clearly identified the individuals authorized to initiate capital asset transactions, and their authorization levels have been clearly defined. Under board policy, the superintendent or his/her designee(s) are authorized to approve or reject purchase requisitions for supplies, equipment, and services not to exceed $10,000. Under the prior superintendent, all administrators or department heads were authorized to approve expenditures of up to $10,000. Other positions are allowed to initiate transactions, but the transactions are not processed until appropriate approval has been received.

Authority for approving capital transactions have been seamlessly integrated into the District's accounting system. Through the use of security access codes, authorized personnel can initiate transactions, including purchase requisitions, purchase orders, and approval of expenditures. Once a purchase requisition has been properly authorized at a work location, it is electronically routed for approval based on dollar thresholds. The Procurement Management System converts the requisition to a purchase order only after final approval has been received.

Acquiring, receiving, and paying for items. The District has also established effective procedures for acquiring, receiving, and paying for items. In the current system, an individual work location is responsible for receiving items and checking the order to ensure the requested items have been provided. Authorized individuals at the work location then confirm receipt (this is usually done on-line), and the Accounts Payable Department processes the vendor payment. As the last stage in this process, the Treasury Management Department distributes authorized payments. Segregating responsibility for acquiring, receiving, and paying for items in this way – individuals from at least three distinct organizational units involved in each transaction – helps to ensure the integrity of the process.

Budgeting. The District has also established an effective capital budgeting process. To ensure that a range of perspectives is reflected when developing capital budgets, a number of departments are involved in the process including Facilities Planning and Construction, School Operations, and Financial Affairs. (However, responsibility for establishing initial equipment budgets, informing appropriate personnel of budgets for new facilities, and establishing timetables to ensure that the appropriate furniture, fixtures, and equipment are received in a timely manner rests solely with the Facilities Planning and Construction Department.) In addition, before the capital budget is ultimately submitted to the board for approval, it is reviewed by deputy level superintendents and several construction committees. If, after the capital budget is approved modifications must be made, budget resolutions must be prepared and approved by the board.

Accounting and control. All budgets, including capital and grant budgets are maintained, in total, in the general ledger. In addition, expenditures are controlled by a requisition control system which has been designed to prevent encumbrances (purchases for which payments have not been generated) and/or expenditures from being processed if

sufficient funding is not available or the item has not been budgeted. The accounting system serves as a check to prevent the acquisition of items for which there is insufficient funding or which have not been budgeted.

7   **Although the District maintains records that can be used to develop project costs and other project related data, the process for doing so is cumbersome and compromises the accuracy and timeliness of reporting.**

The current process for developing reports summarizing project costs and other relevant data is extremely cumbersome and time consuming

The District's systems for accounting for and reporting project costs and other project-related costs are not adequate to meet the needs of a District as large and complex as the Miami-Dade County School District. The process currently used to develop project-related summaries is cumbersome, labor intensive, and includes practices which increase the likelihood that inaccurate information will be reported. In addition, because it takes so long to assemble project related information, this information is not consistently included as part of District financial reports. For example, the current system is not capable of segregating completed costs vs. in-progress costs for locations with multiple projects. This resulted in the reporting of in-progress costs for three locations as part of completed projects in the District's June 30, 2001, financial statements.

The problems associated with the current process can be divided into three broad categories: project accounting; reconciliations, and year-end financial reporting. A discussion of each of these problem areas follows.

Project accounting. The core problem the District faces in accounting for project related activities stems from the fact that the primary tool that is currently used to accumulate costs in the District is its general ledger, yet the existing general ledger does not facilitate the analysis of information on a project basis. At present, the general ledger the District uses is designed to accumulate costs according to a specific chart of account structure. This structure identifies where the expenditures will be charged and includes information and accumulates costs according to fund, object, location, program and function. However, the existing accounting system does not include sufficient account code information to accumulate costs on a project by project basis. Rather, all account code information for a given location is summarized in a single line on the general ledger. Consequently, if more than one project is being undertaken at a single location, it is a very laborious process to determine how costs should be allocated among these projects. For example, if two construction projects are being completed at a given location, each of which require expenditures for architectural fees; the current accounting system will sum these expenditures in a single line item in the general ledger. There is no way, simply by reviewing the general ledger, to determine what portion of these expenditures should be allocated to each project.

The Department of Facilities Planning and Construction, which is responsible for maintaining construction project accounting records, has taken steps to overcome the limitations of the current general ledger accounting system in accounting for project costs at locations where more than one project is undertaken. Specifically, the department has developed a stand-alone database to accumulate construction project costs. Project related information such as vendor name, purchase order number, amount, and description are downloaded from the general ledger into the database (an Excel spreadsheet). This spreadsheet, which can be sorted by numerous data fields, is then used to accumulate costs on a life-to-date basis for individual projects.

A significant amount of time-consuming data manipulation is required before the information downloaded from the general ledger into this database can be used to track costs on a project by project basis [9]. Indeed, before the downloaded information can be used to track project costs, Facilities Planning and Construction Department staff

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[9] Facilities Planning and Construction is currently evaluating the purchase of new automated project tracking software which will address the problem of accumulating and tracking project costs.

must manually assign the appropriate project number and other information (for example project description and status) to each downloaded transaction. In determining what modifications to make to the database, department staff rely both on their knowledge of individual projects and on budget control reports. In particular, department staff uses the "Capital Outlay Budget Control Report 7" to help determine how to allocate expenditures among projects (the Capital Outlay Budget Control Report 7, which is generated by the general ledger system, identifies the total amount of commitments and available funds for specific programs). Needless to say, this is an imprecise process and one that is very time consuming. (Department staff report that it can take up to 8 – 16 hours to update the database for only one moderately complicated project). [10]

Reconciliations. The process for reconciling the project accounting information in the database to the general ledger is also cumbersome and time consuming. At present, this reconciliation is performed using a "Project Life Reporting System – Carmen B" report. This report, which is generated by the general ledger accounting system, details program, location, object, function, and expenditures. Facilities Planning and Construction staff use this report to ensure that the information recorded in the data base, when sorted at the program level, is the same as the information from the general ledger. Manually comparing the Carmen B report with information from the data base is not only time consuming, but when problems are identified, determining the cause of the problem can be an extremely tedious process (for example determining whether the database includes the same information as is detailed in the accounting system at a specific point in time).

Year-end financial reporting. Maintaining project accounting information in a database that is independent of the general ledger accounting system also complicates the accurate reporting of year-end financial information. Currently, at the end of each fiscal year, Facilities Planning and Construction Department staff provides the accounting department with a listing of completed projects by location, and the accounting department staff uses this information to transfer information on completed construction costs to the appropriate general ledger accounts. Accounting personnel also use this listing to determine the work locations at which multiple projects have been undertaken. After locations with multiple projects have been identified, accounting staff ask Facilities Planning and Construction Department staff to provide information regarding the costs, by functional expense, of all completed and in-progress projects. The accounting staff then uses this information to prepare a journal entry to reclassify costs related to completed projects out of construction-in-progress at end of year.

This process has a number of shortcomings. First, there is a potential that accounting staff will make mistakes as they manually enter information provided by the Facilities Planning and Construction Department into their accounting systems. In addition, because accounting staff do not independently verify the accuracy of the information provided by the Facilities Planning and Construction Department, there is currently no independent confirmation that the project information includes all costs and expenditures associated with construction projects. Moreover, information on construction in-progress is not always communicated to the accounting department in a timely manner.

Recommendation

- *We recommend that the District implement its plan to purchase project-tracking software to better track and accumulate project costs. The project tracking software, whether developed in-house or purchased from a vendor, must interface with the District's general ledger system in order to provide reliable and accurate financial information in a timely and efficient manner.*

    Action Plan 14-2 provides the steps needed to implement this recommendation.

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[10] It is worth noting that at the same time Facilities Planning and Construction Department staff modifies this database, they also review the downloaded information to ensure that the expenditures are proper and valid capital expenditures, and that they have been properly coded.

Action Plan 14-2

Implement the District's Plan to Purchase Project Tracking Software	
Strategy	Implement the District's plan to purchase and install project-tracking software that will accumulate life-to-date project costs and detail expenditure and budget information on a functional basis.
Action Needed	Step 1: Identify and define user requirements for project-tracking software.
	Step 2: Coordinate the feasibility of using software-tracking packages currently utilized by other departments in the District.
	Step 3: Procure software based on most responsive provider of District needs.
	Step 4: Install and implement the project tracking software.
Who is Responsible	Chief Facilities Officer – construction, Chief Financial Officer, Chief Technology Officer, and the Controller
Time Frame	June 30, 2002
Fiscal Impact	Currently, the District is conducting a feasibility study on the needs of Capital Construction and Financial Management. Once completed, a cost benefit analysis will be conducted and a determination made as to whether to develop an in-house program that interfaces with the current general ledger system or to retain an outside vendor.

Source: Berkshire Advisors, Inc.

8 With one exception, the District ensures adequate accountability for capitalized assets.

The District has established key features for an effective system that ensures the accountability of capitalized assets are in place in the Miami-Dade County School District

Ensuring adequate accountability for capitalized assets requires a number of key elements including the following:

- Well established definitions for the capitalization of assets
- Clearly assigned responsibility for the custody of assets
- Accurate property records
- Appropriate policies and procedures

Each of these key elements of an effective system for ensuring the accountability of capital assets is currently in place in the Miami-Dade County School District.

Appropriate definitions of capital assets. The District's definition of capital assets, as established by Board Rule Gx13-30-1.05, conforms to the requirements of State law and rules promulgated by the Auditor General. In accordance with Section 274.02, Florida Statutes, and Chapter 10.400 of the Rules of the Auditor General, capital assets in the District is defined as property of the "non-consumable nature, the value of which is $750 or more, and a normal expected life of one year or more."

Custody of capital assets. Responsibility for the custody of capital assets is well defined in the Miami-Dade County School District. Board policy 6Gx 13-2C-1.04 specifically places accountability for each capitalized asset assigned to a school or department with the school principal or the department's administrative head. According to

board policy, the principal and /or the administrative heads are responsible and accountable for all property and must ensure that effective controls are in place to effectively safeguard the assets.

Accurate property records. The District maintains detailed records of all self-constructed, purchased, donated, or leased assets [11]; and has also established procedures to ensure that these records remain accurate and current. When new acquisitions are received at a central location, information about the item is directly entered into the property record system from the initial purchase order and the Financial Affairs Department's Stores and Mail Distribution unit delivery ticket. For items not delivered to a central location, information on the item is collected using an "Incoming Controlled Equipment" form. All locations are required to complete these forms and transmit them to the Property Control Section.   The same procedures are followed regardless of whether items are received from donations, the Division of Federal Surplus Property, or from suppliers of goods purchased with District funds.

Policies and procedures. The District has established a number of policies and procedures to ensure accountability for capital assets. For example, the District has established procedures to properly distinguish between capital project fund expenditures and operating budget expenditures. (All capital project fund expenditures are delineated by fund group 0300 while operating budget expenditures are delineated by fund group 0100.) In addition, specific object code numbers have been established for operating budget expenditures that should be capitalized and for capital leases. Procedures have also been established that require the Property Control Section to reconcile, on a quarterly basis, the property records and the general ledger in order to ensure the proper recording of capitalized assets.

The District does not perform periodic inventories of documents evidencing property rights

Documents such as leases and deeds are essential because they provide evidence of property rights. As appropriate, these documents are currently maintained in centralized locations and are readily accessible for review. (Capital lease documents are maintained by the Property Control Section and deeds are kept by the Department of Capital Construction.) In addition, in fiscal year 2002, the District will develop procedures to balance deeds and leases to the general ledger on a quarterly basis. However, a review of procedures, a review of the procedures manual, and discussions with the property accounting coordinator indicated a periodic inventory of these documents is not performed. Performing such inventories is important because without balancing the property records to the general ledger, the District is not able to ensure that all District-owned property has been properly identified and recorded in the accounting records.

Recommendation ———————————————

- *We recommend that the District develop and document the critical processes necessary to properly inventory documents evidencing property rights.*

  Action Plan 14-3 provides the steps needed to implement this recommendation

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[11] These records are maintained by the Division of General Accounting's Property Control Section.

Action Plan 14-3

Inventory Documents Evidencing Property Rights		
Strategy	Develop and document the critical processes necessary to inventory documents that evidence property rights.	
Action Needed	Step 1:	Ascertain existing informal procedures for conducting inventories of documents evidencing property rights.
	Step 2:	Ascertain the feasibility and appropriateness of existing procedures and develop and modify critical processes as necessary.
	Step 3:	Assign the responsibility of developing formal procedures to the controller or another senior member of the administrative staff that reports to the controller.
Who is Responsible	Controller and the Office of Management and Compliance Audits	
Time Frame	December 31, 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

9 The District has established policies and procedures to safeguard most assets from unauthorized use, theft, and physical damage.

The District has established a number of effective policies and procedures to safeguard capital assets

One of the most effective ways to safeguard an organization's capital assets is to maintain "constant vigilance" in tracking where those assets are located. If the theft or misuse of capital assets is not detected in a timely manner, chances are that instances of theft or misuse will proliferate. On the other hand, early detection serves as a deterrent to additional theft and misuse. The Miami-Dade County School District has established a number of policies and practices to maintain tight control over the District's capital assets:

- Detailed property records are reconciled to the general ledger in a timely manner.
- Equipment is properly identified.
- Missing property reports are presented to the board in a timely manner.
- Procedures for the disposal of most District property are in place.

A discussion of each of these features of the District's approach to safeguarding capital assets follows.

Detailed property records are reconciled to the general ledger in a timely manner. The Division of General Accounting's Property Control Section performs quarterly reconciliations of the property management system to the general ledger. As part of this process, a physical inventory of items listed in the general ledger is performed and any discrepancies between physical inventory counts and the information recorded in the general ledger are accounted for. Performing this reconciliation on a quarterly basis ensures that errors and irregularities will be detected in a timely manner.

Equipment is properly identified. In accordance with Chapters 10.400 of Rules of the Auditor General, all District property is clearly and permanently marked with an identification number and the District's name by the Stores and Mail Distribution unit. The District also affixes a white vinyl barcode decal to all property and, if possible, the property is engraved or marked with permanent ink.

Effective procedures have been established to ensure regulations relating to the marking of equipment are complied with. For items that are delivered through the Stores and Mail Distribution warehouse, the decal is attached to the property before it is released from the warehouse. For items that are shipped directly to a work location, a property tagging clerk from the Stores and Mail Distribution warehouse will be dispatched to the work location after notification of delivery has been received from the work site.

Missing property reports are presented to the board in a timely manner. Each quarter, the District prepares non-expendable personal property inventory reports for the board's review and approval. These reports, which provide information on inventory deletions and recoveries, present detail on the number and value of items in a number of categories including: trade-ins/disposals; items listed as missing on Plant Security reports; and shortages identified when conducting physical inventories. In addition, these reports provide the board with summary and detail information, by location, for each asset including acquisition date, serial number, account structure, description, and cost and asset number. Providing this information to the board shines a spotlight on areas where theft or loss of property is high and increases pressure on District staff to redouble their efforts to protect District property.

Procedures for the disposal of District property are in place. Procedures for the disposal of most District property are well established. The District's manual on Property Control procedures documents the procedures that should be followed when identifying, collecting, and disposing of surplus or obsolete equipment. A special form - the "Preparation of Outgoing Controlled Equipment" form – is used to document that these procedures have been followed.

In addition, responsibilities for the disposal of property have been well defined. Staff assigned to the Stores and Mail Distribution unit is responsible for collecting and storing all surplus equipment until the board approves its disposition. In turn, the Property Control Section's staff input, on a daily basis, all retirements, sales, or transfers of capital assets into the property management system.

Procedures governing the disposition of grant-funded property are in place

Having well defined procedures for the disposition of grant-funded property is important for a number of reasons. Unlike property that has been purchased solely with District monies, title to property purchased with grant funds may vary depending on the grant. If the District disposes of property that another entity (e.g., the grantor) has title to, legal problems may be created. In addition, grant providers may require the District to verify that assets were used in the manner specified in the grant before they are disposed. Likewise, grant providers may place restrictions on and require prior approval before grant-funded property is sold.

Clearly, there are many complications associated with the disposition of grant-funded property, and well-defined procedures are needed to ensure this property is disposed of appropriately. The District's manual on property control procedures details how the disposition of assets acquired with grant funds should be handled. Specific procedures are addressed, with regard to how to appropriately dispose of grant-funded assets in accordance with applicable laws and regulations, how to ensure the proper classification of disposed equipment, and how to properly reflect the disposition of grant-funded equipment in accounting records. The District has the ability to identify grant-funded assets. Discussions with property control personnel and review of related procedures manuals indicate that equipment purchased with grant funds are currently identified in the property management system by specific fund numbers.

Inventory Management

Background

The five departments that are currently responsible for inventory management in the Miami-Dade School System manage and account for inventory in a variety of ways.

- **Food and Nutrition**. Food and Nutrition inventories primarily consist of federally-donated commodity food supplies and the remainder of the inventory is District-purchased food and supplies. Canned goods and supplies are stored at the Stores and Mail Distribution warehouse (S&D), and the balance of the inventory is stored at a contracted warehouse. Food is distributed to the schools in a variety of methods including a) bid-purchased items delivered directly to the schools, b) perishable items ordered and delivered as necessary, and c) canned foods, frozen foods, and refrigerated foods delivered to the schools. The Department of Food and Nutrition maintains inventory records for purchased food and commodities. This department is in the process of developing a school based perpetual inventory system to replace the automated perpetual inventory system maintained at a contracted warehouse for recording bulk commodities.

- **Transportation**. The District operates a fleet of over 1,815 buses, and more than 1,990 vehicles such as trucks, cars, and other vehicles. In order to adequately service these vehicles, the District maintains inventories of replacement parts, oil, tires, and fuel. The Department of Transportation uses an on-line inventory/work order system (COMPASS) that encompasses inventory control, cycle counts, purchasing, work order cost control, and maintenance planning and scheduling.

- **Maintenance Materials Management**. The inventory of the Maintenance Material Management Department is comprised of parts, materials, and equipment needed to facilitate routine improvements and maintenance at the District's many buildings, schools and facilities. The inventory is located at various satellite warehouses in order to accommodate the timely and efficient distribution of materials to employees responsible for performing maintenance in the regions. The Department of Maintenance Materials Management also uses the online COMPASS inventory/work order system.

- **Stores and Mail Distribution**. The District's Stores and Mail Distribution unit is responsible for maintaining the inventory for such items as some bulk teacher and custodial supplies, equipment for schools, food service supplies, and a select few office supplies. Additionally, the unit is also responsible for storing large purchases of equipment and supplies needed to furnish newly constructed or renovated schools. These items, however, are not included in inventory. The Financial Affairs Department's Stores and Mail Distribution unit uses an on-line inventory system that uses the weighted average inventory valuation method.

- **Textbook Inventory Services**. Textbook Inventory Services, a unit of Stores and Mail Distribution, coordinates the purchase of textbooks and other educational materials with the schools and the Florida State Book Depository. Because textbooks are ordered in advance of the upcoming school year to satisfy the District's goal of textbooks in hand on the first day of school, the Financial Affairs Department's Textbook Inventory Services unit, a unit of Stores and Mail Distribution, does not maintain perpetual inventory records. The textbooks, which are distributed to the schools, are carried as inventory at fiscal year end for financial statement reporting purposes.

As Exhibit 14-16 indicates, except for Textbook Inventory Services, the value of the inventories maintained by each department has declined in recent years. The increase in the value of textbook inventories in fiscal year 2000-01 over prior years, results from the District taking advantage of new Florida laws that allow for an earlier purchase date for textbooks that will be used in the following year. As a result, more textbooks were on hand at June 30, 2001.

Exhibit 14-16

Three Year Summary of Inventories (in thousands)

Department	2000-01	1999-00	1998-99
Food and Nutrition	$ 2,812,409	$ 3,035,228	$ 5,346,835
Transportation	962,110	975,986	840,637
Maintenance Material Management	2,971,248	3,008,596	2,755,192
Stores and Mail Distribution	2,875,995	2,931,254	3,784,124
Textbook Inventory Services	13,613,059	4,721,396	2,613,676
Total	**$23,234,821**	**$14,672,460**	**$15,340,464**

Source: Audits of inventories for fiscal years 2001-1999 - Office of Management and Compliance Audits.

Over the years, the District has maintained its central warehouse facilities and worked to better manage its warehousing operations. Its objectives have been to increase efficiency of operations, timeliness of school deliveries and maintenance of adequate inventory levels. To complement this endeavor, the District implemented a pilot Procurement Card Program (P-card) in 1997. In realizing the potential for increased efficiency and cost savings, the District fully phased in and distributed P-cards to over 400 schools and departments by the end of fiscal year 1999-00. As a result, supplies and equipment costing less than $750 could be purchased directly at the school and department levels; therefore reducing the need and costs of carrying these types of items in inventory. In addition, in an effort to reduce the number of stock items carried in the warehouses, the District targeted certain stock items, including office supplies, for deletion in fiscal year 1995-96. Over 326 stock items were eliminated from the Stores and Mail Distribution inventory upon exhaustion of the existing stock. Currently, the District's Stores and Mail Distribution warehouse maintains less than 1,330 inventory line items in the warehouse. These items include, but are not limited to, five copier supply items, six office supply items, 96 custodial items, and 205 cafeteria type line items. The District indicated that despite the fact that inventory levels have steadily declined during the period, the District has opened 38 new schools and numerous centers in recent years.

Recently, many organizations have been reassessing the need to maintain central warehousing facilities compared to the potential economics of outsourcing warehouse operations to inventory supply companies. Some organizational studies have found that some inventory suppliers can provide services comparable to the central warehouse function at costs equal to or lower than the central warehouse function. The end result, some school Districts have fully eliminated central warehouses and replaced them with inventory supply delivery services for applicable and appropriate items.

10 Duties and responsibilities relating to inventory management are appropriately segregated.

Duties and responsibilities for the custody of inventories are adequately segregated from responsibility for the recording of inventories

To minimize the risk of loss and theft, it is important that duties and responsibilities relating to the management of inventories be appropriately segregated. In particular, responsibilities for requisitioning and approving inventory purchases should be segregated from those for accounting for inventories. In addition, responsibility for perpetual inventory accounting should be segregated from those of inventory custody. Finally, responsibility for conducting periodic physical inventories should be assigned to a person with no custodial or record keeping functions.

In Miami-Dade County School District, care has been taken to appropriately segregate responsibilities in each of the five departments responsible for maintaining inventories. As Exhibit 14-17 shows, responsibility for requisitioning inventory purchases in each department is separate from the responsibility for accounting and custodial functions.

Exhibit 14-17

Segregation of Duties for Inventory Management

Department	Requisitioning Authority	Accounting Responsibility	Custodial Responsibility
• Food and Nutrition • Transportation • Maintenance Material Management • Stores and Mail Distribution • Textbook Inventory Services	• School Sites • Service IV-Material Handler • Inventory Control Coordinator • Inventory Control Coordinator • School Sites	• Budget Analyst • Administrative Assistant III • Supervisor • Supervisor • Supervisor-Stores & Mail Distribution	• Warehouse Coordinator • Special Parts Inventory Specialist • Warehouse Coordinator • Warehouse Coordinator • Warehouse Coordinator - Stores and Mail Distribution

Source: Discussions with management and observations.

In addition, in the four departments where perpetual inventory accounting[12] is currently performed (Food and Nutrition, Transportation, Maintenance Material Management and Stores and Mail Distribution), responsibility for perpetual inventory accounting is segregated from those for inventory custody. (In Textbook Inventory Services, a method other than perpetual inventory accounting is used for textbooks at year-end. [13]) In Food and Nutrition, responsibility for perpetual inventory accounting is assigned to a budget analyst, while responsibility for inventory custody is assigned to the warehouse coordinator. Likewise, in Transportation, the administrative assistant II is responsible for perpetual inventory accounting, while the special parts inventory specialist is responsible for inventory custody. In the same way, in Maintenance Materials Management and Stores and Mail Distribution, the supervisor is responsible for perpetual inventory accounting while the warehouse coordinator is responsible for inventory custody.

Finally, in each department, staff that conducts the periodic physical inventory counts has no custodial or record keeping duties. Periodic physical inventory counts are currently performed by material handlers in Transportation, and warehousemen in the Food and Nutrition, Maintenance Materials Management, and Stores and Mail Distribution Departments. In each case, the staff does not have custodial or record keeping duties.

It is worth noting that to further safeguard the integrity of physical inventories throughout the District, the Office of Management and Compliance Audits (OMCA) performs periodic reviews of the cycle counts as well as annually audits the inventories for each of the five departments that maintain inventories. During the audit process, the OMCA staff observes physical inventory counts, verifies valuation prices, test counts inventories, and compares the results of the physical inventory with the amounts indicated in the perpetual records and on the financial statements.

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[12] Perpetual inventory accounting is an accounting system of accurate, up-to-date records that detail inventory that constitutes a subsidiary ledger that supports the general ledger.

[13] In Textbook Inventory Services, a physical inventory is taken at the end of the year only, while a perpetual inventory accounting system is used in the other departments throughout the year.

11 The District has established and implemented effective procedures for ensuring the effective control of inventory requisitions.

Appropriate controls are in place to ensure proper inventory requisitioning

Two primary factors must be considered when developing appropriate controls relating to the requisitioning of inventoried items. First, care must be taken to ensure that the persons who requisition inventory have the authority to do so. In addition, care must be taken to ensure that inventory records are updated to ensure requisitioned items are removed from inventory. In each of the departments that are currently responsible for maintaining inventories, procedures have been established to ensure these controls are in place.

Food and Nutrition. Based on meal plans for the year, needed commodities are requisitioned from the Food and Nutrition warehouse, using an on-line computer system, by the individual school sites. This system incorporates on-line security measures to ensure that only authorized individuals can request and approve the requisitioning of items from inventory. To facilitate this process, a written procedures manual has been developed that users can use to guide them through the requisitioning process.

Transportation. Transportation has well defined systems and procedures to ensure the proper requisitioning of inventory. Persons requisitioning items use the COMPASS work order system to do so. This system incorporates on-line security measures to ensure that only authorized individuals can request and approve the requisitioning of items from inventory. Authorized requisitions are then used to generate a pick list at the warehouse. The COMPASS system automatically reconciles the inventory balance to reflect the reduction in the warehouse inventory. To facilitate this process, a written procedures manual has been developed that users can use to guide them through the requisitioning process.

Maintenance Material Management. The Maintenance Material Management Department also has well defined systems and procedures to ensure the proper requisitioning of inventory. As with Transportation, Maintenance Material Management also uses the COMPASS work order system to requisition items from inventory. The on-line security measures ensure that only authorized items are removed from inventory. Authorized requisitions are used to generate a material issue ticket (MIT) – a document that is used to generate a pick list at the warehouse. The reconciliation of the inventory balance is performed by the COMPASS system. Maintenance Material Management also has a procedures manual to guide users through the requisitioning process.

Stores and Mail Distribution. The on-line inventory system that is used by the Stores and Mail Distribution unit automates the creation of requisitions for requesting goods from inventory. After the user has created the requisition, the system automatically routes it to the appropriate manager for approval. The requisition is then routed to the Stores and Mail Distribution unit and delivery tickets are printed or, if the item is not in stock, it is back ordered. Reductions in inventory balances are then reconciled with inventory balances using on-line transaction journal files. As with Maintenance Material Management, the Stores and Mail Distribution unit has developed written procedures to guide users through the requisitioning process.

Textbook Inventory Services. Each school site is responsible for requesting, on-line, the textbooks needed at the school locations using the Textbook Ordering System. Textbook Inventory Services is responsible for compiling the District wide textbook orders, reviewing the requisitions for accuracy, and ensuring availability of funds. Textbook orders are submitted electronically to the Florida School Book Depository.

12 The District has established adequate controls to provide for inventory accountability and to safeguard inventory.

Secured facilities are used to safeguard inventories

All District inventory facilities are protected by alarm systems and employees are required to wear identification badges. Visitors, who must be escorted while at a warehouse site, are required to sign into each facility. However, during the site visits at the Food and Nutrition facilities, it was noted that non-food service personnel could access storage areas. Guard service is provided at the warehouses, including twenty-four hour guard service at the central warehouse for Stores and Mail Distribution. In addition, all District inventory facilities, except Transportation, are monitored by television, and/or video camera systems.

Existing inventories are compared to detailed inventory records, and significant variances between the physical counts and recorded amounts are identified and investigated

To ensure that items are not being misused or pilfered, it is important that inventory records be compared with the actual inventory in stock on a regular basis. The Transportation, Maintenance Material Management, and Stores and Distribution inventory facilities currently use a cycle-count method to count selected inventory on a daily basis. (Under a cycle-count method, worksheets are generated that detail the selected stock items to be counted by the warehouse staff. The count team performs initial counts, compares the results to inventory records and investigates significant variances, and updates system records as necessary.) Specific guidelines have been established on how to conduct cyclical counts and these procedures serve as a means of documenting and maintaining accountability and efficiency in performing the cycle-count function.

The items to be counted during each cycle count are either automatically generated by the inventory system or are manually selected by the inventory control coordinator. These items are selected to ensure that all items are counted at least two times a year at the central warehouse and that all items are counted four or more times a year at satellite warehouses. If significant variances exist between the physical counts and the recorded quantities, the items are recounted. If the variances remain, the reasons for the variances are investigated.

The cycle-count process, that is used to ensure the accuracy of inventory records, appears to be reasonably effective. The 2000-01 fiscal year internal inventory audits considered the percentage error rates of the test counts for the five inventory types immaterial. The Bureau of Procurement and Material Management has taken steps to improve the accuracy of inventory records by enhancing the cycle-count process and providing additional training to warehouse staff. The success of these efforts is evidenced by the fact that in fiscal years 1999 and 2000, significantly greater variances between recorded and actual inventories were noted during the annual inventory audit.

13 While the District has taken some steps to manage inventory costs, opportunities to further reduce costs should be evaluated.

The District has taken steps to manage inventory costs

The District currently takes three approaches to managing the cost of purchasing and inventory costs. These include establishing a procurement card program, monitoring inventory turnover, and managing purchases to attempt to

ensure that the District can take advantage of purchasing economies such as leveraging its size in negotiating advantageous bulk purchasing agreements.

Procurement Card Program. The District has established a Procurement Card Program (P-card) to allow authorized staff to make purchases which are needed for continued operations without undue delay. Under the current program, each participating work location has the authority to purchase authorized materials and supplies costing less than $750 per purchase.   The primary benefit of the P-card program is that it ensures that needed items can be purchased without delay. The program also allows the District to maintain a smaller stock of items in inventory and to reduce the number of and types of items stored (thereby reducing record keeping and administrative costs).

Monitoring inventory turnover. Warehouse staff is assigned responsibility for monitoring inventory to determine whether it is cost-effective to maintain an item in stock, to adjust re-order points to reflect an item's slow turnover, and to identify items that are obsolete and should be removed from stock. The budget analyst is responsible for monitoring inventory turnover at Food and Nutrition on a weekly and monthly basis. Similarly, the District director of transportation receives weekly, monthly, and quarterly usage reports to enable the monitoring of inventory turnover. The inventory control coordinator performs this function at the Stores and Materials Distribution warehouse using monthly, yearly, and three-year material usage reports. Maintenance personnel at the Maintenance Material Management warehouse monitor slow moving and outdated items on a semi-annual basis.

Taking advantage of purchasing economies. In large part, the items stored in the Stores and Mail Distribution warehouse are high volume supplies and equipment continuously used by schools and departments. The inventory includes teaching supplies (such as art supplies), equipment (such as student desks and chairs), food service supplies (such as paper goods and food trays), office supplies (such as file folders, laminating film, and storage boxes), duplicating supplies (such as standard paper), custodial cleaning supplies, printed forms, and chemicals. The District believes that due to its size, it can take advantage of significant purchasing economies by purchasing these items in bulk. Exhibit 14-18 charts the District's purchase prices of a select few stock items as a result of buying items in bulk vs. the average price paid using the purchasing card in area stores.

Exhibit 14-18

Analysis of Purchase Prices

Stock Item	Description	Unit of Issue	Bulk Price	Average Price	Variance
920-0851	Legal size manila file folder	100/bx, 3 bx/cs	$15.80/cs	$19.60/cs	$3.80
920-3001	18"W1" core laminating film	2 rolls/box	18.96/bx	25.35/bx	6.39
920-6167	22 ring loose-leaf binder	Each	2.96/ea	9.78/ea	6.82
711-0162	8-1/2 x 11 multi-purpose paper	10 reams/case	17.95/cs	18.32/cs	0.37

Source: Bid lists and vendor quotes

The chart highlights that the bulk prices paid by the District are less than the average prices that would be paid using the purchasing card. Even though the per unit cost of an item may be lower when utilizing the warehousing function, it does not necessarily mean that the overall cost of the warehousing function is more economical than next day delivery inventory models. For instance, the per unit cost of an item is not the only variable that needs to be considered when assessing cost efficiencies under the warehousing concept. The overall cost of the warehousing function must also be evaluated. Costs such as staffing and related costs, equipment, facilities, and District overhead costs, to name a few, must be considered.

The District does not gather and analyze the information needed to perform a systematic review of inventory costs

Performing an assessment of what items should be purchased and stored in the District's warehouses and then delivered to users, or for what item alternatives to storing the items in inventory should be considered is by no

means a straightforward task.   A number of factors (including, but not limited to the following), should be considered in making the assessment:

- **Purchase costs**. The acquisition costs of items may or may not be less if items are purchased in bulk. It is possible for the District to achieve the same cost savings by negotiating a contract with a vendor to "drop ship" items directly to the schools. However, as previously stated, if the individual "drop ship" item prices are greater than bulk purchase rates, the District must also take into consideration additional costs associated with maintaining the warehousing function such as salaries and related benefits, equipment, overhead, facility costs, and delivery costs to name a few.

- **Storage and delivery charges**. The cost to the District of storing and delivering items to schools and other work locations should be compared to the cost of having items delivered directly to the work location by the vendor. When comparing these costs, however, it is important to consider both the fixed and variable costs associated with the inventory function. In addition, the total additional costs associated with "drop shipping" all items for which drop shipping is being considered, must be evaluated when performing this assessment. A vendor might assess a delivery charge for each individual item ordered or for each order placed even though a number of items or orders may typically be delivered to a school or work site at any one time.

- **Costs associated with having District financial resources tied up in inventory**. The overall economic value of the items stored in inventory must also be considered when evaluating alternatives to warehousing. Clearly, the higher the dollar value of the items stored in inventory, the greater the cost (lost interest or interest paid because financial resources are not available) will be in comparison to next day inventory delivery models.

- **Level of service**. The level of service provided by private delivery companies who deliver items to work locations may be different than the level of service provided by District delivery staff. For example, delivery companies (unless they are paid to do otherwise), typically drop items to the main office (or sometimes inside the front entrance). In such cases, school staff must transport items to the appropriate locations within the school. District delivery staff, by contrast, often transports the items to the desired storage location within the school and if necessary, assist in securing large and/or heavy quantities of items.

The District currently lacks the information needed to perform such a comprehensive analysis. Indeed, to the extent activity costing information is currently used by the District, this information is used just to evaluate inventory levels not to assess alternative storage and delivery approaches.   The District does not even compare its inventory levels (and items stored) with that of other Districts. While great care must be taken in assessing the implications of such comparisons, collecting information on the experience of other Districts can also be used to identify potential areas for improvement. Realizing the importance of maximizing potential cost savings and efficiencies, the District has indicated that it intends to study the feasibility of alternative inventory services this fiscal year.

Recommendation

- We recommend that the District research the feasibility of alternative inventory services.

  Action Plan 14-4 provides the steps needed to implement this recommendation.

Action Plan 14-4

Alternative Inventory Services
Strategy   Analyze the costs and benefits of contracting the storage and distribution of supplies by private companies.

Action Needed	Step 1:	Determine the costs associated with maintaining inventories in-house by review and analysis of activity cost reports and all other variables.
	Step 2:	Ascertain the types of inventory related services available in the industry and the costs associated with the services.
	Step 3:	Determine the costs and benefits associated with utilizing alternative inventory management resources.
	Step 4:	Document the results of the study and present the analysis and the recommendations to the superintendent.
	Step 5:	If more beneficial, the associate superintendent of Bureau of Procurement & Materials Management should pursue contracting the storage and distribution of supplies to private companies.
Who is Responsible	Associate Superintendent of Bureau of Procurement & Materials Management	
Time Frame	June 30, 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

Risk Management

Background

The Office of Risk and Benefits Management is responsible for identifying the exposures and risks present in the District operations and designing and implementing risk management techniques that minimize the funds required from the District for costs associated with theft, vandalism, damage to, and destruction of property, bodily injury and errors and omissions, and personal injury claims. The Office oversees a comprehensive benefits program for employees, retirees, and eligible dependents. This benefits program includes life insurance, medical coverage, IRS Section 125 flexible benefits program, administration of federally mandated COBRA benefits, and administration of various collectively bargained retirement incentive programs for retirees. In addition, the Office is responsible for oversight of third-party administrators that assist with the fringe benefit program for employees and retirees and claims management for all workers' compensation, general liability, automobile liability, errors and omissions claims; review of contractual liability issues and monitoring of compliance with insurance requirements in all 1,500 – 2,000 contracts, and the inclusion of appropriate insurance and indemnification language in all contracts, such as contracts for construction, private buses, charter buses, charter schools, and professional services; coordinates efforts with the Fringe Benefit Council, a group comprised of representatives of each employee union and employee association that provides a forum for collective bargaining in matters related to benefits; coordinates efforts of ad-hoc selection committees which are established to review and make recommendations relating to property/ casualty insurance and professional contracts; and ensures that premium payments and reimbursements are appropriate and that the accounting distribution is proper.

The Office of Risk and Benefits Management currently reports to the Deputy Superintendent for Personnel Management and Services[14] and has a staff of 29 employees consisting of 10 administrators and 19 clerical support staff. Representatives from the third-party administrator for the fringe benefits program and the third-party administrator for workers' compensation and general, automobile and errors and omissions liability claims also work closely with Office staff and are located in District offices.

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[14] As of February 2002, the Office of Risk and Benefits Management reports to the Chief Financial Officer.

14 **While the District has a comprehensive approach to managing risks, it does not have an approved disaster recovery plan.**

The District has a comprehensive risk management program

The Miami-Dade County School District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of property; errors and omissions; injuries to employees, and natural disasters. Florida Statutes require the District to carry insurance for protection of the District against exposure to various risks of losses. According to the statutes, the District is authorized to purchase insurance, to be self-insured, to enter risk management programs, or to use a combination of these approaches to meet its risk management needs

The Office of Risk and Benefits Management, which is charged with the management of the risk function and with ensuring compliance with applicable federal, State, District and contractual requirements for insurance coverage, uses a mix of self-insurance and commercial insurance to cost-effectively manage District risks. Review of the District's needs is an ongoing process between the Office of Risk and Benefits Management and consultants employed by the Office to provide recommendations on the applicability of coverage, availability of coverage, the market regarding the cost of coverage, and reasonable limits of liability for insurance coverage. The District also includes as one of its risk management techniques the avoidance of risk if a decision is made that the risks associated with an activity are too great. When this occurs, changes are made to the program structure to reduce the risks associated with the program. More detailed information on the District's self-insurance and commercial insurance coverage is presented below.

Self-insurance. The District maintains self-insurance programs for workers' compensation, general liability, automobile liability, and property. Unlike commercial insurance where the insurance providers assume the risk of loss, the establishment of a self-insurance program does not result in a transfer of risk. All risk retained by the District remains with the District and the District is liable for claims incurred. To manage this risk, the District purchases commercial excess or catastrophic coverage. The District maintains excess coverage for workers' compensation claims in excess of $500,000. There is also excess coverage for the general and automobile liability claims of $500,000 per occurrence/$3,250,000 annual aggregate, subject to a $100,000 per person/$200,000 per occurrence self-insured retention. The self-insurance retention for the Errors and Omissions claims is $200,000 per wrongful act. The District also maintains $500,000 excess Errors and Omissions coverage. In addition, liability losses are limited by Section 768.28, Florida Statutes, to $50,000 per defendant/$100,000 per occurrence for losses occurring prior to October 1, 1981, and $100,000 per defendant/$200,000 per occurrence thereafter. This statutory limit, however, is not applicable for suits brought for federal civil rights actions, or suits that petition the statute.

Exhibit 14-19 summarizes the District's self-insurance programs. As Exhibit 14-19 shows, the District's estimated liability for pending claims as of June 30, 2001, approaches $120 million. [15]

Exhibit 14-19

Summary of Self-Insurance Liability and Insurance Risks at June 30, 2001

Type of Self-Insurance Program	Risk Retention/Deductible	Coverage After Retention/Deductible		Estimated Liability for Pending Claims at June 30, 2001, per Actuarial Valuation (Undiscounted)
Workers' Compensation	$500,000	$ 1,000,000	Statutory	$ 93,178,000

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[15] This estimate of pending liabilities was actuarially determined and has not been discounted to reflect when payouts are expected to be made.

Type of Self-Insurance Program	Risk Retention/Deductible		Coverage After Retention/Deductible		Estimated Liability for Pending Claims at June 30, 2001, per Actuarial Valuation (Undiscounted)	
General, Fleet Liability, and Errors and Omissions	$100,000 $200,000	Per occurrence Aggregate	$500,000 $3,250,000	Per occurrence Aggregate	$22,749,000 $4,145,000	General, Errors & Omissions Fleet
Property	$500,000	or 2% of property value for named hurricanes	$580,000,000	Layered	---	Not applicable
Total					**$120,072,000**	

Source: Actuarial Valuation and Office of Risk and Benefits Management.

Commercial insurance. A summary of the comprehensive commercial insurance coverage that is in force at June 30, 2001, is summarized on Exhibit 14-20 and the estimated annual premiums associated with the coverage. All coverage is obtained through the competitive bid process or by direct negotiation.

Exhibit 14-20

Schedule of Insurance in Force at June 30, 2001 (Unaudited)

Coverage Type	Retention/Deductible	Limit of Liability	Annual Premium
General Liability/Automobile Liability and School Board; Errors & Omission Liability Insurance including excess $500,000 for Errors & Omissions	$100,000 per occurrence/ aggregate for $200,000 GL/AL; for Errors & $200,000 Omissions	$500,000 per $3,250,000 occurrence/ aggregate	$490,000 Annual $857,500 21-month premium
Excess Workers' Compensation	$500,000	$5,000,000 Statutory	$273,468 ($.0185/$100 payroll
Property	$500,000 deductible or 2% of property value for named hurricanes	$580,000,000	$12,544,684
Flood	Varies by school	Varies by school	$2,500,000 approximate
Boiler & Machinery	$10,000 except refrigeration units $25,000 with deductible; $100,000 deductible for wind	$10,000,000	$75,000
WLRN/Liability Package-General and Business Personal WLRN/Property- antenna, transmission lines, and dishes		$2,000,000 Aggregate $1,260,000 Property all risk $5,210,000 (3% wind $5,000 deductible minimum)	$18,476 $234,524
Non-owned Aircraft Liability-bodily injury		$1,000,000 each person / $5,000,000 per occurrence	$7,100

Coverage Type	Retention/Deductible	Limit of Liability	Annual Premium
/property damage (flight training program)			
Superintendent/Business Auto	$500	$300,000 CSL	$3,140
Police Professional Liability		$5,000,000 per occurrence /aggregate with $100,000 each wrongful act, including defense	$74,000
New World School of the Arts		$1,000,000 aggregate liability and personal property coverage of $1,219,400	$16,223
Facilities Use	$250	$500,000 aggregate	$8,025
Blanket Bond	$5,000	$4,500,000	$49,186
Public Official Position Bond		$5,000,000	$63,560
Security Officer Bonds		$5,000	$3,000
Board Bonds -Chair		$12,000	$100
Board Bonds Vice-Chair		$12,000	$100
Superintendent's Bond		$15,000	$100
Board Member Bond		$2,000 each	$335
Catastrophic Athletic Accident	$25,000	$5,000,000 with additional $500,000 catastrophic cash benefit	$56,614
Accidental Death & Dismemberment for Security Officers		Scheduled pursuant to Section 112.19, F.S.	$2,937
Board Employee's Life, Health, and Other IRS section 125 Benefits			$300 per employee /per pay month
Student Accident			Paid by student
Football Accident			Paid by MDCSD

Source: Miami-Dade Office of Risk and Benefits Management.

The District does not have an approved comprehensive disaster recovery plan

The Office of Risk and Benefits Management recently completed a draft of a natural disaster recovery plan that outlines the process that should be followed in preparing and managing recovery activities in the event of a natural disaster. The focus of this plan is to ensure that the District is able to continue its operations should a natural disaster take place. The proposed plan and manual includes information that is required to enhance claims recovery from property insurers and the Federal Emergency Management Agency, and describes the roles and responsibilities of District personnel related to recovery efforts. This plan is currently being reviewed and is expected to be approved by December 31, 2001.

Recommendation

- *The District should implement a natural disaster recovery plan to ensure continued operations.*

Action Plan 14-5 provides the steps needed to implement this recommendation.

Action Plan 14-5

Implement a Natural Disaster Recovery Plan		
Strategy	Implement a comprehensive natural disaster recovery plan.	
Action Needed	Step 1:	Review of the draft of the comprehensive natural disaster recovery plan developed by the Office of Risk and Benefits Management for completeness.
	Step 2:	Obtain appropriate review of the plan and approval by deputy superintendent, superintendent and the board.
	Step 3:	Disseminate approved plan.
	Step 4:	Provide review or training for the appropriate District personnel.
Who is Responsible	Administrative Director, Office of Risk and Benefits Management	
Time Frame	As soon as possible	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

15While not fully documented, the District has effective policies and procedures for purchasing and reviewing insurance coverage.

Although not fully documented, the District has established comprehensive policies and procedures relating to purchasing and reviewing insurance coverage

The Office of Risk and Benefits Management has developed comprehensive policies and procedures relating to the purchase and review of insurance coverage. These policies and procedures have been established to ensure that the District's insurance/benefit programs comply with Florida Statutes, State Board Rules, Board Rules, federal laws and/or contractual requirements related to union agreements. In addition, the District has established procedures to determine the amount due to insurance vendors or service providers and uses these procedures to ensure that only appropriate amounts are remitted to these vendors. To facilitate this process for group coverage, reports are generated from the payroll/personnel system which are used as the basis for determining the amounts due to insurance providers. These reports provide information on any adjustments required for employees that are terminated and also provide other employee information related to effective dates, hire dates, and leave dates. Appropriate systems are also in place to track and to properly account for the amounts paid.

While risk management policies and procedures appear to be well understood, these procedures are not maintained and documented in one location. [16] A manual documenting risk management policies and procedures would be useful both to train new staff and to enhance the understanding of other employees with regard to the assumptions,

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[16] In interviews, Office of Risk and Benefits Management personnel appeared to be very knowledgeable about policies and procedures used in the risk management program as well as the federal, state, District and contractual requirements associated with the insurance coverage.

rationale and methods used in certain decision making processes. Such a manual should contain sections that address all facets of risk management operations, including the evaluation of customer service, third-party administrators, and consultants.

Except for third-party employee benefits administration, the District uses competitive bids to acquire group coverage and services

Board Rule 6Gx13-3F-1.022 establishes procedures for competitive selection through request for proposals for contracts estimated to be in excess of $6,000 for group insurance coverage. All request for proposals are approved by the board. An ad-hoc insurance committee, appointed by the superintendent and comprised of representatives of each union and various District offices and/ or the Fringe Benefits Council, will review the proposals received and interview proposers. The ad-hoc committee will make a consensus recommendation to the superintendent who then presents his recommendation to the board prior to board action on the award. The recommendation is then presented to the Fringe Benefits Council during collective bargaining negotiations for their approval. The board attorney and the board insurance consultant may also serve as resource persons in the selection process. In addition, the third party employee benefits administrator which provides administrative and support services related to fringe benefits, including enrollment of employees, is also responsible for ensuring that certain, miscellaneous group benefits are competitively bid.

Although Board Rule 6Gx13-3F-1.022 is clear on the process for selection, it does not state that all persons involved in the review of proposers should be free of personal, financial, or professional relationships with proposers. Good public policy would dictate that persons with potential conflicts of interest should not be involved in the selection process and such a policy needs to be formally documented and followed.

Also, the third-party employee benefits administration services have not been competitively bid since 1991. The initial five-year contract has been extended twice, by board approval, through calendar year 2002. Good management practices indicate that the District should competitively bid these services more frequently, such as every four to five years, to ensure cost effectiveness.

An example of the competitive process for group coverage was noted for the group health plan. In June 2000, the board approved the rates for calendar year 2001 for the group health plan providers which were for the fifth year of the five-year health plan contract. The board also approved a recommendation that the District would restructure the benefit program and seek competitive bids for the group health benefits offered to employees, retirees and their eligible dependents for calendar year 2002. In January 2001, the board authorized the release of request for proposals (RFP) for group medical benefits with the board consultant. The consultant performed such tasks as providing assistance to the process such as structuring the RFP, meeting with prospective proposers in a pre-bidders conference, providing technical analysis, meeting with the Fringe Benefit Council, etc. Responses were received from seven group health plan providers, and were reviewed by the ad hoc committee and the Fringe Benefit Council. The superintendent recommended two insurance providers and a third insurance provider was recommended by the Fringe Benefit Council. Consensus was reached to also include the provider recommended by the Fringe Benefit Council to provide consistency of coverage for employees, even though the provider had some recent financial concerns. The major provider for the majority of employees for calendar year 2001, was not included for 2002 because it was unable to provide guaranteed premiums for 2002 on a fully insured program platform. [17]

Overall, employees, retirees, and their dependents have more choices and, in certain dependent coverage categories, significantly lower premiums. The District's annual expenditure per employee increased from $329 per employee in calendar year 2001 to $329 (HMO)/$349 (PP0) per employee in calendar year 2002, an increase of 6 percent per employee that selects the PPO option.

Exhibit 14-21 provides details of the rates for calendar year 2002 for the group health benefits.

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[17] Per memorandum dated August 21, 2001, from the Office of Superintendent of Schools, provided by the Office of Risk and Benefits Management and discussion with Office of Risk and Benefits Management staff.

Exhibit 14-21

Group Health Rates Calendar Year 2002

Employees and Retirees Under 65:

	Provider #1		Provider #2	Provider #3
Description	**PPO (Modified)**	**(HMO)**	**(HMO)**	**(HMO)**
Single Monthly Rates (Fully Insured)	$304.58		$227.55	$254.43
Dependent Monthly Rates (Fully Insured):				
Children	$198.50	$169.82	$182.03	$250.50
Spouse		$199.68	$204.79	$281.78
Family	$796.83	$438.59	$432.33	$457.86

Retiree Monthly Rates Over Age 65 and/or Medicare Eligible:

Company	Coverage Type	Rate
Provider #1	PO Medicare Coordination	$293.56
Provider #2	Gold Plus Plan Medicare Risk Contract	$0.00
Provider #3	VIP Medicare Risk Contract	$0/$112/$193

Dependent Monthly Rates Over Age 65 and/or Medicare Eligible:

Company	Coverage Type	Rate
Provider #1	National Network PPO Medicare Coordination/Child(ren)	$244.11
	National Network PPO Medicare Coordination/Spouse	$287.19
	National Network PPO Medicare Coordination/Family	$631.83
Provider #2	Gold Plus Plan Medicare Risk Contract	$0.00
Provider #3	VIP Medicare Risk Contract	$0/$112/$193

Source: Office of Risk and Benefits Management.

The District adequately administers and evaluates its self-insurance program

Retention of certain risks through self-insurance and use of high deductibles for certain insurance coverage are key components of the District's overall strategy to manage the costs of the risk management program. The District has determined that due to its large size and the magnitude of its operations, the use of self-insurance for first dollar coverage, and then commercial insurance for the excess coverage up to certain limits, is an appropriate, cost effective approach to administering the risk management function. For example, for property, general, fleet liability, errors and omissions, and workers' compensation, the District is self-insured up to certain risk retention/deductible amounts and commercial coverage is used for coverage above these retention/deductible amounts (up to certain limits) to protect the District in the event of a catastrophic loss.

To ensure the right balance between self-insurance and commercial insurance, the Office of Risk and Benefits Management and its consultants review, on an ongoing basis, the risks facing the District, the extent to which reinsurance is needed to ensure the solvency of the self-insurance program, and the extent to which the loss coverage currently provided is appropriate. To support this analysis, an annual actuarial valuation is performed to analyze the District's risks and its potential claims liability.

While the District's overall strategy of using commercial coverage to protect against excess loss is sound, this strategy may be worth reassessing in some areas, such as general/auto liability where the limited sovereign immunity afforded public entities (Section 768.28, Florida Statutes) may protect the District from being liable for catastrophic loss. Some Florida school Districts that are self-insured do not purchase excess coverage for general/auto liability. It should be noted, however, that at present, both the District's consultants and its actuary recommend retaining this excess coverage, which is estimated to cost approximately $225,000 annually in

premiums. Our survey of four other Districts, as shown on Exhibit 14-22, indicates that the use of excess commercial coverage varies. Two of the four Districts surveyed do not purchase excess coverage, one of the two counties that use commercial coverage (Broward) has structured a program quite similar to MDCSD, and one has significantly more limited commercial coverage. The Districts in our survey that have excess coverage indicate that budget reductions and possible premium increases may force changes. The District should continue to evaluate the risks of catastrophic loss versus the premium costs.

Exhibit 14-22

Two of Four Peer districts Surveyed Rely on Sovereign Immunity

Type of Claim	Duval County	Hillsborough County	Broward County	Orange County
General Liability	No	No	Yes Excess of $300,000 Retention up to $700,000	No Relies on sovereign immunity Self-insured up to excess $5,000,000 per year
Automobile	No	No	Yes Same as general liability	Yes Excess coverage $1,000,000 occurrence/$5,000,000 per aggregate Relies on sovereign immunity for the gap between $100,000 and $1,000,000

Source: Berkshire Advisors, Inc.

The District uses an administrator and is in compliance with State statutes

The District employs a bonded firm approved by the State Department of Labor and Employment Security, Division of Workers' Compensation, to serve as its third-party claims administrator. This firm processes workers' compensation, general, automobile liability, and property claims and is responsible for initial claim set up and analysis, management and assignment of field investigations, reserving, formalized claim reporting, payment processing, litigation expense management and recovery management. By Board Rule, the third-party administrator is authorized to perform all functions in connection with these claims (including offering and accepting settlements) for claims that do not exceed $15,000. A claims revolving fund has been established in the District's name for the administrator to use in settling claims. (For claims in excess of $15,000, the board Attorney's Office is responsible for offering and accepting liability settlements and the Office of Risk and Benefits Management is responsible for offering and accepting workers' compensation settlements.) The administrator provides a report on the Processing of Transactions by Service Organizations as required by the Statement of Auditing Standards (SAS) No. 70. In addition, the District periodically engages a consulting firm to perform a sample claim review and uses the results of this review to evaluate the administrator's performance. The most recent claims review performed in 1998 indicated that the performance of the administrator met or exceeded industry standards.

Recommendations ———————————

- *The District should establish a written procedures manual that documents the procedures used and enhancements needed for risk management operations.*

Action Plan 14-6 provides the steps needed to implement this recommendation.

- *We recommend that the District establish a "no conflict of interest" policy for all participants in the review of prospective providers of group services such as members of the ad hoc committee, Fringe Benefits Council, board consultants, etc., to ensure that an objective selection process is achieved. Participants should not have financial, professional, or personal relationships with proposers of the services that might be construed as a conflict of interest.*

Action Plan 14-7 provides the steps needed to implement this recommendation.

- *We recommend that the District issue a request for proposal for the third-party employee benefit administration services this year (these services have not been competitively bid since 1991), and we recommend that these service are competitively bid at a minimum of every four or five years to ensure that the District receives the most cost effective services. The selection of the administrator for these services should be performed by an ad hoc committee established pursuant to Board Rule 6Gx13-3F-1.022.*

Action Plan 14-8 provides the steps needed to implement this recommendation.

Action Plan 14-6

Develop a Formal Procedures Manual		
Strategy	Combine policies, procedures, and processes into a single document for reference and training.	
Action Needed	Step 1:	Identify all major policies, procedures, and processes of the risk management function.
	Step 2:	Review existing documentation and update as needed.
	Step 3:	Develop written documentation for the major policies for which no documentation currently exists.
	Step 4:	Combine all written documentation into a policies and procedures manual for the risk management function.
Who is Responsible	Administrative director, Office of Risk and Benefits Management	
Time Frame	As soon as possible	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

Action Plan 14-7

Establish a No Conflict of Interest Policy for Participants in the Selection Process for Group Providers		
Strategy	Establish a "no conflict of interest" policy for all participants in the review of the proposers to provide group insurance services.	
Action Needed	Step 1:	Draft a policy that states that participants in the selection of the providers for group insurance coverage should not have financial, professional, or personal relationships with the providers that might be construed as being a conflict of interest.
	Step 2:	Obtain board approval of the policy.
	Step 3:	Establish procedures to ensure that participants review the policy and acknowledge their understanding at the beginning of the selection process
Who is Responsible	Administrative director, Office of Risk and Benefits Management	
Time Frame	June 30, 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

Action Plan 14-8

Issue a Request for Proposal for the Third Party Employee Benefits Administration Services		
Strategy	Issue a request for proposal for the third party employee benefits administration services, which has not been competitively bid since 1991.	
Action Needed	Step 1:	Request approval from the board to issue a request for proposal for third party administration services.
	Step 2:	Obtain board approval of the request of proposal.
	Step 3:	Issue request for proposals, ensuring that the RFP is appropriately disseminated.
Who is Responsible	Administrative Director, Office of Risk and Benefits Management	
Time Frame	June 30, 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

Financial Management

Background

The District uses a customized, automated, and integrated financial and procurement accounting system. This system is comprehensive and includes a full range of financial systems, as indicated in Exhibit 14-23.

Exhibit 14-23

Financial Systems

System	Use
General Ledger	Accounting records, reports, administrative use
Accounts Payable	Invoice tracking, payment inquiry
Budgetary Control	Available funds, inquires, budget modifications
Financial Screens	Information for financial status report of internal funds, enter and maintain school-based budget, inquiries
Project Tracking	Reports by location, function, program, or objects
Requisition/Purchase	Inquiries, requisition and purchase orders, routes for approval including all designated persons, receipt of goods
Financial Controller	Controls, administrative use

Source: Budget Finance Purchasing System Manual.

The system is real-time (that is, data is available to users immediately after it has been entered). Consequently, the system can be used to immediately perform a variety of tasks without the delay associated with processing and distributing paper records. Because the system is an older accounting software package, it requires comprehensive support from the Office of Information Technology for modifications, maintenance and customized reporting. Conversely, current "off the shelf" accounting software packages (which usually entail relational databases and full interface modules), better address issues of flexibility, user friendliness and report generation. The range of tasks that can be performed using the District's system include the following:

- Tracking purchase requests, creating purchase requisitions, and routing the requisitions to the appropriate individuals for approval and verifying fund availability
- Establishing and maintaining budget allocations
- Generating purchase orders
- Recording the receipt and/or return of goods
- Processing payment transactions to ensure invoices are paid
- Ensuring that purchased materials and services for capital expenditures, repair projects, and lease transactions are properly authorized, approved, and received

The system is also a secure system. Only persons authorized by a work site-authorizing administrator can gain access to system files. Persons with appropriate authorization, however, can access one or (depending on their authorization) all of the system's screens and menus to make inquiries, to perform data entry, or to undertake other financial management functions.

16 While District managers verbally communicate their commitment to strong internal controls, this commitment is not consistently documented in the established procedures.

The District should enhance its commitment to strong internal controls

In interviews with financial and accounting managers throughout the District, a commitment to maintaining a system of strong internal controls was consistently expressed. At present, the District has the infrastructure of well-documented policies and procedures needed to support its verbal commitment to strong internal controls. In the absence of well-established and documented policies and procedures that support internal controls, it is much more difficult for managers to ensure that appropriate controls are consistently implemented throughout the District. Likewise, if individuals take actions that compromise needed controls, it is much easier to take appropriate corrective action if procedures documenting District policies and standards relating to internal control are in place.

At present, the District must update and adequately document the system of internal control it has established. In addition, in two areas – development of an ethics policy and a process for reporting suspected improprieties – needed policies and procedures are currently not in place.

Documented procedures. Well-documented procedures are essential to any organization's efforts to communicate and ensure understanding of internal controls. While such procedures are a useful reference resource for all staff, they are especially important as a tool for training new staff. At present, in the Miami-Dade County School District, however, some written procedures manuals that are available to employees (and other stakeholders) are out of date and/or incomplete. (It should be noted that the District is aware of this issue and is in the process of updating several of its procedures manuals as it relates to critical processes).

Ethics policy. The Miami-Dade County School District has exhibited a clear commitment to ensuring high ethical standards throughout the District. Indeed, the District is currently soliciting contracted services for the development of an ethics professional development program and ethics training. In addition, an ethics committee is being established that will advise the board on relevant issues. Despite this demonstrated commitment to ethics, the District has not established a formal ethics policy. While board policy (6Gc-13-8A-1.041) documents rules regarding conflict of interest for board members, no similar rule has been established governing conflicts of interest and other ethical issues for department staff.

Reporting suspected improprieties. The District has not established procedures for reporting suspected improprieties. While board policy (6Gx113-4A-1.21) states that all employees are under the ultimate duty to report

criminal acts this rule also states, "It should be the responsibility of the Superintendent of Schools to develop and distribute periodically, procedures relating to the reporting of criminal acts, disruptive, and/or inappropriate behavior." To date, the District has not developed and distributed such procedures.

Recommendations

- *We recommend that the District develop and implement an employee ethics policy.*

Action Plan 14-9 provides the steps needed to implement this recommendation

- *We recommend that the District revise and maintain all critical financial management and accounting processes in the procedures manuals.*

Action Plan 14-10 provides the steps needed to implement this recommendation

- *We recommend that the District establish procedures for employees to follow if they suspect improprieties are occurring.*

Action Plan 14-11 provides the steps needed to implement this recommendation

Action Plan 14-9

Develop An Employee Ethics Policy	
Strategy	Establish an employee ethics policy and clearly communicate to all employees.
Action Needed	Step 1: Develop ethics policy. Step 2: Establish procedures to ensure that employees review the policy and acknowledge their understanding.
Who is Responsible	Department Of Professional Standards and the School Board
Time Frame	June 30, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Source: Berkshire Advisors, Inc.

Action Plan 14-10

Revise Procedures Manuals		
Strategy	The critical processes for all financial management activities should be identified, reviewed, and updated in the procedures manuals.	
Action Needed	Step 1:	Determine the existing procedures for critical functions.
	Step 2:	Ascertain the feasibility and appropriateness of the existing procedures, and develop and modify the critical processes, as necessary.
	Step 3:	Assign the responsibility of developing formal procedures to the controller or another senior member of the administrative staff that reports to the controller.
	Step 4:	Submit the revised procedures manuals to the Office of Management and Compliance Audits for review.
	Step 5:	Submit the revised procedures manuals for school board approval.
	Step 6:	Distribute the approved procedures manuals to all users.
Who is Responsible	Chief Financial Officer	
Time Frame	December 31, 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

Action Plan 14-11

Develop Policy for Reporting Suspected Improprieties		
Strategy	Develop a District policy for reporting suspected improprieties.	
Action Needed	Step 1:	Preparation of and subsequent submission to school board of proposed policy.
Who is Responsible	Department of Professional Standards and the school board	
Time Frame	June 30, 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

17 The District's accounting system facilitates collecting, processing, maintaining, and reporting financial transactions.

The accounting software package used by the District facilitates the reporting and recording of financial transactions in accordance with prescribed standards.

The accounting software package used by the District facilitates collecting, processing, maintaining, and reporting financial transactions. The District uses the package's budgetary controls, accounts payable, purchasing, financial controller, and general ledger modules. The accounting system adequately records and reports financial information in accordance with *Financial and Program Cost Accounting and Reporting for Florida Schools* and facilitates the preparation of financial reports in conformity with applicable accounting principles. The chart of accounts also facilitates ensuring accountability for restricted sources of funds by classifying financial transactions by fund code. Specific revenue funds are used to account for financial resources for school programs such as food services, and to account for State and local grants and federal resources. However, the current system is not designed to adequately track and accumulate costs for project accounting. (See our discussion on project tracking in best practice 7 of cost controls.)

Delegating the review of journal entries will promote more efficient use of the controller's resources

While the District is to be commended for ensuring systems are in place to ensure the accuracy of journal entries, senior management's attention directed to this activity is excessive. A review of District practices and procedures reveals that journal entries are properly prepared, approved, and adequately supported. All journal entries are also supported by proper documentation and explanations and are numbered and logged into the journal entry registry. After preparation, the journal entry is reviewed and approved by the administrator in the originating department and then by both the assistant controller and the controller. While it is important that each journal entry be adequately reviewed and approved by the District's management, requiring the controller to perform this review diverts her attention from other important management issues (many of which are discussed in this chapter). A review by the assistant controller – herself a senior and experienced manager – should be sufficient to ensure the integrity of the accounting process. Efficiency and productivity would be enhanced if the controller reviewed and approved only high level journal entries (for example, journal entries related to prior period adjustments or new pronouncements) or journal entries of a specific programmatic nature such as investments. She could also randomly select other journal entries for review and approval. The assistant controller's responsibility would be to review and approve all other journal entries, including re-occurring entries and routine adjustments.

Recommendation

- *We recommend that the District revise its procedures requiring the controller to approve all journal entries.*

  Action Plan 14-12 provides the steps needed to implement this recommendation.

Action Plan 14-12

Modify Authority For Approving High Level Journal Entries		
Strategy	Revise procedures requiring the controller to approve all journal entries.	
Action Needed	Step 1:	Determine the type of journal entries that should be reviewed by the controller.
	Step 2:	Revise procedures manuals to reflect the controller's approval of applicable journal entries.
	Step 3:	Implement and notify personnel of the modifications.
Who is Responsible	Chief Financial Officer	
Time Frame	June 30, 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

18The District's performance in meeting deadlines for submitting financial reports to the State is adequate.

The District adequately meets State deadlines for financial report submission

To make informed business decisions, District management needs access to timely financial data. To this end, reports describing the District's operations and financial position should be reviewed by both the District's managers and the school board. As required by State Board of Education Rule 6A-1.008, F.A.C, the school board receives monthly financial reports. These reports include summary statements that compare budgeted expenditures to the current month actual and year-to-date actual expenditures as well as highlight any favorable and unfavorable budget variances. The District is also required to prepare and provide timely financial information to outside sources such as federal and State governments and grantors to ensure compliance with regulatory requirements and grant provisions. Not only is it essential that these reports be accurately prepared and distributed in a timely manner, the reports must also be properly prepared and reviewed by management, including the school board. The monthly reports also disclose all relevant data regarding contracts and grants.

From the perspective of making timely submissions to the State, the District's performance has been good. In fiscal years 2000 and 2001, the District submitted the Superintendent's Annual Financial Statements (AFR), which is due on September 11 of each year, in a timely manner to the Commissioner of Education. However, the Annual Cost Report, which must be submitted to the State Board of Education, did not meet the deadline for submission in the past three fiscal years. [18] Department staff reports that the reason the reports have not been filed on a timely basis is the result of State changes to reporting requirements. These changes require the reprogramming of existing software, dedication of significant resources to implement the changes, and timely testing of the accuracy of the calculations after the program changes have been made.

In some cases, the board has not approved reports that are submitted to the State

In each of the last two fiscal years, the Superintendent's Annual Financial Statements were submitted to the State prior to their being approved by the board. The primary reason these reports were not approved by the board prior to their submission is that a board meeting to review the report was not scheduled prior to the September 11 submission deadline. The District requires fifteen days to complete the process of submitting items through the proper committees before the items can be reviewed and action taken by the school board. District staff do not attempt to reschedule the September board meeting or call a special board meeting for purposes of approving the Superintendent's Annual Financial Report prior to the well known and established September 11 submission deadline. The District believes that any limitations on the available time to complete and review the Annual Financial Report could compromise the accuracy of the reported information. As a result, the Annual Financial Report is submitted to the State by September 11, reviewed and approved by the board in its regularly scheduled September meeting, and revised and resubmitted to the State, if necessary, prior to September 30, as required by the State.

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[18] The District did, however, ask and receive an extension for the submission of this report.

19 While the process for developing and monitoring budgets is generally sound, in some areas existing systems and procedures do not support efforts to evaluate performance against budget or to prevent budget overspending.

The District's budget development process has been structured to ensure compliance with State laws and State Board of Education Rules

The District's budget is also its financial plan. [19] It provides an estimate of the resources available to the District, details the programs and activities to be funded, and sets the level at which these programs and activities will be supported. The process for developing this financial plan is governed by numerous legal requirements in the Florida Constitution, the Florida Statutes, and State Board of Education Rules. The law is very specific in defining this process and establishes a timetable for completing each step in the budget adoption process. To ensure all required steps are followed, the Office of Budget Management, which has been charged with the responsibility for developing and implementing the budget process,[20] develops a budget calendar. This calendar details the timeframe for completing each required activity and specifies the required participants. In addition, because the budget process is complicated and requires the coordinated effort of various departments and school personnel, developing this calendar ensures responsibilities and deadlines are clearly understood. All State and local requirements relating to the budget development process are adhered to. Exhibit 14-24 shows the detailed budget calendar for fiscal year 2001-02.

Exhibit 14-24

Calendar of Events in Developing the 2001-02 Budget

Date	Activity
November 27	Administrative Pupil Population Estimating Conference determines preliminary 2001-02 official K-12 population projections, estimate of total un-weighted FTE, and program FTE estimates, based on actual FTE from October 2000.
December 18	Office of Budget Management (OBM) distributes region/county department budget materials.
January 8	Office of Budget Management (OBM) conducts budget workshop for administrative offices as required.
January 11	Office of Budget Management (OBM) conducts budget workshop for administrative offices as required.
January 16	Office of Budget Management (OBM) conducts budget workshop for administrative offices as required.
January 26	Region/county departments return budget materials to OBM. Budget review sessions will be scheduled by OBM.
January 29	Office of Budget Management (OBM) forwards 2001-02 region-office total and school-level FTE estimates to region offices for review.

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[19] The District's annual budget document has received the Distinguished Budget Award annually for the past thirteen years from the Government Finance Officers Association which is critiqued for specific program criteria such as local significance and value, technical significance, the cost/benefit analysis, efficiency and originality. MDCSD is one of two Districts in Florida to have received the award.

[20] Board Rule 3a.101 directs the superintendent to establish the necessary procedures for the preparation, review, and approval of the annual budget in accordance with applicable state laws and State Board of Education Rules. The superintendent has delegated this responsibility to the Office of Budget Management.

Date	Activity
TBA	Governor's Recommended Budget is released.
February 14	Board Meeting: Action Item: Board adopts mid-year 2000-01 budget resolutions.
February 16	Region Offices return FTE estimates to Office of Budget Management.
March 6	Regular 2001 legislative sessions begins.
March 9	Office of Budget Management (OBM) completes its review of budget requests for region/county department.
March 12	Early Bird Phase: 2000-01 CASAS formulas and 2001-02 FTE estimates are forwarded to schools for review.
March 14	Board Meeting: Report on Governor's Budget Recommendation and District Fiscal Forecast for 2001-02
April 23	Preliminary Budget Phase: 2001-02 CASAS formulas FTE estimates are forwarded to school for use in budget/personnel, FTE estimates are forwarded to schools for use in budget/personnel conferences; schools scheduled for May 14-May 31. School-Based Budgeting System (SBBS) is operational for use in school budget/personnel conferences for opening of 2001-02 school year.
May 4	Regular 2001 legislative session ends.
May 10	Principals must balance their School-Based Budget in the School-Based Budgeting System (SBBS) by the close of the day.
May 16	Report of Results of 2001 Legislative Session
May 25	Administrative Budget Committee meetings concluded.
June 11	Budget duplicating deadline for 2001-02 Annual Budget Plan
June 13	Board receives 2001-02 Annual Budget Plan for use in Financial Affairs Subcommittee Meeting.
June 20	Financial Affairs Sub-Committee Meeting (Board Meeting: Action Item: Board adopts spring 2001-02 budget resolutions and readopts the 2000-01 budget, as amended, for interim 2001-02 budget.
July 2	Preliminary 2001-02 Tax Roll is received from Property Appraiser.
July 5	Budget duplicating deadline.
July 6	Tentative Budget is recommended to Board by Superintendent.
July 11	Board Meeting: Action Item: Board authorizes Superintendent to advertise tentative budget and millage levy.
July 19	Commissioner certifies Required Local Effort millage rate and amount of State funds.
July 21	Millage and budget advertisements appear in the Miami Herald and Diario Las Americas.
July 23	Board Meeting and First Public Hearing: Action Item: Board adopts tentative 2001-02 millage levy and annual budget as well as 2001-02 School Allocation Plans.
July 26	Millage and budget advertisements appear in the Miami Times.
July 31	Tentative millage rates are submitted to Property Appraiser and Tax Collector. Tentative Budget Phase: Tentative formulas and FTE estimates are forwarded to schools for use in budget/personnel conferences scheduled for August 13-24, 2001.
September 7	Budget materials for final adoption submitted to the School Board.
September 12	Board Meeting and Second Public Hearing: Action Item: Board adopts Five-Year Facilities Work Program, final 2001-02 millage levy and annual budget, approves 2000-01 annual financial report for submission to Department of Education and approves final 2000-01 budget resolutions.
September 13	Additional positions are released or reassigned based upon simulations of staffing systems on September 10 and 17, 2001.
October 5	School-Based Budgeting System (SBBS) is available to regions and schools for review and action based on September 28, 2001, FTE data.

Source: Miami-Dade County School District transmittal dated January 16, 2001.

The budget development process has also been structured to encourage the participation of key stakeholders

The budget development process has been structured to ensure participation from the board, the public, and from schools.

- **Board participation**. The board is actively involved in each step in the budget process. Board members must approve both a tentative budget and the final budget.
- **Public notification and participation**. Members of the public have ample opportunity to provide input into the budget development process. Public hearings, which must be advertised, are held. In addition, the public is notified through advertisements about proposed capital outlay millage levies.
- **School participation**. School managers and staff are actively involved in the budget process by developing school-based budgets consistent with their school improvement plans. Throughout the budget development cycle, budget conferences are held with principals to review preliminary budgets and to review and approve final budgets.

Approaches used to develop budget estimates are sound

If a budget is to serve as an effective financial plan, the revenue estimates incorporated into the budget must be sound and expenditure appropriations must reflect needs. Although, as discussed in Section 1, the budget process has not been structured to ensure resource allocations are consistent with the District's overall strategic direction, from a technical perspective, the District's approach to budgeting revenues and expenditures is sound. [21]

Budgeting revenues. The District's process for developing revenue estimates has been structured so that the individuals who best understand the sources from which the District receives revenues are responsible for developing revenue estimates for those sources. For example, estimates of contracted services revenues are provided by the Federal Programs and Grants Administration because staff from this department has the best understanding of federal and grant funded programs. The Budget Office, on the other hand, consults with the Florida Department of Education to estimate Florida Education Finance Program revenues. The reasonableness of the revenue estimates provided by these units is then reviewed by the Budget Office and revenue estimates are finalized.

Budgeting expenditures. Budget Office staff works closely with staff throughout the District to budget appropriations. To facilitate budget development, the Budget Office prepares and disseminates various documents including budget manuals (for schools, non-school locations and departments, and selected programs), the board approved K-12 school allocation plans (for K-12 schools and adult centers), information on current year expenditures and projections, and general fund appropriations. A series of budget conferences are then held with principals and department heads to review preliminary budgets and review and approve final budgets.

The approaches used to develop budget estimates for schools and non-school units are somewhat different. For schools, general fund budgets are developed using three computerized subsystems which are interfaced with the accounting. The Computer Assisted School Allocation System (CASAS) is used to develop the staff allocations to schools based upon staffing formulas contained in the school allocation plans. Categorical staffing needs (i.e., staff that are paid for by categorical program funds) are calculated on a District-wide basis and are then assigned to individual schools by the District offices responsible for the program. Discretionary staff (i.e., all staff who are not funded using categorical or other restricted use funds) are allocated to schools using a formula that is included as part of the CASAS. Principals are not required to employ all the staff they have been allocated by the CASAS. Instead, the value of all discretionary staff is assigned to schools in the School Based Budget System (SBBS). From that amount, principals can purchase staff and/or designate funds for hourly, overtime salaries and non-salary accounts. In addition, certain non-salary allocations are calculated from the Material, Equipment, and Supply

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[21] Efforts to support the budgeting of both revenues and expenditures are supported by the District's primary accounting system. The budget is programmatically interfaced into the accounting system which, in turn, includes several subsystems that support the budget development process.

Allocation (MESA) subsystem. In addition, State categorical allocations such as textbooks and technology are manually input into the MSA based on the authorizations from the responsible District administrators.

Non-school site general fund budget allocations are based on prior year budgets and are adjusted only to reflect current salary levels of incumbents. Any additional increases must receive approval during the budget development process by the Superintendent. A computerized subsystem ("Penelope"), which interfaces with the District's primary accounting system, is used to support this process.

While systems and procedures to monitor budget performance are generally in place, in some areas efforts to prevent budget overruns are not adequately supported

As the District's primary financial plan, its budget is not just a resource allocation tool, but also an accountability tool that should be used to ensure priorities reflected in the District's budget are reflected in its spending as well. In addition to ensuring that budgeted resources are spent as planned, it is important for the District to prevent budget overruns quite simply because it violates State Board of Education Rules to do so. (The State Board of Education prohibits incurring expenses in excess of the approved budget.)

A number of factors currently contribute to the budget serving as an effective document for ensuring financial discipline and accountability. First, when preparing the annual budgets, care is taken to ensure that information is prepared in sufficient detail to provide for clear levels of operational and financial accountability and allow for effective monitoring at the functional, program, and activity level. Restricted funds are also clearly identified to ensure these monies are not used for unauthorized purposes. In addition, because budget data is entered into the accounting system from the approved budget, key features of the accounting system can be used to monitor expenditures and to prevent budget overruns. These features include the following:

- For almost all non-salary accounts, [22] the accounting system utilizes encumbrance accounting which requires that the availability of a budget authorization be verified before a purchase order is processed.
- The number of personnel is managed through the use of a position control system that prevents a full-time position from being hired unless there is an authorized open position.
- Reports are prepared that reflect budget, year-to-date expenditures, unpaid purchase orders, requisitions and commitments, and available balance by function, program, and object line items.

The Office of Budget Management staff is also responsible for using the information provided by the accounting and budget system to prevent budget overruns. For non-salary accounts such as utilities and employee benefits for which encumbrances cannot be used to prevent budget overruns, budget analysts monitor and review projections on a frequent basis. In addition, budget analysts receive weekly copies of reports (such as the Hourly/Overtime Report) and use these reports to determine whether a location is experiencing budget difficulties. If a problem is identified, the budget analyst will contact the responsible principal or department head and will work with them to develop a plan for resolving the problem. If discussion at this level does not resolve the issue, higher level management will be notified.

While systems are in place to prevent budget overruns in most areas, these systems cannot currently be used to prevent over spending for the salaries of hourly workers and for overtime expenditures. [23] Moreover, the efforts of budget analysts to prevent such overruns in the absence of systemic controls are complicated because the consequences to managers for allowing budget overruns are variable. At the school level, the primary consequence of overspending is that the resulting negative budget balance is carried over until the next year. The principal who created the spending problem is therefore held accountable for fixing the problem (unless, of course, he or she

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[22] Encumbrance accounting is not used for utilities and employee benefits.

[23] In January 2002, the Auditor General issued an audit report on a review of overtime payments and procedures that recommended the District improve its overtime monitoring procedures, improve reports to management for review, and increase involvement of the internal audit department to include an audit of overtime for departments with large amounts of overtime.

transfers to another school or retires). Beyond this modest disincentive to overspend, no additional sanctions are required. For departments that overspend their budgets, no sanctions whatsoever have been established. Indeed, department managers who overspend their budgets are not even required to provide a formal explanation of the reasons for their budget overrun.

In addition, while it is certainly helpful that the accounting system develop reports that can be used to monitor budgets, the benefits of this capability are mitigated, in many cases, by the sheer volume of information and detail presented on the reports. Exception reports are not provided from the system to facilitate monitoring for budget overruns. Budget personnel must often enter information from the accounting system reports into spreadsheets so that the data provided in these reports can be manipulated and used to support analysis and decision making. Needless to say, manually entering this information into spreadsheets increases costs and also increases the likelihood that data entry errors will be made.

Recommendations

- *We recommend that the District establish formal documentation of overspending for departments. Action Plan 14-13 provides the steps needed to implement this recommendation.*

- *We recommend that the Budget Office develop automated reports such as exception reports, which summarize certain details to facilitate review and monitoring of the budget.*

Action Plans 14-13 and 14-14 provide the steps needed to implement this recommendation.

Action Plan 14-13

Establish Formal Documentation And Consistent Standards for Budget Overspending	
Strategy	Establish consistent standards of documentation accountability for overspending budgets for schools and departments.
Action Needed	Step 1: Closely monitor District spending for schools and departments.
	Step 2: Establish a review process for principals and department heads whose expenditures exceed budget.
	Step 3: Require formal explanation and action plans for resolving budget overspending.
	Step 4: Tie principal and department head evaluations to budget monitoring.
Who Is Responsible	Chief Financial Officer and Deputy Superintendent
Time Frame	As soon as possible
Fiscal Impact	This recommendation can be implemented with existing resources.

Source: Berkshire Advisors, Inc.

Action Plan 14-14

Generate Automated Reports to Facilitate Monitoring and Analyses		
Strategy	Facilitate the budget monitoring and reporting process by generating automated reports from the budget and finance accounting system.	
Action Needed	Step 1:	Identify the reports that are required to facilitate budget monitoring and analyses.
	Step 2:	Prioritize reports as to need and usefulness considering factors such as the time and labor consumed in preparation.
	Step 3:	Consult with Office of Information Technology (OIT) personnel on the feasibility of development of reports or assessment of whether the information can be downloaded from the budget and finance accounting system by Budget staff.
	Step 4:	Establish timetable for training staff and for the development of the reports.
Who is Responsible	Chief Budget Officer	
Time Frame	As soon as possible	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Source: Berkshire Advisors, Inc.

20 The District has provided adequate controls to ensure accountability for cash resources.

Effective controls have been established to protect the District's significant cash resources

In a District as large as the Miami-Dade County School District, effective controls to protect cash resources are especially important because the District receives, accounts for, and invests large amounts of cash each business day. The District's cash resources include daily school cafeteria collections, collections from daily school operations, reimbursements from local and federal grant agencies, and receipts from general obligation bonds. In addition, cash receipts include certificate of participation drawdowns, State revenues, local property taxes, charter school payments, and maturing investments. In total, the District's cash and cash equivalents at June 30, 2001, are approximately $79 million.

The District has implemented a number of effective practices and procedures to protect these cash resources:

- Effective procedures for accounting for cash resources have been established
- Responsibility for the collection and recording of cash has been segregated
- Appropriate bank reconciliation practices are in place
- Timely deposits are encouraged
- Non-deposited cash receipts are stored in a secure location

A brief discussion of each of these effective practices follows.

Accounting for cash resources. The District has established effective systems and procedures to support accounting for cash resources. In particular, existing procedures and systems currently require two levels of review as part of the process of accounting for cash resources on a daily basis. The assistant treasurer is responsible for reviewing the daily analysis of the District's pooled cash position and cash flow and for reviewing reports detailing

the interface between the District's cash management system and the general ledger. In addition, the treasurer is responsible for signing confirmation letters for all cash transactions, including investments.

Segregating responsibility for collecting and recording cash. Segregating responsibility for the collection and recording of cash is extremely important to ensure that a person who receives cash does not record a lower amount and pocket the difference. For receipts received centrally, the District has assigned responsibilities to ensure that persons responsible for collecting and depositing monies (Office of the Treasury) are different from those responsible for recording cash receipts (General Accounting Unit). At the school level, on the other hand, segregating responsibility for collecting and recording cash is more difficult simply because the number of staff available to support school level financial operations is limited. Procedures requiring the principal to approve all bank deposits provide some oversight and control. However, as discussed in Section 4, the practical limitations associated with segregating responsibility for collecting and recording cash at individual schools supports the need for school financial operations to be audited on a regular basis.

Bank reconciliations. Responsibilities for preparing and approving bank reconciliations are appropriately segregated from responsibilities for cash disbursements and cash receipts. (If these functions were not segregated, persons could deposit less money than supported by deposit slips and the irregularity might not be uncovered.) At the central office, the Investment and Bank Reconciliation unit is responsible for preparing bank reconciliations (which it does in a timely manner) while, as discussed, the Office of the Treasury, Cash and Disbursement Management and Office of the Treasury, Treasury/Finance units are responsible for cash disbursement and cash receipts, respectively. At the school level, the treasurer is responsible for preparing the bank reconciliation for the internal funds. Cash is received by both teachers and administrators for various purposes and submitted to the treasurer for deposit preparation. In addition, the treasurer is also responsible for preparing all cash disbursements and updating the accounting system. At month end, the treasurer generates monthly financial reports and prepared bank reconciliations for all school internal funds. These financial reports are submitted to the District's Internal Fund Accounting group for review and analysis.

Timely deposits. With such large daily cash balances, it is clearly important to have as high a percentage of these resources earning interest each day as possible. The District recognizes this issue and has taken steps to monitor the timeliness of deposits. In particular, daily reports on cash receipts are forwarded to the Office of the Controller's Investment and Bank Reconciliations unit where this information is compared to bank statements to ensure and verify the timely depositing of cash.

Security. Despite the District's efforts to ensure the timely deposit of cash resources, inevitably some cash may not be deposited each day. At both the central office and at school sites, non-deposited funds are maintained in locked safes.

21 The investment plan specifies the approved type of investments and performance criteria that maximizes return and mitigates risk

Investment activities for the Miami–Dade County School District are performed by the Office of Treasury Management. The treasurer, assistant treasurer, and director are responsible for the investment activities and are bonded. An investment management system is used by the District to assist in its performance of investment activities such as in monitoring market conditions, soliciting quotes and executing the investments. Securities are held in safekeeping by a third-party custodial institution and are registered in the name of the District.

The District invests in various instruments within the guidelines outlined in its investment policy. This diversification policy safeguards the District's assets. The investment policy includes investment in the State Board of Administration's Local Government Surplus Funds Trust Fund investment pool created by 218.405, F.S. This investment pool operates under the investment guidelines established in s. 215.47, F.S. This fund offers highly liquid investments with competitive rates. For purposes of maximizing the return on short-term investments, the cash balances of all funds are pooled, unless separate cash and investment accounts are required in accordance with

legal or contractual requirements. For the year ended June 30, 2001, the average portfolio was $824 million, with pooled cash being the largest component of the portfolio at an average of $546 million. The amount of pooled cash invested ranged from $774 million in January 2001 to $298 million in November 2000. Exhibit 14-25 reflects the investments and cash at June 30, 2001, 2000 and 1999, at fair value. Exhibit 14-26 reflects the monthly average balances, earnings, and yields for fiscal year 2001. Investments and cash average approximately 13% of total assets over the three-year period.

Exhibit 14-25

Investments and Cash Held at Year End (in thousands)

Description	2000-01	1999-00	1998-99
U.S. Government Agency Notes & Securities	$142,972	$209,604	$200,656
Commercial Paper	335,510	244,534	287,047
Bankers Acceptances	100,669	159,254	167,737
State Board of Administration-SBA Local Government Investment Pool	148,950	56,403	86,047
Time Deposits	24,500		
U.S. Government Agency Notes-Pension Trust Fund		10,001	5,972
Investment in Money Market-Pension Trust Fund	1,942	994	18,461
State Board of Education-Capital Outlay Bond I Issuance (COB) Bonds	3,625	3,794	3,844
Corporate Bonds-Pension Trust Fund	12,483	7,488	
Corporate Stocks-Pension Trust Fund	6,222	5,120	
Commercial Paper-Pension Trust Fund	9,913	7,857	7,515
Total Investments	786,786	705,049	777,279
Deposits	97,421	45,997	6,595
Total Cash and Investments	**$884,207**	**$751,046**	**$783,874**

Source: Office of Treasury Management.

Exhibit 14-26

Analysis of Pooled Cash and All Funds

For the Year Ended June 30, 2001 (in thousands)				
Pooled Cash	Net Earnings	Average Daily Portfolio	Yield	SBA LGIP Yield*
July	$ 2,897	$543,740	6.27%	6.56%
August	2,421	454,230	6.28%	6.60%
September	2,202	421,674	6.35%	6.61%
October	1,933	365,781	6.22%	6.64%
November	1,543	298,778	6.28%	6.67%
December	3,174	578,626	6.46%	6.68%
January	4,111	773,885	6.25%	6.18%
February	3,445	731,535	6.14%	5.71%
March	3,386	681,398	5.85%	5.39%
April	2,856	620,862	5.60%	4.97%
May	2,571	581,365	5.21%	4.53%
June	2,080	509,799	4.97%	4.18%
Annualized	$32,619	$546,806	5.97%	5.89%
All Funds Annualized	$49,023	$823,815	5.95%	Not applicable
* LGIP - Local Government Investment Program				

Source: Office of Treasury Management.

The investment plan includes investment objectives and performance criteria designed to maximize return consistent with the risks associated with each investment, and specifies the types of financial products approved for investment

The District has established an investment policy that directs investment activities and sets guidelines as to the investment type, issuers, risk, and the percentage of the investment portfolio that can be invested in any type of investment, etc. The policy states that the District will implement procedures consistent with sound financial practices such that all funds determined to be available for investment are invested and placed on deposit with interest to earn the maximum possible yield within conservative and prudent criteria. The investment policies are outlined in Board Rule 6Gx13 -3B-1.01 and <u>Deposit and Investment Policies for School Board Funds</u> and the procedures manual for the Office of Treasury Management. State Statutes and Board Rule 6Cx13-3B-1.01 outlines the type of investments permitted for the District. In addition, the investment policy requires that the performance of the investments must be comparable to that of the State Board of Administration. As noted in Exhibit 14-26, the investment yields obtained by the District exceeded the returns by the SBA Local Government Investment Pool for the fiscal year ended June 30, 2001.

An investment advisory committee was also authorized by the board to review and recommend policies. The advisory committee is comprised of five voting members who are members from the community with business, banking, and /or financial experience. Non voting members of the committee are currently a board member, the chief financial officer, the treasurer, and the controller. The advisory committee meets quarterly and reviews monthly reports that reflect the investment results, portfolio composition, and performance compared to budget and forecast. Board Rule 6Gx13-3B-1.01 authorizes the investment advisory committee to assist in establishing guidelines, in addition to those set in the Board Rule, on investment type and the percentage of investments held, such that returns are maximized while minimizing credit and collateral risks. Any exceptions to the board policies are reported to the investment advisory committee.

The Office of the Controller verifies investment transactions executed by the Office of Treasury Management on a daily basis, maintains detailed accounting records for all investment activities and reconciles the statements to the general ledger.

22The established controls for recording, collecting, adjusting, and reporting receivables are effective.

The District's receivables for fiscal years 2001 through 1999 are shown below in Exhibit 14-27.

Exhibit 14-27

Summary of Receivables Held at Fiscal Year End

Category	2000-01	1999-00	1998-99
Tax receivable	$ 39,817	$ 32,772	$ 35,795
Accounts and interest receivable	9,481	9,154	10,084
Due from other government agencies	256,059	273,430	233,369
Total	**$305,357**	**$315,356**	**$279,248**

Source: Comprehensive Annual Financial Report

Receivables represent 6.7%, 7.5%, and 6.9% of the asset balance for fiscal years 2001 through 1999.

Throughout the year, property taxes are recorded on a cash basis. The Metropolitan Miami-Dade County's Tax Collector's Office forwards a property tax accrual schedule at the end of the fiscal year. This schedule is used to

record the tax receivable in the general ledger. In addition, interest receivable relates to the interest earned on property taxes received by the Metropolitan Miami-Dade County, but not transferred to the District.

Accounts receivable includes cumulative payroll overpayments that we noted at June 30, 2001, for approximately $584,000 or .03 percent of the annual payroll. The overpayments were the result of:

- Inaccurate information regarding employee qualifications
- Incorrect reporting of employee hours/days worked by work location
- Untimely reporting that employees no longer performed supplemental activities

The District continues to try and recover overpayments from inactive employees via an independent contractor collection agency. Receivables also include outside agencies, federal, State and local receivables, employee benefits, and other various agencies and organizations.

Controls are adequate for recording, collecting, and reporting receivables

Adequate controls over receivables entails that the collecting and posting of transactions be segregated from the responsibility of maintaining detail receivable records. Accounts receivable records are maintained by the General Accounting Division and the general ledger is posted and updated by the Department of Operational Accounting. These functions are segregated from the Office of Treasury Management which is responsible for collecting all cash. On a monthly basis, the general ledger accounts receivable balance is reconciled to the subsidiary ledger. Aged receivables are periodically reviewed by management for collectibility. The Division of General Accounting submits recommendations for write-offs to management and the school board on an annual basis.

23 Controls have been established to provide adequate accountability for the payment of salaries and benefits

Employees are compensated based on salary schedules, which have been approved by the school board, as required by State Board of Education Rule 6A-1.052, F.A.C. and Section 236.02(4), F.S. The District's payroll system and the controls and procedures embodied within, ensure that employees are paid based on approved school salary schedules. Payroll deductions, which are the result of open enrollment processes or changes initiated by the employee, are also strongly monitored. Employees receive benefit statements for review and approval prior to effectuating a benefit change. Salary and wage changes are processed, on-line, pursuant to compensation specifications in contracts and board agenda items. Salary changes are monitored and/or revised by wage and salary staff.

Eighty-five percent of the District's total current expenditures are attributable to salary and benefit payments. Exhibit 14–28 reflects salary and benefit payments for the fiscal year ended June 30, 2001, as detailed in the Annual Financial Report for the General Fund, Special Revenue Fund – Food Services and Special Revenue Fund – Other.

Exhibit 14-28

Summary of Salary and Benefit Costs for Fiscal Year 2000-01

Account	Amount
Salaries	$ 1,663,561,562
Fringe Benefits	454,030,759
Total	**$2,117,592,321**

Source: Annual Financial Report.

Controls over salary and benefit payments are effective.

Access to the payroll master file is controlled by a two-level security access system. Access to the payroll computer application must be authorized through the OIT security system. The security levels have been designated by the payroll executive director or the payroll supervisor II. In addition, the payroll executive director and/or the payroll supervisor II designate the employees within the payroll department which have access to display or input payroll information. Gross wages, federal wages and taxes, social security wages and taxes, net wages, medical wages and taxes, deductions taken, deferred payments, and reimbursement amounts can only be updated in the payroll system by properly approved and authorized payroll transactions.

Time keeping is performed at each work location using daily attendance sheets. At the end of a bi-weekly payroll cycle, the secretaries or the payroll clerks at the work locations enter the appropriate data into the automated roster system. The final payroll roster must be signed and approved by the principal or the administrator evidencing the approval of the attendance, including overtime, and an approval of the pay code for each location. All holidays, annual, sick, and compensatory time is detailed in each bargaining union contract and Board Rules. The payroll computer system is responsible for the automatic updating of annual and sick leave balances.

After each payroll is completed, the payroll computer system interfaces with the general ledger to post all payroll transactions. Accounting personnel is responsible for analyzing, researching, reconciling, and correcting the payroll general ledger accounts. They ensure that the appropriate accounts have been updated and reflect the payroll activity. These procedures are evidenced by work papers that reconcile the payroll reports to the general ledger and to each other. The payroll register is reviewed and approved before disbursements are made. Deductions are reviewed and approved by the Deductions Control Section and earnings are reviewed and approved by the Payroll Section. The Payroll Department uses exception reports to validate payroll information.

Procedures have been implemented for investigating returned W-2s

W-2 forms are compared to the payroll records by review and analysis of W-2 audit reports that have been balanced by the Payroll Department and OIT. The Payroll Department is responsible for mailing the W-2s to the various work locations or mailing the W-2s via US mail to terminated, substitute or on-leave employees. Payroll personnel indicated that returned W-2s are filed until claimed by the employee; however, the Payroll Department does not have any policies and procedures in place to investigate returned W-2s. For calendar year 2000, less than one percent (1%) of the W-2s issued were returned to the District.

W-2s are generally due to employees by January 31 of the following year in order to facilitate the filing of the employee's personal income tax return. The employer is required to maintain all employee copies of W-2s that could not be successfully delivered for a minimum of four years. The Internal Revenue Service (IRS) guidelines state that it is the responsibility of the employer to ensure that W-2 forms are furnished to all employees and filed correctly and on time. The following may be reasons for undeliverable W-2 forms:

- Outdated personnel information used i.e. name and/or address
- Ghost employees
- Inaccurate data processing
- Software problems

The employer may be subject to a penalty by the IRS if it fails to provide the statements by January 31, it fails to include all information required to be shown on the statements, or it includes incorrect information on the statements.

Effective February 2002, procedures have been implemented related to returned W-2s and the procedures have been incorporated in the internal payroll procedures manual.

The District has not evaluated the payroll processing function to determine its cost effectiveness

The District does not periodically assess whether its payroll processing functions are cost effective when compared to utilizing outside payroll service providers. The costs associated with the payroll processing function are maintained and monitored as part of the budgetary and accounting functions of the District. Payroll personnel indicated that the District is continually analyzing and implementing procedures and processes to improve and make the payroll function more efficient. Additional automated procedures and controls are added each year to facilitate continued efficiency. According to the payroll representative, outsourcing of payroll functions would not be efficient because of the magnitude and complexity of special payroll reports generated and provided to District management and the State. It is believed that even though a service provider could generate the necessary reports, the service provider could not, however, provide the reports in a timely manner. Discussions with three national payroll service providers disclosed that none had experience in providing payroll services to school Districts, and/or the payroll service provider did not express an interest in providing such services due to the nuances associated with school District payrolls.

24 The District analyzes, evaluates, monitors, and reports debt-financing options.

The District has procedures for analyzing, evaluating, monitoring, and reporting debt-financing options

The Office of Treasury Management is responsible for the administration of debt-financing activities. These administrative activities include holding periodic meetings with Facilities, Capital Budget, and other Financial Affairs representatives to discuss the long range and immediate capital project needs of the District and the available financial alternatives. Other responsibilities include compiling and analyzing debt financing options, review of costs of issuing debt, review of the cost/benefit of refunding and advance refunding transactions, monitoring compliance with bond covenants and analyzing the debt capacity of the District. All financing methods and debt issuance decisions are made by the school board.

Exhibit 14-29 summarizes this debt held at June 30, 1999 through 2001 which average approximately 25% of total liabilities and fund balance over the three-year period. The District utilizes various debt-financing alternatives which include general obligation bonds, revenue anticipation notes, tax anticipation notes, and certificates of participation. The District also utilizes advance refunding of general obligation bonds and certificates of participation when it is economically feasible to do so which has resulted in substantial savings in debt service expense.

Exhibit 14-29

Three Year Summary of Debt Held at Year End (in thousands)

Category	2000-01	1999-00	1998-99
State Board of Education-Capital Outlay Bonds	$ 139,020	$ 144,465	$ 149,190
General Obligation School Bonds	334,545	364,840	403,730
General Obligation Refunding School Bonds	422,535	436,440	440,460
Revenue Anticipation Notes		32,150	
Certificates of Participation	806,168	494,725	511,265
Total	**$1,702,268**	**$1,472,620**	**$1,504,645**

Source: Comprehensive Annual Financial Report.

The District has engaged an independent financial advisor to provide ongoing financial advisory services. The financial advisor was selected as a result of the RFP process in 1996. The contract term was for three years, with an option to extend the contract for an additional three-year period. The financial advisor provides assistance in soliciting and evaluating financing proposals, choosing between negotiated or competitive bid methods of sale. Additionally, services for underwriters are contracted, as needed, for debt offerings. The District attempts to time the sale of securities to achieve the most favorable interest rates. At June 30, 2001, rates on debt range from 3.7% to 7% with a yield of 4.6% to 5.9%.

The District has received the following bond ratings from Standard & Poor's and Moody's rating services:

- General Obligation School bonds – Standard & Poor's A+ and Moody's A2.
- Certificates of Participation - Standard & Poor's A, and Moody's A3.

These high ratings indicate that the District is considered financially capable of meeting its debt service requirements and is considered financially stable by the rating services.

25 Grant Activities Are Effectively Monitored and Reported.

The District effectively monitors and reports grant activities

The District receives significant grant resources. Most of these resources are from recurring grants that have been received by the District for many years. Federal Programs and Grants Administration (Grants Administration), in collaboration with the other various District departments, is responsible for grant development and grant management under the supervision of its Deputy Superintendent. Grants Administration is responsible for the procurement of all District grants, i.e., federal, State, entitlements, competitive, and foundation grants. Grants Administration provides technical assistance for the application process and during the grant writing process. Grant management tasks performed by Grants Administration (along with project managers) include preparing the necessary board documents to present the grant award for approval by the board. Reporting and compliance requirements are summarized by Grants Administration, along with other pertinent information about the grant such as beginning, ending, liquidation dates, grant amount, budget, and disseminated to the project manager and to the Budget, Controller and Contracted Programs Accounting offices. Reporting and compliance requirements are also monitored by Grants Administration.

Grants Administration provides a handbook and workshops for project managers to address the administrative requirements for grants and reinforces project manager responsibilities for documentation and project implementation according to the grant application and award. Project managers have access to the accounting system for on-line financial reports, and hard copies of monthly reports are provided to them for monitoring of the grant. Grant activities are also subject to internal and external audits; federal grant programs are subject to the single audit requirements under OMB Circular A-133.

Budgets are entered into the accounting system by the Office of Budget Management and monitored by Grants Administration and the Budget Office; budget amendments are prepared by Grants Administration when necessary. Required financial reports are prepared by Contracted Programs Accounting and are submitted to the project manager and Grants Administration for approval for submission to the funding source. Contracted Programs Accounting is responsible for requesting drawdowns or reimbursement of funds, and recording the appropriate receivables and revenue for grants in the general ledger.

If the terms of the grant extend over more the one fiscal year, the unencumbered and uncommitted remaining grant balance is transferred as the beginning grant budget for the next fiscal year. Grant extensions are requested and obtained for funds that remain at the end of the initial grant period, as appropriate. Grants are monitored closely such that minimum grant funds are returned to grantor agencies because they were not spent in accordance with grant provisions or were not expended prior to the grant provisions expiring.

All sub-recipients perform the scope of work through a contract for professional services and are paid in conformance with the District policies for purchases and accounts payable. Any invoices and purchase orders that remain unpaid after the grant is liquidated are paid from the general funds for the school or department.

The District experienced increases related to its grants programs, both in the number of grants and total grant dollars received in fiscal year 2001 from fiscal year 2000. Overall, as noted in Exhibits 14-30 and 14-31, grant funds increased 11 percent for competitive grants; the increase in funding was 61.7 percent. Exhibit 14-31 provides the total number of competitive grants (federal, State, and local) and funded amounts. Exhibit 14-32 identifies the five largest grant programs which comprised more than 73 percent of the total grants.

Exhibit 14-30

Grant Funding Increased 11 Percent in Fiscal Year 2000-01

Funding Source	2000-01		1999-00		1998-99	
	Amount	Percent	Amount	Percent	Amount	Percent
Federal	$ 8,309,709	3.90%	$ 12,308,282	6.50%	$ 16,090,769	8.50%
Federal through State	186,716,787	88.30%	159,311,532	84.00%	162,979,542	85.00%
State	11,732,461	5.50%	4,773,834	2.50%	3,587,547	1.80%
Foundations	1,217,963	0.60%	672,212	0.40%	3,936,429	2.00%
Federal through Local	1,021,819	0.50%	3,468,889	1.80%		
Local Funds	2,448,305	1.20%	9,167,605	4.80%	5,190,552	2.70%
Total	**$211,447,044**	**100.00%**	**$189,702,354**	**100.00%**	**$191,784,839**	**100.00%**

Source: Office of Federal Programs and Grants Administration.

Exhibit 14-31

Competitive Grants Received Increased Significantly in Fiscal Year 2000-01

Fiscal Year	Number of Grants	Funded Amount
1999	127	$20,878,310
2000	124	20,874,710
2001	147	33,751,958
Percentage Change - 1999-00 to 2000-01	**18.50%**	**61.70%**

Source: Office of Federal Programs and Grants Administration.

Exhibit 14-32

Five Largest Grants for Fiscal Years 2000-01 and 1999-00

Grant Title	2000-01	1999-00
Title 1	$ 82,766,506	$ 82,252,210
IDEA (Individuals with Disabilities Education Act (Part B)	46,419,633	34,903,251
Title IV	15,075,107	13,642,535
SAVES (Studies for Adult, Vocational, Educational Skills Refugee/Entrant Targeted Assistance Program	5,246,000	5,492,000
EIEP (Emergency Immigration Education Program	6,362,709	6,071,852
Total	**$155,869,955**	**$142,361,848**
Percentage These Grants to Total Grants for the Fiscal Year	**73.70%**	**75.04%**

Source: Office of Federal Programs and Grants Administration.

Purchasing

Background

The Bureau of Procurement and Materials Management is staffed with 47 District employees (13 administrators, 29 clerical employees and 5 hourly employees). While most of the staff focuses on the Bureau's core procurement activities, one supervisor and nine clerical staff are assigned to the Quality Control Section. This section is responsible for providing agenda preparation, bid processing support, contract management services, and file and vendor maintenance. Procurement activities are governed primarily by several sections of the Florida Statutes and the Florida Administrative Code, as well as several school board rules.

In fiscal year 2000-01, the District processed over 113,871 purchase orders at an average cost of approximately $18.82 per purchase order. To facilitate the processing of such a large number of purchase orders (an average of almost 438 per day) the Bureau acquired an on-line fax server system in fiscal year 2000-01. This system automates the process of securing quotations for purchases under $10,000. In addition, this system facilitates the maintenance and analysis of historical information relating to vendor utilization, rotation, and data transmission. Also, the District is considering other approaches to automating the purchasing process including the use of a web-based system. If this system is implemented, the current system of posting and disseminating bids via the District's web-site would be enhanced to streamline the process of evaluating and approving bids.

26The District adequately segregates purchasing responsibilities from the requisitioning, authorizing, and receiving functions.

Responsibility for purchasing is organizationally separate from the responsibility for requisitioning, authorizing, and receiving

The District has organized its financial management, accounting, and purchasing functions so that different organizational units are responsible for key aspects of the processes for purchasing, requisitioning, authorizing, and receiving items. A brief description of how roles and responsibilities for various aspects of these processes are assigned to various District departments and units follows:

- **Purchasing**. The Bureau of Procurement and Materials Management is responsible for overseeing and managing the process of issuing bids and selecting vendors.
- **Requisitioning**. Responsibility for requisitioning items is decentralized across the full range of District departments and schools.
- **Authorizing**. Responsibility for authorizing purchases is also decentralized. Procedures have been established to ensure that only persons with appropriate authority can authorize purchases.
- **Receiving**. Warehouse facilities as well as individual work units receive items.
- **Invoice processing**. The Accounts Payable Department is responsible for invoice processing. Invoices are processed only after work has been approved by the appropriate department or school, and goods and/or services have been received.
- **Accounting**. The General Accounting Department is responsible for general ledger functions.

Segregating responsibility for these key functions among distinct organizational units helps to ensure the integrity of this process.

The District's accounting system is structured to ensure the integrity of the requisitioning, purchasing, and receiving process

The segregation of duties relating to the requisitioning, purchasing, and receiving functions is facilitated by the District's accounting system. User access to the systems relating to these functions is limited based on authorization levels and user access codes. The accounting system also facilitates processing by automatically recording and posting all cash disbursements in accordance with the account structure.

27 Adequate controls have been established for authorizing purchase requisitions.

The District has created systems and procedures to ensure that requisitions are properly authorized, approved, and are performed timely

District systems, policies, and procedures work together effectively to meet the competing needs of ensuring that purchase requests are processed in a timely manner while also ensuring these purchase requests are properly authorized and approved. Three important features of the current process help to ensure these competing imperatives are met.

- The process of issuing and approving requisitions has been effectively automated
- Approval levels are well defined and incorporated into automated processes
- Procedures and systems have been established to allow purchases only if funds are available

A discussion of each of these key features of the District's current approach to authorizing and approving requisitions follows.

Automated processes. The requisition approval process is maintained in the purchase requisition approval system portion of the District's electronic mail system. This computer system is separate and distinct from the accounting system, but interacts electronically to provide administrators in the approval chain with an efficient procedure for on-line reviewing, tracking, printing, approving, or disapproving of purchase requisitions. To prevent bottlenecks in the approval process, a provision has been made to add approvers to the approval chain and to designate a substitute approver for any administrator. In addition, a computerized purchase requisition, the Purchase Requisition Worksheet, is used to collect all information to ensure accurate and complete on-line processing of purchase requisitions. The on-line system generates a requisition number during the data input process.

Authorization and approvals. Purchase requisitions are initiated and approved by schools and departments. The requisitions show a suggested vendor, a category and item code, and description of each item being purchased, as well as quantity and price. Requisitions are electronically routed through an administrative approval chain, based on the dollar value of the item being requisitioned.

The District requires three levels of approvals to authorize purchase requisitions. Purchases, Stores and Distribution, and General Authorization requisitions less than $3,000 require only a Level 1 approval from the worksite administrator, unless it is also a Special Approval Requisition (discussed below), in which case a Level 2 approval by a department head is also required. Requisitions of the same nature in excess of $3,000 require a Level 1 approval from the worksite administrator, a Level 2 approval, if necessary, and a Level 3 approval from the appropriate member of the District's senior staff.

Special Approval Requisitions include requisitions from areas such as capital outlay, federal projects, food and nutrition, and computer equipment, to name a few. The Special Approval Requisition always requires the approval of the worksite administrator (Level 1), and approval from the appropriate member of senior staff (Level 3) based on

the amount of the purchase requisition. Special Approval Requisitions also require Level 2 approvals from department heads. For example, capital outlays require the approval of the Bureau of Facilities Management, executive director/associate superintendent, and the deputy superintendent. Similarly, federal projects require the approval of the Bureau of Grants Administration, administrator/assistant superintendent and food and nutrition requisitions require the approval from the Department of Food and Nutrition, senior executive director.

Exhibits 14-33 and 14-34 summarize dollar thresholds and approval requirements for purchase orders and emergency purchase orders.

Exhibit 14-33

Summary of Thresholds and Required Approvals for Purchase Orders

Purchase Order Dollar Amount	Required Signature Approval
$0 - $3,000	Junior Buyer or Office Manager
$3,001 - $10,000	Buyer
$10,001 - $30,000	Buyer and Supervisor or District Director
$30,001 - $50,000	Buyer, Supervisor, and District Director
$50,001 - $99,999	Buyer, Supervisor, District Director, and Superintendent
$100,000 and up	Buyer, Supervisor, District Director, Associates Superintendent, and Chief Financial Officer

Source: Miami-Dade County School District.

Exhibit 14-34

Summary of Thresholds and Required Approvals for Emergency Purchases

Purchase Order Dollar Amount	Required Signature Approval
$0 - $10,000	Buyer
$10,001 and up	Buyer, Supervisor, District Director, and Associate Superintendent

Source: Miami-Dade County School District.

Availability of funds. When purchase requisitions are created, an interface with the accounting system is established. During this interface, the availability of funds is verified based on the fund structure entered by the requestor. If funds are not available to accommodate the purchase from the appropriations identified, a message is sent, on-line, to advise the person making the request. The process of determining the amount of funds available (or not obligated) is determined prior to committing the proposed purchase in the system. Once approved, the requisition is routed to a buyer based on the item and category code.

28Purchasing practices and procedures are sound.

Purchasing practices and procedures have been established that both ensure the integrity of the purchasing process and ensure that the District pays competitive prices for goods and services it receives.

A number of imperatives must be considered when developing a purchasing process. The process must be structured to ensure it is fair, that the prices paid for goods and services are appropriate, and that the process is not

unduly time-consuming and does not create an undue burden on either vendors or District staff. The purchasing practices and procedures that are in place in MDCSD successfully fulfill each of these goals. A brief discussion of several noteworthy features of the existing purchasing practices and procedures follows.

Conflict of interest. The District's policies regarding conflict of interest and business practices have been established and are outlined in Board Rules, Vendor Application forms, procedures manuals and instructions to bidders. All Bureau of Procurement and Material Management employees are required to sign a policy statement indicating their acceptance and understanding of Procedure 1 – Gratuities which outlines the prohibition of gratuities or personal favors.

Documentation of procedures. Purchasing procedures are well documented by the Bureau of Procurement and Material Management. Procedures manuals address many areas including, but not limited to, requisitioning, receiving and evaluating bids, coordinating planned purchases, and approval procedures for purchase orders and contract issuance.

Prices paid. To ensure the District does not pay too much for the goods and services it receives, purchase prices are periodically reviewed by the Technology Standards Review Committee, the Procurement Contract Review Committee, the Office of Management and Compliance Audits and by external auditors. In addition, through fax server technology, the buyers are able to maintain price quotes and price lists for each buying area. Price lists are also maintained on diskettes, published on the Internet, or maintained in hard copy in the Purchasing Department.

Financial control and accountability. To ensure that the purchase orders are controlled, the on-line purchase order system automatically generates the purchase order number, which is prefixed by an alpha character. The alpha character represents the buyer responsible for generating the purchase order. The procedures manuals detail the steps necessary for users to make changes to a purchase order. Changes are also subject to review and approval controls.

The District is taking appropriate steps to modify competitive bidding requirements.

Exhibit 14-35 shows that competitive bidding requirements currently vary with the dollar value of the goods or services being purchased.

Exhibit 14-35

Summary of Competitive Bidding Requirements

Threshold	Type of Procurement Action Required
$10,001 and above	Bid required and board approval
$3,000 - $10,000	Five (5) letter quotes and three (3) telephone quotes
Less than $3,000	One (1) written letter quote may be obtained, but not required. District utilizes fax server.

Source: Miami-Dade County School District.

Varying the level of effort required to procure goods and services based on the cost of the goods and services is an effective practice. For low value items, the administrative costs associated with undertaking a formal bid process, for example, would likely overwhelm any potential savings associated with ensuring the process is competitive. It is important, however, that the administrative burden associated with undertaking a competitive bidding process and the potential savings from undergoing such a process be calibrated from time to time to ensure that appropriate bid thresholds are in place.

The District has just completed such an assessment and is in the process of amending its competitive bid requirements (as defined in Board Rule 6Gx13-3c-1.111). The proposed amended rule, which is in the initial reading phase, now requires formal written bids "for each purchase of more than $25,000 or the current threshold established

by statute…". In addition, the proposed amendment requires written and telephone quotations "for each purchase of $3,000 to $25,000 or the current threshold established by statute…". (The proposed amendment is consistent with Section 230.22 of Florida Statute.) Adjusting the District's competitive bid thresholds to the proposed thresholds seems appropriate given the small number of bids processed that were in excess of $10,000, but less than $25,000. During fiscal year 2000-01, the District processed 34 competitive bids that were less than $25,000 and has processed only five such bids in the current fiscal year.

29 Controls have been established to ensure that goods are received and meet quality standards.

The District has established appropriate procedures for receiving goods.

Effective procedures have been established for receiving goods at the District's primary warehouse facilities (operated by Stores and Mail Distribution, Maintenance and Material Management, Transportation and Textbook). When goods are received, they are unloaded, counted, checked for model, make, vendor, unit cost, quality and damage. In addition, receiving receipts are checked to ensure that there is a valid purchase order for the goods by making an inquiry into the accounting system. Moreover, if a purchase exceeds $10,000, a hard copy of the receiving document is forwarded to accounts payable. If items need to be returned, an appropriate notation is made on a vendor log. On the other hand, if an insufficient quantity of items were received, a discrepancy report is prepared. It is worth noting that goods are checked to ensure that they meet specifications as written on the purchase order – substitutions are not accepted without prior written approval.

An on-line system is used to document the receipt of goods that are delivered directly to individual schools and work sites. When this on-line system is used, the accounting system automatically processes a goods receipt notice and assigns a unique number to the record of the receipt. A notice is also automatically prepared and linked to the purchase order number. This notice indicates the date the goods were received, the quantity received, authorizations, and provisions for receiving information on partially filled purchase orders. This notification is then electronically forwarded to the Purchasing and Accounts Payable Sections.

Payment Processing

Background

The cash and disbursement management function reports to the Office of Treasury Management and is responsible for disbursing payments to District vendors. Accounts Payable, a department within the Office of the Controller, processes vendor invoices for payment, with the exception of transactions executed with internal funds. In addition, the accounts payable department also reviews and inputs payment information for Contract Management and processes utility invoices for Energy Management.

30 Disbursements are properly authorized, documented, and recorded.

Procedures and controls exist to ensure that all disbursements are properly authorized and signed.

The District takes a number of steps to ensure that only properly authorized disbursements are paid.

- Authorized signatures are required on all disbursements
- Access to the check signing machine is tightly controlled
- Responsibilities for the disbursement process are appropriately segregated
- Checks and other documents needed to disburse funds are carefully managed
- Issuance of checks is promptly reported

A brief discussion of each of these procedures and controls follows.

Authorized signatures. The District requires the facsimile signature of the board chair and the superintendent of schools on all disbursements less than $50,000. All checks in excess of $50,000 require the facsimile signature of the board chair, the superintendent of schools, and the original signature of the chief financial officer, deputy superintendent of management accountability, chief budget officer, and deputy superintendent of schools operations or the controller. Financial institutions are immediately notified, in writing, when a new check signer is authorized or previous signer leaves the employment of the District.

Access to the check signing machine. The District maintains one check signing machine and the Burster/Imprinter check signer for payroll checks is stored in a secured locked checkroom. The keys to operate these machines are stored in a locked safe which is controlled by the treasurer or his/her designee. Likewise, all signature plates and rubber facsimiles are stored in a locked file cabinet. The check signing machines can only be operated by authorized users with the proper user and access codes.

Segregated responsibilities. To protect the District against malfeasance, responsibilities for various aspects of the disbursement process are segregated among a number of individuals and units. The Accounts Payable Department prepares vendor payment packages and remits them to the Office of Treasury Management for prompt payment. The coordinator, in the Office of Treasury Management, then downloads the payment information and encrypts the data for check processing. The office manager, in the Office of Treasury Management, imports the check files and data into the check writing system and prints all checks with facsimile signatures. The senior treasury clerk receives the non-negotiable copies of the checks, the signed and sealed checks and all other documentation from the office manager as well as the payment packages from accounts payable. The treasury clerks then verify the vendor name and address appearing on each check, the vendor number, and ensure that all documentation has been accounted for after the checks have been signed. Unless otherwise indicated, all checks are delivered to the mailroom upon completion of the verification process.

Control of checks and other documents. On a weekly basis, paid purchase orders and supporting documentation are perforated to prevent reuse. In addition, after each check run, the office manager denotes the number of checks signed in the check log book, updates the log book for number of checks issued, voided and non-issued and compares this information to the quality assurance report. This information is also compared to the machine readings to verify that all checks have been accounted for. Additionally, the coordinator reviews the quality assurance reports, the audit check writer report, and other transmittal forms. Safeguards are in place to ensure that unused and voided warrants and checks are controlled, kept in a secure place, and are properly accounted for.

Prompt reporting. Signed and issued checks are promptly recorded through the on-line system to ensure that the disbursements are properly reflected and posted in the accounting system.

31The District's approach to processing invoices and payables is sound, but labor intensive.

The District's approach to processing invoices and payables is sound

The District has established a generally effective approach to processing invoices and other payables. Positive features of the current approach to managing payables include the following:

- Payments and encumbrances are appropriately linked
- Invoices are carefully reviewed before payment
- Invoices are approved by the individuals and departments most familiar with the goods and services delivered

A brief discussion of each of these issues follows.

Encumbrances. As has been discussed elsewhere in this chapter, purchases for goods and services cannot be approved unless they have first been encumbered (that is, the purchase has been authorized and money to fund the purchase is available). This practice by itself helps to prevent the payment of inappropriate invoices because invoices that have not been linked to a prior encumbrance will not be paid and only authorized expenditures will be encumbered. In addition, accounting for transactions is facilitated because once a disbursement has been posted in the accounting system; the encumbrance is converted to expenditure.

Review of invoices. The Accounts Payable Department, which is responsible for processing bills and invoices for payment, has established procedures that provide for the review and approval of invoices for completeness of supporting documentation and clerical accuracy before disbursements are made. Procedures are also in place to ensure the timely resolution of discrepancies between the invoices received and the supporting documentation. In addition, procedures are also in place to ensure accurate account distribution of all processed invoices.

Invoice approval. Procedures have been structured so that departments that purchase a high volume of goods and services can directly review and approve the invoices. For example, food service, construction, information technology, maintenance and transportation invoices are received by the individual departments for processing, approval, and review and are then forwarded, in batches, to Accounts Payable for processing. (All other invoices, except those related to internal school accounts, are received directly by the Accounts Payable Department.) The Accounts Payable Department does not maintain a current list of those authorized to approve expenditures; rather, the department heads maintain a listing of those authorized to approve expenditures requiring both on-line and off-line receiving. Responsibility for authorizing expenditures rests with the department heads and/or their designee(s).

The District's approach to processing invoices is labor intensive

The accounts payable clerks currently handle thousands of purchase orders, invoices, receiving reports, and other information that is entered into the Accounts Payable document tracking system, but does not interface with the general ledger system for payment processing. As a result, accounts payable clerks currently spend a significant amount of time reviewing, verifying and matching documents for payment processing purposes. The Accounts Payable Department is well aware of this issue and is currently in the process of meeting with staff from the Office of Information Technology to develop and design an automation plan to improve the efficiency of the payment process and to automatically interface the Accounts Payable tracking system with the general ledger system.

Documentation of the District's approach to processing invoices and payables is not current

While the District has established polices and procedures to ensure that controls for processing invoices are adequate and operating efficiently, the Accounts Payable procedures manual has not been updated since December 1996. Discussions with District staff suggest that changes to the invoice processing process have been made since that time. Consequently, new or existing employees who rely on the manual determine how to process invoices may be following outdated practices.

When possible, the District takes advantage of cash discounts offered by vendors

Since very few District vendors offer cash discounts, the District is seldom afforded an opportunity to process discounted vendor payments. On occasions in which cash discounts are offered for the prompt payment of invoices and the District is able to process the payments in a timely manner, cash discounts have been taken by the District.

Recommendation

- *We recommend that the District update the existing accounts payable procedures manual for any changes in critical accounts payable processes.*

Action Plan 14-10 provides the steps need to implement this recommendation.

15 Community Involvement

The Miami-Dade County School District has developed a comprehensive set of programs designed to support meaningful community involvement across all areas of the education process. Strengthening service efforts will promote even stronger relationships among the schools, families, and other community stakeholders.

Conclusion

Effective community involvement has become recognized as a critical component in improving education outcomes for children. School Districts that employ effective communication and parental involvement strategies typically report improved test scores and stronger student outcomes. The Miami-Dade County Public Schools (the District) has developed and maintains a broad array of programs and activities that support opportunities for parents and other community stakeholders to participate in the education process. Policies and practices focused on supporting volunteer activities promoting strong business and community partnerships, and ensuring effective communications with parents are in place at both the District and school levels. Despite these efforts, participation by some parents and community stakeholders is uneven at the District level and across the various school communities. Representation on advisory and other citizen participation groups by community stakeholders and parents is not always consistent. Community involvement programming efforts at the administrative level are also often not effectively coordinated. Strengthening service efforts and practices and enhancing certain community services will promote even stronger relationships among the District, schools, families and other community stakeholders.

During the course of this review, Berkshire Advisors identified a number of accomplishments relating to community involvement accomplishments, some of which are included in Exhibit 15-1 below.

Exhibit 15-1

The District Has Had a Number of Notable Accomplishments in Community Involvement in the Last Three Years

- The District has developed strong business-school partnerships through its Dade Partners program.
- The District offers a variety of programming that actively promotes parent involvement.
- The District maintains a large volunteer program and regularly supports and recognizes the efforts of volunteers and community partners.
- The District employs a number of strategies to communicate with families.

Source: Miami-Dade County School District.

Overview of Chapter Findings

Berkshire Advisors reviewed the District's community involvement process using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. The consulting team employed several methodologies to develop chapter conclusions and action plans. Following an extensive review of District

policies and procedures relating to community involvement, a number of on site interviews were conducted with District level managers, school administrators, teachers, members of parent organizations, parents, and other community stakeholders. Information collected focused on the District's community involvement programming, as well as specific communications strategies. Moreover, four community forums were held at locations throughout the District where community members could provide input on the District. Likewise, an e-mail address and a 1-800 telephone number were established so District stakeholders could provide input to the study process. A survey was also administered to a representative sample of employees from throughout the District. (Approximately 13,000 surveys were sent to employees of which 3,919 were returned.)

An overview of chapter findings is presented below.

Community Involvement

1. The District has developed a meaningful community involvement mission statement and maintains ongoing community involvement activities in its strategic plan. (Page 15-3)

2. Periodic reports and improvement plans regarding community involvement are routinely submitted; however, the District does not use these reports to ensure performance, efficiency, and effectiveness. (Page 15-5)

3. Parental and community involvement are strongly encouraged by the District; however, certain policies and practices hinder participation by a broad cross-section of the community. (Page 15-6)

4. A variety of strategies are used to communicate with parents and community. (15-9)

5. The Community Services Bureau routinely conducts periodic staff and organizational reviews. (15-10)

6. The District has active Parent Teacher Associations/Parent Faculty Organizations (PTA/PFO). (15-10)

7. Parents and community members are involved in schools; however, participation across the District is uneven. (Page 15-11)

8. Community-based programs that strengthen schools, families, and student learning are in place. (Page 15-14)

9. The business community actively supports the educational process. (Page 15-15)

10. District schools maintain active and effective programs to involve volunteers in the education process. However, participation could be improved. (Page 15-15)

11. Local school Foundations provide economic support for District schools. (Page 15-16)

Fiscal Impact of Recommendations ─────────

None of the recommendations included in this chapter have fiscal implications.

Background ─────────

The Miami-Dade County School District has a history of recognizing the importance of community involvement in their efforts to effectively educate children. During the early 1970's, with the aid of federal and state dollars, administrative staff created volunteer and parent involvement programs and provided technical assistance to other school Districts across the country that hoped to do the same. Since that time, District personnel, parents and other community stakeholders have worked with the School Board to develop and maintain goals and objectives to guide the implementation of efforts to communicate effectively with key community stakeholders and implement effective community involvement programs.

Most community involvement programming is operated under the general direction of the Deputy Superintendent for Management and Accountability. The Community Services Bureau (which is led by an Administrator and reports directly to the Deputy Superintendent) and the Community Education Division maintain these programs and

services. Community Services is responsible for supporting volunteers, District level advisory committees, and business partnerships. The Community Education Division also coordinates opportunities for community participation in learning activities.

The other major program that includes a significant community involvement component is Title I. This federally supported program aimed at improving outcomes for children who are either defined as "at-risk" and/or who fall within certain income ranges, requires that a minimum of one-percent of program funding be used to support community and parent involvement activities. The number of students within the school who qualify for these resources determines the amount of funding available to schools under this program. Most District schools that are eligible for Title I funding use these dollars to employ a Title I or community liaison whose sole responsibility is to conduct outreach activities with parents and other community stakeholders. The District Supervisor for Title I Parent Outreach/Community Resources, who is assigned to the Office of Federal Programs and Grants, has overall responsibility for overseeing and implementing community involvement activities for designated Title I schools.

The District also employs a variety of strategies aimed at effective communication and outreach to parents and the community. Marketing and public relations offices support these activities across the District. Most divisions and schools also maintain resources to support their own marketing and communications efforts.

1 The District has developed a meaningful community involvement mission statement and maintains ongoing community involvement activities in its strategic plan

The Community Services Bureau has a well-defined mission and specific program goals

The mission of the Community Services Bureau is "to serve as a vehicle to provide meaningful community involvement efforts and programs which support the goals of the Miami-Dade County Public Schools." During a retreat in October 1999, parents, teachers and community stakeholders worked with District board members and administrators to develop this mission, along with a community involvement plan to guide the work. Specific program goals established during this process include:

- increasing student academic achievement;
- providing curriculum enhancement with emphasis on core courses;
- strengthening school/community relations;
- reducing the number of dropouts;
- strengthening the school to career transition; and
- increasing public confidence through a better understanding and through personal commitment to educational programs

The District's overall strategic plan includes a number of specific objectives relating to community involvement

The District's Strategic Plan: 2000-2005 includes three specific objectives relating to community involvement.

- Expand opportunities for students to participate in cultural and physical fitness experiences.
- Increase opportunities for parents and guardians to become active partners in achieving educational success for all students.

- Promote the community focus of schools as neighborhood learning and cultural centers for both students and other members of the community.

For each of these objectives, specific action plan steps have been established along with expectations for how to evaluate whether the action plan step has been completed.

Significant community input was solicited in the development of the District's strategic plan

The District employed a variety of strategies to include parents and community in the development of the 2000-2005 strategic plan. These strategies included:

- Parents, community members, teachers, District staff and Board members participated in a retreat to develop the strategic plan in October1999.
- The District conducted a telephone survey of 800 residents in October 1999.
- The District conducted a stakeholders survey of 500 public school stakeholders including community-based organizations, businesses, parent/citizen groups, students, public school unions, and school personnel.
- The District conducted a School Board Climate Survey of 200 school administrators, managers, directors, and deputy superintendents which focused on perceptions of District administrators toward the School Board.
- The District conducted a school climate surveys of parents, students and staff to gather perspectives regarding the performance of individual schools.

Community involvement activities across the District are not effectively coordinated

In addition to the Community Services and Community Education units, which lead most District community involvement activities, a range of other units and programs also play a role in supporting community involvement efforts. Chief among these is the Office of Federal Programs and Grants where the District Supervisor for Title I Parent Outreach/Community Resources coordinates community outreach efforts related to the Title I program. Other community involvement programming offered by the District includes the Parent and Family Education Program, the Haitian Parent Outreach Program, and the Migrant Workers Program. The managers and supervisors who oversee these units and programs work together informally to coordinate their efforts. While these efforts are laudable, no mechanisms currently exist to ensure that coordination and communications among programs and units is consistent and productive. A more formal approach to coordinating these programs should result in more effective communication, improved utilization of resources, cross-fertilization of ideas, and improved service delivery.

Recommendations

- *We recommend that Bureau directors or staff review the functions of the various community involvement programs during their planning processes and create opportunities for intentional collaboration and coordination across the programs.*

Action Plan 15-1 provides the steps needed to implement this recommendation.

Action Plan 15-1

Strengthen And Formalize Collaboration Among Community Involvement Programs	
Strategy	Bureau directors and/or staff review the functions of the various community involvement programs during their planning processes and create opportunities for intentional collaboration and coordination strategies across the programs.
Action Needed	Step 1: Establish a staff committee to review program components (June 2002)
	Step 2: Identify opportunities for collaboration and coordination (July 2002).
	Step 3: Present recommendations for approval (September 2002).
	Step 4: Implement coordination strategies (October 2002).
Who Is Responsible	Bureau/Division/Program Directors and/or staff.
Time Frame	June – October, 2002
Fiscal Impact	None

Source: Berkshire Advisors, Inc.

2 Periodic reports and improvement plans regarding community involvement are routinely submitted; however, the District does not use these reports to ensure performance, efficiency, and effectiveness.

The Community Services Bureau uses a number of approaches to evaluate, monitor, and report on community involvement activities.

- Progress against objectives included in the District's strategic plan are reported to the Board.
- Schools use measures incorporated into their individual school improvement plans to assess progress.
- Program managers responsible for volunteers, business partnerships and community involvement use benchmarks to assess program efficiency and effectiveness.
- Program managers conduct periodic surveys among parents and school personnel to assess program progress.

While the District is to be commended for monitoring community involvement programs, it should also be noted that little use is made of this information to improve programs and services. In particular, there is no evidence that this information is used to assess potential cost savings or to develop alternative strategies that might result in improved services or reductions in cost.

Recommendations

- *We recommend that Bureau directors and staff establish a mechanism to regularly compare data included in the reports and plans with community involvement goals and objectives to assess progress and identify needed program improvements and cost saving.*

Action Plan 15-2 provides the steps needed to implement this recommendation.

Action Plan 15-2

Use data included in reports to assess progress and identify improvements and cost savings		
Strategy	Bureau directors or staff regularly compare data included in reports and plans to community involvement goals and objectives to assess program progress and identify specific opportunities for program improvements and potential cost savings.	
Action Needed	Step 1:	Program managers compare data to related program goals and objectives for their area of work and develop recommendations for program improvements and cost savings (June 2002).
	Step 2:	Program managers present recommendations for approval (July 2002).
	Step 3:	Implement changes (August 2002).
Who Is Responsible	Bureau/Division/Program Directors and or staff.	
Time Frame	June – August 2002	
Fiscal Impact	None	

Source: Berkshire Advisors, Inc.

3 Parental and community involvement are strongly encouraged by the District; however, certain policies and practices hinder participation by a broad cross section of the community.

The School Climate Survey is conducted annually to evaluate community perceptions

Each year, the District conducts a School Climate Survey to determine community perceptions about each school. The instrument is anonymously distributed to a sample of randomly selected parents, teachers and other key community stakeholders. Department of Research and Planning staff then electronically compiles responses and feedback is provided to the schools. Schools use the survey results to inform the development of their school improvement plans.

The District does not always employ effective strategies with regard to membership and participation on various advisory groups and committees.

The Miami-Dade County School Board recognizes the consistent involvement of parents and other community stakeholders as essential elements in effective education. Board rule 6Gx13-1B-1.011 delineates a variety of strategies to promote home-school partnership in schools. The rule identifies six categories of parental involvement

- home—school communication;
- parents as supporters;
- parents as learners;
- parents as teachers;
- parents as resources; and
- parents as advisors, advocates, and participants in decision-making.

Consistent with these strategies, the District maintains and supports approximately 100 opportunities for parents and community stakeholders to participate in decision-making at the school, District and regional levels through

membership on advisory groups, tasks forces, support groups, councils, coalitions and other groups. A description of specific opportunities for input at the District and school levels follows.

School level community involvement opportunities. In 1991, the State of Florida created the Educational Excellence School Advisory Council (EESAC) as a part of the Blueprint 2000 plan for education reform and accountability. Initially, these school-based advisory councils were charged with developing School Improvement Plans at each campus. Since that time the role of the EESAC's have expanded to the point where they are now the "sole body responsible for final decision-making in guiding school improvement and maintaining accountability" at the schools. By statute, membership on these bodies must include the principal and other school administrators, teachers, parents and students. This group often serves as the primarily community decision-making, advisory body on each campus.

In addition to the EESAC there are numerous other opportunities for community stakeholders and parents to support individual schools. For example, at some schools, volunteers work in offices, assist in classrooms, and coordinate fund-raisers and other similar activities. In addition, each school implementing a Title I program must organize and maintain a Title I Parent Advisory Council (PAC). The entity may be a separate group or combined with the PTA, Educational Excellence School Advisory Committee, or other school-based advisory organization.

District level community involvement opportunities. Almost 100 opportunities exist for parents and community stakeholders to participate in the education process at the District level including [1]

- ad hoc task forces;
- District advisory committees;
- independent advisory panels;
- independent parent/citizen groups; and
- vocational and craft advisory committees.

Board and State rule mandate the composition of some groups while the membership of other groups is strictly voluntary. Appointment to and participation on these bodies varies and is dependent upon the purpose and by-laws that govern their operation. Although most groups require "lay citizen" involvement, the membership of the entities typically includes persons who represent community agencies, systems and businesses. For example, the Family and Community Involvement Advisory Committee that is supported by the volunteer program manager, provides advice and input to the Superintendent. While lay citizens are invited and encouraged to serve on this committee, a review of the membership roster revealed that a majority of the membership are individuals who represent organizations. The PTA president fills the one parent representative slot. Although two-thirds of these individuals are parents or were parents of children in the District, again, their participation on this committee is associated with their organizational affiliation. Other committee members typically recommend individuals who serve on such groups for appointment to the committee or because they hold leadership positions and/or participate on other District level committees. Exhibit 15-2 summarizes the membership of this committee.

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[1] Citizen Participation Groups in Miami-Dade Public Schools, Office of the Superintendent of Schools, November 1998.

Exhibit 15-2

A Range Of Stakeholders Are Represented On The Family And Community Involvement Advisory Committee

• PTA President	• Florida Coca-Cola Bottling (Dade Partner)
• ESSAC Representative	• FDLRS
• Bilingual Education Representative	• Community Doctor
• The Education Fund	• Teachers (7)
• Superintendent's District Advisory Panel	• Administrators (8)
• Title I	• PTA Representative
• PTA Representative	

Source: Community Services Bureau: Family and Community Involvement Advisory Committee Roster-2001.

Another example of an advisory group is the Title I District Advisory Council (DAC), which consults with the District in planning and implementing Title I program activities. Two parent/community representatives and an alternate from each school participate on the DAC.

Schools have office hours scheduled before and after school for parental conferences

Teachers and administrators are available to meet with parents before and after school by appointment. [2] By contract, the United Teachers of Dade agree to hold conferences at times that are convenient for the community. Each school also distributes a school handbook that explains conference times and procedures that parents should follow to access teachers and school personnel at the beginning of the school year.   In addition, schools also send home regular calendars that include this information.

Recommendations

- *Recruit and train more "lay citizens" parents of students who have children attending the schools to participate on advisory groups such as the Community Services Advisory Committee. Access PTA, ESSAC, PAC and other rosters for potential volunteers.*

Action Plan 15-3 provides the steps needed to implement this recommendation.

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[2] This finding is supported by the results of the employee survey. Almost two thirds of the survey respondents (64.7%) "agree" or "strongly agree" with the statement, "At my school, office hours for parents are scheduled before and after school."

Action Plan 15-3

Improve community participation on advisory groups	
Strategy	Recruit and train more lay persons to participate in advisory and leadership activity at the District and school levels.
Action Needed	Step 1: Program staff responsible for coordinating advisory and other groups review rosters to determine participation by lay citizens (August 2002).
	Step 2: Request names of lay citizen participants from schools, ESSAC, PTA's community-based organizations and businesses (October 2002).
	Step 3: Ensure that community meeting times are always conducive to community involvement (December 2002).
Who is Responsible	Program staff responsible for coordinating advisory groups.
Time Frame	August – December 2002
Fiscal Impact	No specific impact

4   A variety of strategies are used to communicate with parents and community.

Schools use a variety of approaches to communicate with parents

District schools employ a number of methods to communicate with families. Typical communications strategies such as newsletters, flyers and word-of-mouth are used to share pertinent information with parents and the community. The Community Services Bureau provides a number of attractive print materials such as brochures, handbooks, training manuals, and program descriptions to promote their programs. Most are printed in English, Haitian Creole and Spanish. Schools also produce a monthly calendar that is sent home with students (although some principals report that this is generally an unreliable source of communication). Moreover, liaisons or outreach workers at Title I schools often share information with parents door-to-door and work with local neighborhood businesses to post flyers and "get the word out" about meetings. Each year, parents also receive a student handbook which delineates school policy, parent and school roles and expectations, important dates and an annual calendar. These documents are typically shared during open house activities offered at the beginning of the school year. School staff interviewed report strong parent/community participation in this annual event.

Employee survey results also indicate that a number of effective communication practices are in place in schools. In particular, employee survey results indicate that annual conferences between parents and teachers are scheduled at most schools. More than two-thirds of the survey respondents "agree" or "strongly agree" with the statement "Annual conferences between parents and teachers are scheduled at my school" while only 8.8% of the survey respondents "strongly disagree" with this statement. Moreover, almost three-fourths of the survey respondents (74.9%) "agree" or "strongly agree" that language translators are available to assist non-English speaking parents at schools. In addition, there is a consensus among most employees that schools use the Internet effectively as a communications vehicle. Three out of five survey respondents (61.9%) "agree" or "strongly agree" with the statement "My school uses the Internet as a medium for communicating information to interested parties." Only 6.9% of the survey respondents "strongly disagree" with this statement. Use of parent telephone hotlines; on the other hand, appear to be less consistently in place in District schools. While 44.8% of the survey respondents "agree" or "strongly agree" with the statement, "My school maintains a parent telephone hotline" about a third of the survey respondents (32.4%) "disagree" or "strongly disagree" with this statement.

District level marketing staff support communications efforts for the District as a whole

The District's communication functions (public relations and marketing) were combined in February 2001 at which time a public information officer was hired to serve as spokesperson for the District and direct the overall communications strategy. A District marketing director position was also added to lead marketing efforts although the school District also operates a television station (WLRN), it operates under a separate umbrella.

At the District level, the marketing unit is primarily responsible for carrying out the goals and objectives related to marketing. Specific responsibilities include message development to promote the District and communicate with the community. Press releases, Dade Net and other advertising strategies are also used to accomplish these goals. All products are produced in English, Spanish and Haitian Creole. The District also develops and writes statements to be used by the Superintendent and Board members.

The public information function is also responsible for message development and delivery. This office responds directly to inquiries from the community. All materials and services provided by this office are produced in the three dominant languages spoken by the community at–large. Each year, the District also develops a community school calendar to inform parents and community regarding upcoming events and important dates. The information is sent to parents through the schools and can also be accessed on Dade Net.

5 The Community Services Bureau routinely conducts staff performance and organizational structure reviews.

The Community Services Bureau engages in periodic assessments of program goals and objectives, as well as planning throughout the school year. Monthly staff meetings are used to discuss needed administrative and program improvements, budget issues and other operational issues. A review of the department's organizational chart revealed a relatively flat structure. For example, when the former administrator recently retired, the executive director assumed his position. The executive director position was eliminated and program managers now report to the administrator. The span of control for these programs appears to be reasonable. When compared with the Broward County Public Schools' Community Relations Department (responsible for similar programs and functions), the Community Services Bureau's organizational structure includes more staff. The difference in size, however, seems appropriate given the range and number of programs implemented by the Bureau.

The Executive Director of the Community Services Bureau conducts annual performance reviews with all staff within the department. Each staff member prepares a written summary of his or her accomplishments for the year that is reviewed along with a Performance Planning and Assessment System Progress form that is partially completed by the Executive Director. The review process involves a discussion of the assessee or staff member's progress over the year, and includes opportunities for staff feedback. Together, the Executive Director and staff set goals and benchmarks for work to be accomplished during the coming year.

6 The District has active Parent Teacher Associations/Parent Faculty Organizations.

The District recognizes the Parent Teacher Association (PTA) as one of the primary sources of parent involvement, leadership and advocacy within the school community. The PTA president is also recognized as the primary parent representative and is a member of most District level advisory groups. Ninety-two percent of all District schools have operating PTA councils. PTA bylaws require each school to hold at least two meeting per year; however, some campuses meet more frequently. Meetings are advertised in school newsletters, flyers, Dade Net (the District's

public information website), and local media. At most schools, the first PTA meeting is conducted in conjunction with Open House which is usually held shortly after the school year opens. In some schools, Title I parent liaisons go door-to-door inviting parents to attend. Schools typically report record attendance at these meetings.

A County PTA, which meets monthly, also exists. The Superintendent serves as a member of the executive committee. The County PTA President represents the District at the state and national level and serves as a member of most District level decision-making and advisory groups. The group is also organized into committees that provide opportunities for parents to develop and exercise leadership skills.

The Florida PTA recognizes the contributions of teachers, administrators and other key community stakeholders throughout the year at the state and local level. For example, the County PTA celebrates the accomplishments of individual teachers, volunteers, schools, PTA councils and other groups who support the education process through activities such as award luncheons and dinners, cash awards and other incentives.

7 Parents and community members are involved in schools in a variety of ways; however, participation across the District is uneven.

Volunteers play an important role in supporting the educational process in the Miami-Dade County Public Schools; however participation in schools is uneven

Volunteer programs in the Miami-Dade County Public Schools were established as a formal part of the education process during the early 1970's. Despite cuts in program funds for these activities at the state and federal level, the District has maintained a commitment to supporting this work. The Community Services Bureau, which oversees this function, provides a number of structured opportunities for volunteers to participate at the District and school level. Approximately 13,000 individuals participate in schools and related activities annually.   The activities and supports these individuals provide ranges from assistance in school offices to participation in formal programs such as

- Listeners – caring adults spend time "listening" and chatting with children; [3]
- Take Stock in Children – mentoring and scholarship support program for middle and high school students;
- Intergenerational Programs – programs that promote elder involvement in schools;
- Grammy Music mentors – local music companies mentor children interested in music;
- Governor's Mentoring Program – mentoring program; and
- I'm Thumbody – a self-esteem program using volunteers for elementary school children. [4]

Programming also includes an intergenerational program focused on the involving senior citizens in the schools.

Schools and the Community Services Bureau share coordination of volunteer programs

Both individual schools and the Community Services Bureau have well defined roles in supporting the District's volunteer programs. Schools are responsible for most of the direct communication and contact with parents and community representatives. Flyers, newsletters, public service announcements, Dade Net and other methods are used to publicize volunteer opportunities. In addition, each campus is required to select a staff person to serve as

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[3] The local Mental Health Association supports this program.

[4] This program is a partnership between the District, the Mental Health Association, and the United Way.

volunteer liaison. This individual coordinates activities at the school and also serves as the liaison to the Community Services Bureau.

Schools are also responsible for tracking information on volunteer hours. Parents and other volunteers are required to sign in and out on tracking forms. Each spring, the school's volunteer liaison summarizes this information and reports to the Community Services Bureau.

The Community Services Bureau is responsible for coordinating the volunteer program on a District wide level. In particular, the Community Services Bureau prepares the detailed volunteer training manuals that are given to each volunteer. The Bureau also ensures that all volunteers receive training and that background checks are performed for all individuals who are involved in programs that require direct one-to-one contact with students. [5] In addition, the Bureau compiles and submits reports on volunteer activity each year to the Florida Department of Education. Schools with high levels of volunteer service receive the Golden School Award from the State DOE. The Community Services Bureau also recognizes volunteer service at the county level through annual recognition ceremonies. Moreover, for the past three years, the District has also conducted a citywide parent involvement conference. The Family and Community Involvement Advisory Committee plan this annual event with support from Community Services Bureau. Approximately 1,500 parents and community members attend the conference each year.

The process for compiling information from the annual self-assessment process is cumbersome and unnecessarily time consuming

Each school also completes a self-assessment checklist each year to monitor the success of their volunteer efforts. The information from each school is then complied and used by the Community Services Bureau to develop program improvements. The Office of Information and Technology (OIT) developed a relational database to support this function as well as the Dade Partners business program, however sharing information across the District continues to be difficult. As a result, most schools continue to use a manual process to report self-assessment findings. Once the database is completed, school staff will handle volunteer registration electronically, and the information will be shared with the District online. Self-assessments for both programs are sent to the schools for their use. The results are not shared with the District.

Active parental involvement in high performing schools is the standard across the District. During a visit to an "A" performing school, a number of parents were observed participating at almost every level within the school structure including the ESSAC, in the classroom and even in the beautification of the grounds. There was clear evidence of a partnership between school, home, and community. Conversely, a visit to a low performing middle school revealed limited, rather inconsistent participation among parents in school activities. In addition, less than two-thirds of the employee survey respondents (64.3%) "agree" or "strongly agree" that their schools have "active and effective" volunteer programs.   These data suggest that lack of parental participation in school activities does not result from the fact that schools do not encourage participation. On the contrary, almost three-fourths of the survey respondents (73.2%) "agree" or "strongly agree" with the statement "My school actively encourage parent participation in programs that provide library, cafeteria, playground, field trip, and tutoring" and only slightly more than one out of twenty survey respondents (5.5%) "strongly disagree" with this statement. Moreover, more than two-thirds of the survey respondents (67.4%) "agree" or "strongly agree" with the statement "My school actively involves parents in classroom support activities" while only 4.0% "strongly disagree." Finally, well more than half of the survey respondents (57.3%) "agree" or "strongly agree" with the statement, "My school actively seeks out parents with skills (such as carpentry, computer knowledge, cooking, etc.) that could be used for parent-led workshops for students, teachers, and other parents." However, about one-fourth of the survey respondents (24.6%) "disagree" or "strongly disagree" with this statement.

It appears, therefore, that significant challenges, many of which are cultural, hinder more broad based participation in school activities. A number of school principals, staff and parents suggested, for example, that for some families and certain cultures, the educational system is viewed as an "authority figure." Members of these families, many of

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[5] The actual training volunteers receive is provided by school volunteer liaisons; however, the Community Services Bureau provides training at the region level to support this function.

who may have immigrated from countries governed by totalitarian regimes, are reticent to become involved in school activities. It was also reported the parents and caretakers of many children who live in largely immigrant families have limited education and are not proficient in English. Consequently, many of these individuals feel inadequate to participate in school activities, especially on advisory and other decision-making groups.

The District has taken some steps to overcome the barriers to increased parental participation in school activities. For example, the District's Adult Education program offers fee-based literacy programs. Participation in such programs serves the dual purpose of involving parents in the school system while also giving them the literacy skills which may make them less hesitant to participate in schools as parents. As a practical matter, however, many families cannot afford these programs and may not have time to do so if their economic status requires them to work more than one job. In addition, the District's Haitian Parent Outreach program provides services to help remove barriers to parental participation in schools, but the scope of this federally funded program is limited to Haitian Creole families. Individual schools are also taking innovative steps to encourage greater parental participation. For example, one elementary school operates a parent-student training program that involves parents and their children using computer-based learning tools. The lab is open three hours each morning. Parents and students typically work together for an hour. Once their children return to class, the parents continue training. The program is grant funded and opportunities for participation are limited.

Recommendations

- *Continue to automate volunteer reporting and monitoring functions to increase efficiency and accuracy.*

- *Develop and implement outreach strategies designed to increase parental participation in schools.*

Action Plan 15-4 provides the steps needed to implement this recommendation.

Action Plan 15-4

Strengthen Automated Reporting Of Self Assessment Information	
Strategy	Continue to automate volunteer reporting and monitoring functions to increase efficiency and accuracy.
Action Needed	Step 1: Assess automation needs (May 2002).
	Step 2: Identify strategies and resources (June/July 2002).
	Step 3: Implement changes (August 2002).
Who is Responsible	Volunteer Coordinator and OIT staff
Time Frame	May – August 2002
Fiscal Impact	No specific impact

Develop and Implement Outreach Strategies Designed To Increase Parental Participation In Schools	
Strategy	Utilize culturally appropriate outreach strategies to increase parental participation in schools.
Action Needed	Step 1: Conduct parent focus groups to identify strategies to improve parent participation (March-September 2002).
	Step 2: Implement appropriate strategies (November 2002).
Who is Responsible	Title I Coordinator and school principals
Time Frame	March – November 2002
Fiscal Impact	None

8   Community-based programs that strengthen schools, families, and student learning are in place.

The District's Community Schools program provide effective community education to the citizens of Miami-Dade County

The Community Schools program is one of the oldest and largest community education programs of its kind in the country. Established in 1961, the program provides afternoon and evening programming at 70 school sites, as well as 65 after-school childcare sites (which are managed by school principals). The Bureau of Community Education manages these programs. The State of Florida provided funding for this program from 1971 to 1992. After that time, the Miami-Dade School Board opted to continue support. Today, the program is funded primarily through fees collected for services from the community.

Community Schools are primarily located on middle and high school campuses. Each campus offers a rich collection of classes based on consumer demand for a nominal fee. The District receives 25% of all revenue collected to support program administration. All other resources are applied to the implementation of the program (i.e., teachers, supplies, etc.). The centers also offer meeting space and other school resources to the community. Exhibit 15-3 presents a sample of the types of classes that are offered at community schools

Exhibit 15-3

A Variety Of Classes Are Offered At Community Schools

• Tutorial Classes	• Puppeteer
• Community/Civic Meetings	• Yoga/Exercise/Jazzercise
• Open Media Centers	• Cooking
• CPR	• Stained Glasswork
• Sports and Recreation	• Dog Training
• Gardening	• Sewing
• Language Arts	• Music Lessons
• Dance	• Scout Clubs
• Arts & Crafts	• Test Preparation
• Safe Driving	• Health Services
• Student Community Service	• Homework Assistance

Source: Miami-Dade County Public Schools.

The childcare program is offered after school at all elementary schools. A few schools offer this service during the morning hours before school as well. Parents pay a nominal fee (based on a sliding scale) for care for their children until 6:00 p.m. Families who receive childcare subsidies can apply their benefits toward the fee charged for this care.

Most schools actively participate in community service projects

The District also provides a variety of opportunities for parents and students to participate in activities that benefit the broader community. The Miami-Dade County Public Schools has one of the largest student-specific United Way Campaigns in the country. High schools also conduct periodic blood drives. In addition, several companies that participate in the Dade Partners business partnership effort (described in detail below) provide off campus training opportunities for students and meeting space for school/District related activities.

The extent to which schools participate in community service projects is borne out by the results of the employee survey. More than three-fourths of the survey respondents (75.7%) "agree" or strongly agree" with the statement, "My school regularly participates in community service projects." Only 4.1% of the survey respondents "strongly disagree" with this statement.

9 The business community actively participates in the education process.

Dade Partners is the primary vehicle the District uses to encourage business participation in the education process

Dade Partners is the District's premier business partnership program. Through this program more than 3,400 small and large businesses participate in the education process by providing support to local schools, the District, and community. Services and support including mentoring, tutoring, funding for special programs, sponsorship of school activities, scholarships, and money are donated by local grocers, restaurants, automobile dealers, professional sports teams and athletes, along with local major corporations such as Toyota and American Airlines.

The Community Services Bureau manages the Dade Partners. Each school designates a staff person (usually a non-teaching function) as the Dade Partners school site liaison. While individual schools assess their own needs and negotiate the business partnerships, the Community Services Bureau has developed guidelines for establishing and maintaining partnerships and train school staff annually to ensure their understanding of these guidelines. Feedback from Dade Partners regarding programming and services is obtained through annual surveys. This information is used to enhance training and other programmatic efforts the following year.

Last year, the Bureau instituted an Intranet-based database that allows the District and schools to share a common database of information about the Dade Partners. Each school is responsible for entering and maintaining information about the Dade Partner relationships at their school. The Bureaus hopes to expand the capacity of this database to better support management of the program.

Efforts to encourage business participation in school appear to be widespread and successful

The results of the employee survey suggest that the District's efforts to encourage business participation in local schools have been successful. Close to two-thirds of the survey respondents (63.4%) "agree" or "strongly agree" with the statement "My school has developed forums for regular communication with local business entities" and only 5.7% of the survey respondents "strongly disagree" with this statement. Likewise, business financial support for local schools appears to be reasonably widespread. Almost three out of five survey respondents (57. 4%) "agree" or "strongly agree" that "businesses help to fund educational programs at my school" while only 6.8% of survey respondents "strongly disagree." Finally, survey results suggest that mentoring programs are in place in a large number of District schools. More than half of the survey respondents (50.5%) "agree" or "strongly agree" with the statement, "students at my school participate in mentoring programs provided by area businesses."

10 District schools maintain active and effective programs to involve volunteers in the education process. However, participation could be improved.

A detailed discussion of the school volunteer program is provided on page 15-11 finding number 7.

11 Local education foundations provide economic support for District schools.

The two primary sources of foundation support for District schools are the Education Fund and the Miami–Dade Coalition for Community Education. These two entities work in partnership with the school District to provide funding for services and programs not provided through the District's general revenue or from other grant sources. The Education Fund provides grants, school supplies and other resources directly to schools. The focus of the Coalition for Community Education's work is to support the District's intergenerational programs.

The District maintains a collaborative relationship with these two entities as they seek to support efforts to provide quality public education in Miami-Dade County. Communication is maintained through key appointments within these organizations. For example, the District superintendent and other key education partners from the community (Teacher of the Year, Teacher's Union, etc.) serve on the Education Fund's Board of Directors. Parents also participate as members of the Coalition for Community Education Board of Trustees. Participation in these decision-making processes affords the District opportunities to collaboratively plan and develop resources to address school needs not supported through other sources.

A Action Plans

If the Miami-Dade County School Board agrees by a majority plus one vote to implement the action plans in this Appendix, the district could meet the best practices within two years and receive the seal of Best Financial Management from the State Board of Education.

Management Structures

Action Plan 3-1

Strengthen Board Member Training	
Strategy	Strengthen the ongoing training of Board members to ensure a consistent understanding about their roles and responsibilities and how they should work with the Superintendent; as part of this effort the Board should take steps to attain Master Board status.
Action Needed	Step 1: Review Board rules and policies to clearly summarize the roles and responsibilities of Board members. Step 2: Meet with each individual Board member to discuss their understanding of their roles and responsibilities; how they work with the superintendent, and procedures for contacting District staff. Step 3: Meet with the Superintendent and a cross section of District administrators and staff to understand, from their perspective, issues and problems relating to Board member roles and responsibilities. Step 4: Design Board member training program to address the issues identified. Step 5: Hold training program. Step 6: Seek Board approval for requirement to attain Master Board status. Step 7: Repeat steps 1 through 5 on an annual basis.
Who Is Responsible	Superintendent and Board Chair
Time Frame	June through August 2002
Fiscal Impact	None

Action Plan 3-2

Establish A Formal Process For Evaluating The Superintendent	
Strategy	Establish a formal process for evaluating the Superintendent.
Action Needed	Step 1: Establish a task force to develop recommendations and alternatives for evaluating the superintendent's performance. Step 2: This task force should collect information on the approaches other large school Districts use to evaluate the performance of their superintendents. Step 3: The task force should develop a range of measures that might be used to evaluate performance. Step 4: The task force should develop methodologies for evaluating performance against potential performance measures. Step 5: The task force should recommend to the Board an approach to evaluating the superintendent's performance along with alternatives (the advantages and disadvantages of each alternative should be clearly documented).

	Step 6: The Board should select a desired approach to evaluating superintendent performance.
	Step 7: Processes for measuring performance should be put in place.
Who Is Responsible	Board Chair
Time Frame	March through June 2002[1]
Fiscal Impact	None

Action Plan 3-3

Formally Establish District Priorities And Superintendent Performance Expectations	
Strategy	Establish an annual process for developing District priorities and formally setting Superintendent performance expectations.
Action Needed	Step 1: Hold annual Board workshop at which District priorities will be summarized and quantified.
	Step 2: Establish annual performance expectations for the Superintendent that reflect and consistent with District priorities.
	Step 3: Meet with the Superintendent at least once very six months to informally review progress in achieving District priorities and personal goals established for the Superintendent.
	Step 4: Using the performance expectations for the Superintendent, the Board should evaluate his or her performance each year.
Who Is Responsible	Board Chair
Time Frame	June through August 2002
Fiscal Impact	None

Action Plan 3-4

Modify Procedures For Handling Controversial Board Items	
Strategy	Revise procedures for handling controversial Board items to ensure controversial Board items are identified well in advance, that Board members receive the information they need to evaluate these items, and to ensure these items are discussed in committee meetings (or other public settings) prior to be considered by the entire Board.
Action Needed	Step 1: Review Board agendas for the past year to identify Board items that were "controversial".
	Step 2: Meet with Board members to discuss the information they would have appreciated receiving to evaluate these items.
	Step 3: Meet with Board members to understand perceived shortcomings in how the controversial items were handled.
	Step 4: Meet with Board members to discuss for what types of controversial items additional discussion in committee meetings would have been helpful.
	Step 5: Meet with Board members to discuss for what types of controversial items additional input from the public would have been helpful and what forum would have been most appropriate for soliciting this public input.
	Step 6: Use the information developed in Steps 1 through 5 to categorize general types of controversial items.
	Step 7: Develop Board policies for handling each type of controversial item.
	Step 8: Implement these policies.
	Step 9: Repeat steps 1 through 4 for at least three years to ensure policies are effective and make modifications as appropriate.
Who Is Responsible	Superintendent and Board Chair
Time Frame	June through August 2002

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[1] This process is already underway.

Fiscal Impact	None

Action Plan 3-5

Change The Time Board Meetings Start And Rotate The Location Of Board Meetings	
Strategy	Make it easier for the public to attend Board meetings by changing the time at which Board meetings start and rotating the location of Board meetings around the District.
Action Needed	Step 1: Survey a random sample of persons who currently attend Board meetings as well as a sample of citizens from the community as a whole to determine what Board meetings times would be most conducive to public participation at Board meetings.
	Step 2: Use this information to determine at what time Board meetings should start (or whether some Board meetings should be held on weekends).
	Step 3: Pass Board resolution changing the time Board meetings start.
	Step 4: Pass a Board resolution approving the rotation of Board meetings around the District.
	Step 5: Identify suitable locations for Board meetings.
	Step 8: Schedule future meetings at these.
Who Is Responsible	Board Chair
Time Frame	June through August 2002
Fiscal Impact	None

Action Plan 3-6

Review Role Of Board Committees	
Strategy	Convene a workshop to discuss the role of Board Committees.
Action Needed	Step 1: Convene workshop.
	Step 2: Reach a consensus among Board members about the role of committee meetings.
	Step 3: Reach a consensus with regard to the frequency with which Board committees should meet.
	Step 4: Summarize the results of these discussion for future Board members.
Who Is Responsible	Board Chair
Time Frame	June through August 2002
Fiscal Impact	None

Action Plan 3-7

Establish Consent Agenda	
Strategy	Modify the process for setting the agendas for Board meetings and establish a consent agenda.
Action Needed	Step 1: Review approaches other school Boards use for establishing consent agendas.
	Step 2: Reach agreement on the type of information that should be included on consent agendas.
	Step 3: Reach agreements on the process for removing items from the consent agenda, as needed.
	Step 4: Modify Board policies, as appropriate, to implement this.
Who Is Responsible	Board Chair and Superintendent
Time Frame	June through August 2002
Fiscal Impact	None

Action Plan 3-8

Ensure Board Members Receive All The Information They Need To Make Informed Decisions	
Strategy	Develop approaches to ensure Board members receive the information they need to make informed decisions about all agenda items.
Action Needed	Step 1: Review a sample of recent Board agendas with Board members to discuss Board member information needs for each agenda item.
	Step 2: Discuss the best format for providing this needed information.
	Step 3: Discuss the time frame for providing this information to Board members
	Step 4: Establish procedures to ensure Board members receive the information they need to make informed decisions in a timely manner.
Who is Responsible	Superintendent And Board Chair
Time Frame	June through August 2002
Fiscal Impact	None

Action Plan 3-9

Ensure Polices And Procedures Are Formally Evaluated Each Year	
Strategy	Establish procedures to ensure that policies and procedures are formally evaluated each year.
Action Needed	Step 1: Assign responsibility to Board Committee(s) for ensuring policies and procedures are formally reviewed each year.
	Step 2: Assign responsibility to a staff person in each major organizational unit who will be charted with ensuring that policies and procedures for that unit are updated on a regular basis.
	Step 3: Develop a schedule for reviewing and revising policies and procedures.
	Step 4: Board Committee(s) should review revised policies and procedures each year.
	Step 5: Board should adopt revised policies and procedures each year.
Who is Responsible	Superintendent and Board Chair
Time Frame	August through December 2002
Fiscal Impact	None

Action Plan 3-10

Develop Systems Needed To Evaluate The Cost Of Legal Services On An Ongoing Basis	
Strategy	Develop the management infrastructure needed to evaluate the cost of legal services on an ongoing basis.
Action Needed	Step 1: Develop procedures for billing time on cases.
	Step 2: Determine hourly rates for each staff members.
	Step 3: Work with the Office of Information Technology to develop a system to track time expended per case.
	Step 4: Use information from this billing system to evaluate the costs of in-house legal services.
Who is Responsible	Board Attorney
Time Frame	April through August 2002
Fiscal Impact	Office of Information Technology staff will need to devote time to developing the recommended system to track expenditures.

Action Plan 3-11

Develop Evaluation Framework For Determining What Legal Services Should Be Provided By Outside Counsel	
Strategy	Establish a formal process for determining what legal services should be provided by in-house counsel and what legal services should be provided by outside attorneys.
Action Needed	Step 1: Review and document informal evaluation criteria currently used to determine when to "outsource" legal work. Step 2: Formalize these informal evaluation criteria into an assessment framework. Step 3: Develop systems and procedures to capture information needed to evaluate the need for outside counsel using this framework. Step 4: Use the framework to systematically evaluate the mix of in-house and outside legal work performed. Step 5: Modify the mix of in-house and outside legal work performed, as appropriate. Step 6: Review analysis on an annual basis.
Who is Responsible	Board Attorney
Time Frame	April through August 2002
Fiscal Impact	None

Action Plan 3-12

Explore Hiring Additional Attorneys To Handle Work Currently Assigned To Outside Counsel	
Strategy	Explore hiring additional in-house attorneys to handle legal work currently assigned to more expensive outside counsel.
Action Needed	Step 1: Estimate the costs associated with hiring two Senior Assistant Board Attorneys and one Assistant Board Attorney to handle approximately 60 percent of the personal injury cases currently performed by outside counsel. Step 2: Estimate the secretarial support needs of these additional staff. Step 3: Determine how the space needs of these staff can be met. Step 4: Develop a list of the type of disruption, if any, that would be caused by implementing this recommendations and the potential impact of this disruption. Step 5: Weigh the savings associated with assigning additional work to in-house staff against the impact of the potential disruption that will be caused. Step 6: Use the analyses developed in Steps 1 through 5 to assess the appropriateness of increasing the volume of personal injury cases handled in-house. Step 7: Hire additional Board attorneys, as appropriate based on the results of this analysis.
Who is Responsible	Board Attorney
Time Frame	April to August 2002
Fiscal Impact	Legal costs will be reduced by approximately $76,300 each year.

Action Plan 3-13

Revise The District's Overall Organizational Structure	
Strategy	Revise the District's overall organization to reduce costs and facilitate more effective operations.
Action Needed	Step 1: Review the organizational recommendations presented in this chapter. Step 2: Make modifications to these organizational recommendations, as appropriate. Step 3: Develop position descriptions for all new positions. Step 4: Conduct a search for these positions. Step 5: Select leaders and implement organizational structure.
Who is Responsible	Superintendent

Action Plans

Time Frame	Steps 1 through 3 of this recommendation have already been completed and Step 4 is underway.
Fiscal Impact	Implementing the recommended organizational structure will reduce costs by approximately $120,000 per year.

Action Plan 3-14

Systematically Review The Organization Of All Major Units	
Strategy	Revise the organization of all major units to reduce costs and facilitate more effective operations.
Action Needed	Step 1: Define organizational principles to guide the development of revised organizational structure in each unit. Step 2: Review organizational structures to identify unnecessary positions, excessive management layers and inappropriate spans of control. Step 3: Identify other factors that hinder the effectiveness of current organizational arrangements. Step 4: Develop recommendations to modify organizational recommendations. Step 5: Develop plan to implement organizational recommendations. Step 6: Implement organizational recommendations. Step 7: Review organizational arrangement on an ongoing basis.
Who is Responsible	Superintendent and the leaders of each organizational unit.
Time Frame	July to November 2002
Fiscal Impact	Fiscal impact will depend on the results of the analysis. For some units, the financial implications of reorganizations are presented in other chapters of this report.

Action Plan 3-15

Supplement Budget and Financial Management Training Board Members Receive	
Strategy	Take additional steps to ensure Board members receive needed and individualized training relating to budget and financial management.
Action Needed	Step 1: Meet with Board members individually to assess their needs for budget and financial management related training Step 2: Supplement budget and management training currently provided to address the needs of each Board member Step 3: Review training success with Board members and provide additional training as necessary
Who is Responsible	Chief Financial Officer
Time Frame	April to May 2002
Fiscal Impact	None

Action Plan 3-16

Modify Approach To Strategic Planning	
Strategy	Modify the District's approach to strategic planning that the strategic plan so that a limited number of truly strategic objectives are identified and so that an evaluation of the strengths and shortcomings associated with the District's approach to achieving these objectives is facilities.
Action Needed	Step 1: Interview Board members to understand the perceived strengths and weaknesses of the strategic plan as a tool for both setting the District's overall direction and evaluating its success in achieving goals. Step 2: Interview District level, region, and school-based staff to understand their perspectives on the strengths and shortcomings of the strategic plan.

	Step 3: Through the interviews performed in Step 1 and Step 2 to determine the extent to which the strategic plan focuses attention on the most important issues facing the District.
	Step 4: Also use the interviews performed in Step 1 and Step 2 to determine the extent to which the strategic plan can be used to assess the strengths and short-comings of the approaches currently used to achieve strategic objectives.
	Step 5: Develop an approach to identify a small number of areas on which the District must focus to fulfill its mission and achieves its overall objectives.
	Step 6: Develop an approach to identifying the strategies and approaches that should be put in place to improve performance in these areas.
	Step 7: Develop an approach to objectively assessing whether performance in these areas has improved.
	Step 8: Develop an approach to using the performance measures established in Step 7 to assess the efficacy of the strategies and approaches used to improve performance in the high priority area.
	Step 9: Develop a strategic planning process that incorporates the activities performed in Steps 5 through 8.
	Step 10: Implement strategic planning process.
	Step 11: Use strategic plan goals and objectives to drive budgetary and resource allocation decisions.
	Step 12: Specify strategic goals and objectives in District budget documents.
	Step 13: Detail, as part of the budget document, how resources have been allocated to implemented the strategies reflected in the strategic plan.
Who is Responsible	Deputy Superintendent – Management and Accountability; Chief Financial Officer
Time Frame	August 2002 to August 2003
Fiscal Impact	None

Performance Accountability System

Action Plan 4-1

Establish Quantifiable Goals And Objectives For Each Organizational Unit

Strategy	Establish quantifiable goals and objectives for each organizational unit and link these goals and objectives to the strategic plan or other operational plans.
Action Needed	Step 1: Articulate the role of each organizational unit in achieving overall District goals and objectives.
	Step 2: Establish performance measures that can be used to assess the extent to which each organizational unit is achieving its goals.
	Step 3: Assess the strengths and shortcomings of each organizational unit is achieving its goals.
	Step 4: Set priorities based on an systematic assessment of where improvement is needed most.
Who Is Responsible	Deputy Superintendent – Management and Accountability
Time Frame	April 2002 to February 2003
Fiscal Impact	No immediate impact.

Action Plan 4-2

Modify Management Information Systems To Facilitate The Tracking Of Information On Performance Indicators

Strategy	Modify management information systems so that information on performance indicators can be tracked on an ongoing basis.

Action Needed	Step 1: Identify performance indicators developed in Action Plan 4-1.
	Step 2: Determine the information needed to track performance against those indicators.
	Step 3: Work with the Office of Information Technology to modify systems to track performance using these indicators.
	Step 4: Develop procedures for recording information on performance indicators.
	Step 5: Implement system and procedures.
Who is Responsible	Deputy Superintendent – Management And Accountability
Time Frame	April 2002 to February 2003
Fiscal Impact	No immediate impact.

Action Plan 4-3

Perform Benchmark Comparisons For Non-Instructional Programs	
Strategy	Perform benchmark comparisons for non-instructional programs on an ongoing basis to help calibrate the level of performance that should be provided by each organizational unit.
Action Needed	Step 1: Identify high performing organizations in each non-instructional area.
	Step 2: Identify data needed for comparison.
	Step 3: Develop data collection templates.
	Step 4: Contact other organizations to gather date.
	Step 5: Summarize data and assess implications.
	Step 6: Identify "lessons" learned from benchmark organizations.
	Step 7: Develop plans to implement lessons.
	Step 8: Implement improvement plans.
	Step 9: Repeat this process every two to three years.
Who is Responsible	Unit heads for each operational unit
Time Frame	June 2002 to September 2002
Fiscal Impact	No immediate impact.

Action Plan 4-4

Develop And Implement A Framework For Evaluating Performance And Cost Effectiveness	
Strategy	Develop and implement an overall framework to guide the District's overall approach to evaluating the performance and cost-effectiveness of major educational and operational programs.
Action Needed	Step 1: Identify the types of factors that should be considered when evaluating the performance do of a major educational and/or operational program.
	Step 2: Identify the types of factors that should be considered when determining whether a program is cost-effective.
	Step 3: Identify the factors that should be considered when making tradeoffs between program costs and program effectiveness.
	Step 4: Use the factors developed in Steps 1, 2 and 3 to develop a framework and guidelines that all managers can use when evaluating program performance and effectiveness.
	Step 5: Charge the leadership of each organizational unit to use this framework to develop guidelines for evaluating the performance and cost effectiveness of their operations.
	Step 6: Develop a schedule for completing programs evaluations for each organizational unit.
	Step 7: Evaluate the performance and cost-effectiveness of each major educational and operational program.

	Step 8: Develop improvement initiatives based on this evaluation. Step 9: Develop plans to implement needed improvements. Step 10: Implement plans Step 11: Re-evaluate program performance and cost-effectiveness every two to three years.
Who is Responsible	Deputy Superintendent – Management And Accountability
Time Frame	April 2002 to February 2003
Fiscal Impact	No immediate fiscal impact.

Action Plan 4-5

Develop And Implement A Framework For Evaluating Alternative Service Delivery	
Strategy	Develop an overall framework to guide decisions with regard to what services should be provided in-house and what services should be provided by outside contractors or by using some alternative service delivery approach.
Action Needed	Step 1: Identify types of alternative service delivery approaches (including outsourcing). Step 2: Systematically identify the potential benefits associated with each services delivery alternative. Step 3: Systematically identify the potential costs and risks associated with each service delivery alternatives. Step 4: Develop approaches for weighting costs and risks against benefits. Step 5: Summarize the results of Steps 1 through 4 in an evaluation framework. Step 6: Charge the leaders of each unit to use this framework to make a preliminary assessment of functions and services that are good candidates for outsourcing (or another alternative service delivery approach). Step 7: Develop a schedule for completing a more detailed analysis of the costs, risks, and benefits associated with each candidate function or service. Step 8: Determine for which specific functions and services outsourcing or some other alternative delivery approach should be pursued. Step 9: Develop plans to implement these alternative service delivery approaches. Step 10: Implement the plans. Step 11: Re-evaluate programs and services using the evaluation framework every two to three years.
Who is Responsible	Deputy Superintendent – Management and Accountability
Time Frame	April 2002 to February 2003
Fiscal Impact	No immediate fiscal impact.

Action Plan 4-6

Develop And Implement A System For Determining When Formal Program Evaluations Should Be Conducted	
Strategy	Develop criteria for determining when formal program evaluations and assessment of performance (including costs) should be conducted and use these criteria to set priorities for program evaluation.
Action Needed	Step 1: Develop criteria for determining when formal program evaluations and assessments of performance should be conducted. Step 2: Use these criteria to develop a scheduled for completing evaluations of major programs. Step 3: Develop criteria to determine when evaluations should be done by the Research and Evaluation and when they should be performed by department staff. Step 4: Assess the resources required to perform needed performance evaluations (both by departments and by Research and Evaluation).

	Step 5: Assess the resources required to conduct follow-up evaluations to determine whether evaluations findings have been used to improve performance.
	Step 6: Adjust priorities to reflect the resources available to perform evaluations.
	Step 7: Use the resulting schedule to perform evaluations.
Who is Responsible	Deputy Superintendent – Management and Accountability
Time Frame	April 2002 to September 2002
Fiscal Impact	No immediate impact.

Action Plan 4-7

Disseminate information on non-instructional performance.	
Strategy	Disseminate information on non-instructional performance as this information is developed.
Action Needed	Step 1: Using the approaches currently used to disseminate information on non-instructional performance as a starting point identify stakeholders with which information on non-instructional performance should be shared
	Step 2: Develop cost-effective approaches to sharing information on non-instructional performance with these stakeholders.
	Step 3: Develop plans to share information on non-instructional performance.
	Step 4: Implement these plans as information on non-instructional performance is developed.
Who is Responsible	Deputy Superintendent – Management and Accountability
Time Frame	October 2002 to October 2003
Fiscal Impact	No immediate impact.

Educational Service Delivery

Action Plan 5-1

Initial Evaluation and Placement Process	
Strategy	Develop a system for completing the initial evaluation and placement process within 60-90 days of referral and to reduce the number of inappropriate referrals.
Action Needed	Step 1: Assistant Superintendent for ESE and Executive Director of Psychology review current data on evaluation and placement timelines to determine where delays in the process are occurring and the source of the greatest number of inappropriate referrals
	Step 2: Assistant Superintendent for ESE, Executive Director of Psychology and Regional ESE Directors modify evaluation process to address activities causing delays and inappropriate referrals
	Step 3: Executive Director of Psychology and Regional ESE Director provide training to regional and school staff in the modified process
	Step 4: Regional ESE Directors and Assistant Superintendent for ESE ensure accountability systems are used to address schools where the process is not being followed and timelines are not being met
	Step 5: On a quarterly basis, Assistant Superintendent for ESE, Executive Director of Psychology and Regional Directors review accountability data and make modifications as needed
Who is Responsible	Assistant Superintendent for ESE and Support Services
Time Frame	July 2004

Fiscal Impact	The fiscal impact of this recommendation comes from improvement in two aspects of the referral and placement process, reducing delays/pending referrals and reducing inappropriate referrals for ESE evaluations.
	Fiscal Impact of Reducing Delays/Pending Referrals
	Reducing the time between referrals and assessments will reduce the number of pending referrals. Pending referrals at the time of the October FTE survey represent potential lost funding for ESE students for the District. Special education students in Florida are provided additional state funding and federal funding through the Individuals with Disabilities Education Act (IDEA). The amount of lost revenue over the next five years will depend on annual legislative and federal appropriations per ESE student.
	State Funding
	According to the current formula for Districts' ESE guaranteed allocation, the Miami-Dade County Public Schools received $130,694,373 for 2001-02. Assuming the District had approximately 380 pending referrals at the prior October FTE survey count, 59% of these referrals would have qualified for ESE services, and all the pending referrals would have been assessed prior to the February FTE survey count (the District reported 387 pending referrals for December 2001 and a 59% qualification rate), the District's guaranteed ESE allocation for 2001-02 would have been $130,814,465, an increase of $120,092.
	Federal Funding
	According to the Florida Department of Education the federal entitlement per special education student for the Miami-Dade County Public Schools was $686. The District would have received an additional $153,664 in federal funds (380 pending referrals X 59% qualifying X $686 federal funding).
	Total District funding for ESE students (Levels 1-3) would have been approximately $274,000 in 2001-02 if all pending referrals had been assessed. Actual revenue increases due to reducing delays and pending referrals will depend on annual legislative appropriations and federal funding.
	Fiscal Impact for Reducing Inappropriate Referrals
	Inappropriate referrals cost the District approximately $1,600,000 in 2000-01 ($500 per assessment X 3,350 inappropriate referrals). If the District reduces its inappropriate referrals by 40% over the next five years, the District could save as much as $670,000.

Action Plan 5-2

Return ESE students to their neighborhood schools	
Strategy	Increase inclusion models available and transition appropriate students from cluster and center programs to age-appropriate neighborhood schools

Action Needed	Step 1:	Assistant Superintendent, Regional ESE Directors, and staff from the Florida Inclusion Network develop a five-year plan which includes targets for each region for new inclusion models for each school year.
	Step 2:	Assistant Superintendent and Regional ESE Directors review data related to placement of ESE students in center and cluster programs and identify settings which are not age-appropriate and settings where, based on students' level of functioning, IEPs and/or educational/social needs they are not being served in the least restrictive environment.
	Step 3:	Assistant Superintendent and Regional ESE Directors develop a three-year plan to transition students in need of less restrictive settings and programs that are inappropriately sited into age-appropriate, neighborhood schools.
	Step 4:	Identify exemplary inclusion programs that currently exist with the District, determines what components of those models are responsible for success, and uses these models to develop new programs.
	Step 5:	Assistant Superintendent for ESE and Support Services and Regional ESE Directors develop a five year plan to increase the number of schools utilizing an inclusion model of service delivery.
Who is Responsible	Assistant Superintendent for ESE and Support Services, Regional Superintendents, Regional ESE Directors, Principals	
Time Frame	January 2003	
Fiscal Impact	To be determined based on the number of students returned each year, reduced transportation costs and any start-up/transition costs	

Action Plan 5-3

Cost-efficiency and programmatic effectiveness indicators		
Strategy	Develop ESE performance indicators that evaluate the cost-efficiency and programmatic effectiveness of services	
Action Needed	Step 1:	Assistant Superintendent for ESE oversees a review of all current systems and databases to evaluate the effectiveness and cost-efficiency of ESE programs
	Step 2:	Assistant Superintendent works with central, regional and school-based staff to develop measurable objectives by which ESE programs and initiatives can be evaluated
	Step 3:	Assistant Superintendent, in conjunction with ESE staff determines additional data requirements and works with the Office of Information Technology to develop systems to collect that data
	Step 4:	Assistant Superintendent and Regional ESE Directors develop performance indicators for ESE
	Step 5:	Regional and school-based staff develop performance indicators for ESE programs in coordination with central ESE performance indicators
Who is Responsible	Assistant Superintendent for ESE and Support Services	
Time Frame	December 2003	
Fiscal Impact	None	

Action Plan 5-4

Suspension and Expulsion Rates of ESE Students
Strategy	Review the rates of suspension and expulsion of ESE students from middle and high schools and develop systems to reduce this rate.

Action Needed	Step 1:	Assistant Superintendent for ESE assembles a work group to review data on suspension and expulsion rates for ESE students
	Step 2:	Assistant Superintendent for ESE and Regional ESE Directors ensure District policies related to FAB (Functional Assessment of Behavior) and BIP (Behavior Intervention Plans) are consistently implemented in all schools
	Step 3:	Workgroup review suspension and expulsion data to identify patterns and trends.
	Step 4:	Based on patterns and trends, the work group determines causes of suspensions and expulsions of ESE students
	Step 5:	Work group develops strategies to address these causes
	Step 6:	Central and regional administration ensure that training is provided to principals and school based staff in these strategies
	Step 7:	Work group determines if additional data collection and/or analysis systems are needed to effectively manage and monitor ESE student suspension and expulsion
	Step 8:	Quarterly review and modification of strategies based on student data takes place
Who is Responsible	Assistant Superintendent for ESE and Support Services	
Time Frame	July 2004	
Fiscal Impact	No immediate impact	

Action Plan 5-6

Used and lost/damaged/unreturned books policies		
Strategy	Revise District policies regarding the sale of used books and payment for books which are lost, damaged, and unreturned	
Action Needed	Step 1:	Review current District policies regarding the sale of used books and payment for books which are lost, damaged, and unreturned
	Step 2:	Determine where current policies do not comply with state regulation and/or best practices
	Step 3:	Revise District policies and present to school board for approval
	Step 4:	Distribute revised policies to schools
	Step 5:	Provide training to principals, curriculum staff and District leaders on new policies
	Step 6:	Monitor schools to ensure revised policies are being implemented
Who is Responsible	Assistant Superintendent for Curriculum Services	
Time Frame	Three to Twelve Months	
Fiscal Impact	Potential additional revenue available upon implementation	

Action Plan 5-7

Establish Quantifiable Goals And Objectives For Each School And Educational Program and Service		
Strategy	Establish quantifiable goals and objectives for each educational program and service and link these goals and objectives to the strategic plan.	
Action Needed	Step 1:	Articulate the role of each educational program and service in achieving overall District goals and objectives
	Step 2:	Establish performance measures that can be used to assess the extent to which each educational program and service is achieving its goals
	Step 3:	Assess the strengths and shortcomings of each educational program and service in achieving its goals
	Step 4:	Set priorities based on an systematic assessment of where improvement is needed most
Who Is Responsible	Deputy Superintendent – Management and Accountability	

Time Frame	July 2003
Fiscal Impact	No immediate impact.

Action Plan 5-8

Revise the overall organization of the three divisions responsible for educational service delivery	
Strategy	Revise the overall organization of the three divisions responsible for educational service delivery to reduce costs and facilitate more effective operations
Action Needed	Step 1: Create a Senior Deputy Superintendent position to oversee all aspects of educational service delivery
	Step 2: Survey principals and regional administrators regarding the level of service and support provided to them through current structure
	Step 3: Evaluate current structure of each of the three divisions supporting schools to determine functions provided by each and areas of duplication
	Step 4: Develop a new organizational structure which streamlines support and services to schools and region
Who is Responsible	Superintendent
Time Frame	January 2003
Fiscal Impact	Potential impact depends on the new structure

Administrative and Instructional Technology

Action Plan 6-2

Develop a District-wide Strategic Technology Plan to be adopted by the Miami-Dade County Public Schools Board of Education	
Strategy	The Superintendent of MDCPS assigns responsibility for developing a District-wide Strategic Technology Plan to the Chief Information Officer.
Action Needed	Step 1: Assign responsibility for developing Plan to the CIO.
	Step 2: The CIO organizes a District Technology Plan Committee of technology stakeholders that include District staff, business and community leaders.
	Step 3: The District Technology Plan Committee develops RFP to be issued for developing the Plan that includes an independent analysis by a 3rd party.
	Step 4: The District Technology Plan Committee presents the proposal to the Technology Steering Committee, which reviews the proposal and makes a recommendation to the Board. Board approves the RFP.
	Step 5: The Technology Steering Committee selects the 3rd party vendor.
	Step 6: Working with the District Technology Plan Committee the vendor develops the District-wide Strategic Technology Plan.
	Step 7: The District-wide Strategic Technology Plan is reviewed by the Technology Steering Committee and presented to the Board for approval. Board approve the plan.
	Step 8: CIO is responsible for implementing the Plan.
	Step 9: CIO updates the Board quarterly on the Plan's progress.
Who is Responsible	Chief Information Officer
Time Frame	May 2002 through May 2003

Fiscal Impact	We recommend that a qualified 3rd party vendor be hired to assist with developing a District-wide Strategic Technology Plan.
	We estimate that the one-time cost to the District for a 3rd party vendor to assist in developing the Strategic Technology Plan is $1.3 million. In developing the plan, we believe the District can identify areas of significant savings. We estimate that depending on the approach taken by the District, at least $29 million of savings over a five-year period can be identified. The $29 million in savings is largely due to the District substantially reducing the number of hardware vendors and implementing a seat management strategy, which would enable it to reduce technical support staff positions.

Action Plan 6-3

The District should perform a cost/benefit analysis of merging the technical support functions of Administrative Support and Instructional Technology Support	
Strategy	The Superintendent of MDCPS assigns responsibility for developing a cost/benefit analysis of merging the technical support organizations for OIT and Instructional Technology to the Chief Information Officer.
Action Needed	Step 1: Assign responsibility for developing analysis to the CIO.
	Step 2: The CIO organizes a committee of technology stakeholders to develop cost/benefit analysis.
	Step 3: Committee of stakeholders reviews current practices and develops alternative technical services delivery methods.
Action Needed	Step 4: Committee presents alternatives with a recommendation to the CIO.
	Step 5: CIO makes a recommendation to Superintendent of MDCPS.
	Step 6: Superintendent updates the Board on the recommendation.
Who is Responsible	Chief Information Officer
Time Frame	May 2002 through December 2002
Fiscal Impact	This recommendation can be accomplished with existing resources.

Action Plan 6-4

Review the criteria for determining the assignment of full-time technical support staff for elementary schools	
Strategy	The District should develop a detailed analysis to determine whether adequate technology resources have equitable distribution among all schools.
Action Needed	Step 1: Assign responsibility for analysis to the Director for Instructional Technology.
	Step 2: The Director heads a committee to determine the equitable distribution of technical resources and if and how many additional staff are required.
	Step 3: The Director makes a recommendation to the Deputy Superintendent.
	Step 4: The Deputy Superintendent presents the recommendation to the Superintendent and the Board of Education.
	Step 5: The recommendation is adopted for implementation.
	Step 6: The Director reports progress on the recommendation implementation.
Who is Responsible	Administrative Director of the Division of Instructional Technology and Media Support Services.
Time Frame	May 2002 through May 2003
Fiscal Impact	This recommendation can be accomplished as part of the District-wide technology planning process.

Action Plan 6-5

Standardize hardware platforms acquisitions to one, or possibly two, vendors	
Strategy	ITMAP assigns the Technology Standards Committee with the task of standardizing workstations, file servers, and printer platforms and assigns Procurement and Materials Management staff with the task of writing the RFP.
Action Needed	Step 1: The Committee develops specifications for desktop computers, printers and file servers. Step 2: Procurement and Materials Management staff develops an RFP to accommodate the hardware specifications and the vendor requirements. Step 3: The Information Technology Management Advisory Panel (ITMAP) reviews, approves and issues the RFP. Step 4: ITMAP reviews the proposals. Step 5: ITMAP recommends one or two vendors for the various platforms. Step 6: The District begins purchasing from the standard hardware vendor platforms.
Who is Responsible	Information Technology Management Advisory Panel (ITMAP)
Time Frame	May 2002 through May 2003
Fiscal Impact	This recommendation can be accomplished as part of the District-wide technology planning process.

Action Plan 6-6

The District should analyze the costs and benefits of implementing a seat management strategy	
Strategy	Assign responsibility to the CIO for developing a seat management strategy.
Action Needed	Step 1: The CIO brings together a committee to review a seat management strategy. The review should incorporate the research done by OIT, the Technology Standards Committee and the Procurement and Materials Management staff. Step 2: As part of developing a District-wide strategic technology plan (in Action Plan 6-2), create a component of the plan to perform a cost/benefit analysis of a seat management strategy. This component will include District staff working with the 3rd party vendor used in Action Plan 6-2. Step 3: ITMAP approves the proposed component, which should have a heavy emphasis on approach to evolve a per unit cost of the seat. Step 4: The component is integrated into the RFP in Action Plan 6-2. Step 5: ITMAP and the vendor perform the analysis.
Who is Responsible	CIO and Seat Management Committee
Time Frame	May 2002 through May 2003
Fiscal Impact	This recommendation should be accomplished as part of the District-wide technology planning process.

Action Plan 6-8

Review the strategy of developing customized software and consider alternative methods such as an ERP solution for delivering IT products and services	
Strategy	The District and an independent consultant review alternative methods for delivering IT products and services.
Action Needed	Step 1: The CIO forms a committee to develop a component of the strategic technology plan (in Action Plan 6-2) that includes reviewing alternative methods for delivering IT products and services with the objective of minimizing the District's dependence on developing customized software. Step 2: The committee develops the component. Step 3: The component is integrated into the RFP in Action Plan 6-2.
Who is Responsible	CIO

Time Frame	May 2002 through May 2003
Fiscal Impact	This recommendation should be accomplished as part of the District-wide technology planning process.

Action Plan 6-10

The District should assess future infrastructure needs and develop cost-effective strategies to maximize service delivery	
Strategy	Determine the value to students, teachers, and District staff for having a more robust, scalable and highly reliable WAN infrastructure.
Action Needed	Step 1: Identify stakeholders to sit on a review committee.
	Step 2: As part of developing a District-wide strategic technology plan (in Action Plan 6-2), include a component that assesses future infrastructure needs and cost-effective strategies to maximize service delivery.
	Step 3: Determine whether there are circuit cost savings in changing T-1 methodologies and whether Florida has an Education House Bill that puts service fee caps on regulated carriers.
	Step 4: Develop funding and E-rate discount strategies.
	Step 5: Integrate the component into the RFP in Action Plan 6-2.
Who is Responsible	CIO and stakeholder review committee
Time Frame	May 2002 through May 2003
Fiscal Impact	This recommendation should be accomplished as part of the District-wide technology planning process.

Action Plan 6-16

Assign responsibility of the Office of Information Technology to the Superintendent MDCPS	
Strategy	Reassign OIT to the Superintendent.
Action Needed	Step 1: Assign responsibility for information technology to the recommended Chief Information Officer.
	Step 2: Assign the Chief Information Officer to report directly to the Superintendent.
Who is Responsible	MDCPS Superintendent
Time Frame	June 2002
Fiscal Impact	This recommendation can be accomplished with existing resources.

Action Plan 6-17

The District Should Perform A Data Base Inventory And Consolidate Where Possible	
Strategy	Collect disparate data base information to determine if capability already exists in OIT or if new systems are required.
Action Needed	Step 1: CIO assigns an individual to develop data collection methodology.
	Step 2: Inventory forms provided to disparate data base developers/users.
	Step 3: Results collected and analyzed.
	Step 4: Report provided to CIO, OIT for action.
Who is Responsible	CIO
Time Frame	May 2002 through March 2003
Fiscal Impact	This recommendation can be accomplished with existing resources.

Personnel Systems and Benefits

Action Plan 7-4

Reward High Levels of Performance	
Strategy	Design and implement a performance based compensation system.
Action Needed	Step 1: Develop and recommend to the school board a policy for performance-based compensation.
	Step 2: Establish a committee of stakeholders composed of teachers, administrators, and support staff to provide input and develop recommendations for performance based compensation system. (Similar to Joint Labor Management Committee on Benefits)
	Step 3: Align the compensation system with the performance management system for respective employee groups using criteria for improved student, school and district performance.
	Step 4: Submit the performance based compensation system to the school board for approval.
	Step 5: Negotiate the performance based compensation system with respective employee groups
	Step 6: Implement the performance based compensation system.
	Step 7: Evaluate the effectiveness of the performance based compensation systems and assess its impact on student performance.
	Step 8: Make modifications and improvements as necessary
Who is Responsible	Chief Personnel Officer, Chief Financial Officer, Chief negotiator, Executive Director Wage and Salary Administration
Time Frame	June 30, 2003
Fiscal Impact	The recommendation should be implemented within existing resources. Phase in new system with new employees replacing current compensation system that rewards length of service, course credits and degrees.

Action Plan 7-5

Discontinue The Use Of Early Retirement Incentives	
Strategy	Assess the impact of all active district retirement incentives.
Action Needed	Step 1: Analyze the impact of all active district retirement incentives.
	Step 2: Develop a plan to phase out current district retirement incentive plans.
	Step 3: Incorporate as part of performance based compensation system recognition and reward for performance and longevity (Action Plan 7-4)
	Step 4: Obtain school board approval to phase out District sponsored retirement incentives.
	Step 5: If unable to phase out current retirement incentives, develop a policy stating that no new retirement incentive should not be established
	Step 6: Assess the impact on workforce stability for future planning purposes.
Who is Responsible	Chief Personnel Officer; Chief Financial Officer
Time Frame	June 30, 2002
Fiscal Impact	The recommendation can be implemented within existing resources. District should realize reduction in benefit costs over time.

Action Plan 7-6

Develop And Implement Strategies To Improve Workforce Stability	
Strategy	Develop and implement a workforce stability and succession plan for the District and update it annually.
Action Needed	Step 1: Review and revise school district policies that negatively impact workforce stability.
	Step 2: Analyze factors that currently contribute to workforce instability.
	Step 3: Analyze district turnover data
	Step 4: Conduct and analyze exit interviews for all staff that leave the District.
	Step 5: Conduct salary and benefits comparisons
	Step 6: Implement internal pay equity plan.
	Step 7: Use data obtained in steps 3 to 6 to develop a workforce stability and succession plan for the District that identifies and addresses organizational needs
	Step 8: Update workforce stability and succession plan annually
	Step 9: Conduct annual evaluation of workforce stability and succession planning and assess additional opportunities to improve workforce stability
Who is Responsible	Chief Personnel Officer
Time Frame	June 30, 2002
Fiscal Impact	The recommendation should be implemented within existing resources.

Action Plan 7-11

Improve Communication with Employees	
Strategy	Develop a systematic process to receive feedback and input from employees.
Action Needed	Step 1: Systematically assess the effectiveness of current District communications
	Step 2: Conduct an employee survey to ascertain methods of communication most helpful and useful to employees
	Step 3: Develop and implement a variety of strategies to receive feedback and obtain input from employees.
	Step 4: Communicate to employees how feedback and input is used
	Step 5: Evaluate annually the effectiveness and usefulness of the communication plan and make modifications, as necessary.
Who is Responsible	Chief Personnel Officer and Communications Director
Time Frame	June 30, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Action Plan 7-12

Automate the Deployment of Substitute Personnel	
Strategy	Develop and issue a Request for Proposal (RFP) for an automated substitute management system.

Action Needed	Step 1:	Establish a task force to assess school substitute needs that includes principals, teachers and region office staff.
	Step 2:	Benchmark what other Districts are doing with regard to substitute management
	Step 3:	Incorporate local district needs and best practices when developing RFP for Automated Substitute Management System
	Step 4:	Issue RFP.
	Step 5:	Make recommendations to school board on recommended system
	Step 6:	Train school district staff and substitutes on enrollment procedures and use of the automated management system.
	Step 7:	Review with task force and make modifications, as necessary.
Who is Responsible	Chief Personnel Officer	
Time Frame	June 30, 2003	
Fiscal Impact	Initial estimated cost $250,000 plus an estimated $50,000 per year for updates. The costs may be offset by savings associated with reduced substitute costs (as monitoring and management of absenteeism improves) and by eliminating the need for substitute callers at school sites. (The District currently spends approximately $350,000 a year with projected savings of $1.75 million over a five-year period.)	

Action Plan 7-13

Strengthen Process For Recruiting and Compensating Substitute Personnel		
Strategy	Develop and implement a strategic plan to recruit, train and compensate substitute teachers.	
Action Needed	Step 1:	Establish a task force made up of teachers, administrators, and district/region personnel to examine the District's substitute needs
	Step 2:	Develop plans for recruiting, training and compensating of substitute teachers (similar to plan for recruitment presented in Action Plan 7-1)
	Step 3:	Develop a District cadre of substitutes similar to pool substitutes who are compensated full-time and must be available each day to work where needed. (This district-wide cadre of substitutes should serve as the priority pool for filling vacancies. These substitutes should be permitted access to health benefits.)
	Step 4:	Develop a system with processes to evaluate the performance of substitutes.
	Step 5:	Evaluate giving partial experience credit for salary placement purposes for those who have worked in the District as a part of the substitute teacher cadre.
	Step 6:	Evaluate the effectiveness of the plan for recruiting, hiring and compensating substitute teachers. Revise and modify for program as appropriate.
Who is Responsible	Chief Personnel Officer	
Time Frame	March 2002	
Fiscal Impact	Can be implemented using existing resources.	

Action Plan 7-14

Develop, implement and support a quality, on-going records management program
Strategy	Develop a records retention schedule for all personnel records in accordance with state and federal guidelines.

Action Needed	Step 1:	Complete a comprehensive records inventory creating a list of all personnel related data and records.
	Step 2:	Establish a task force (which should include a representative of each Personnel and Management Services unit) and charge this task force with identifying District employee record issues and with developing a strategic plan for managing department records.
	Step 3:	Develop policies for creating, storing and retrieving personnel files.
	Step 4:	Implement and post a retention schedule for all personnel documents consistent with requirements set forth in Florida Statutes and established by the State Division of Archives, History, and Records Management.
	Step 5:	Assess and establish appropriate methods of records destruction that reflects confidentiality, legal and environmental standards.
	Step 6:	Develop a records management manual.
	Step 7:	Develop a plan to image all records currently not imaged. (Outsource this project as necessary to eliminate the current backlog.)
	Step 8:	Assess records management procedures, identify areas and sources for improved processes, to include technology upgrade, update records management manual annually, train personnel staff regularly and review district, state and federal mandates relating to records retention to ensure compliance
Who is Responsible	Executive Director of the Office of Personnel Operations and Records Management; Executive Director, Office of Information Technology	
Time Frame	June 30, 2002	
Fiscal Impact	This recommendation can be implemented using existing resources.	

Action Plan 7-16

Develop Strategic Plan That Includes Performance Standards And Measures		
Strategy	Revise and update the Hallmark of Leadership (current strategic plan).	
Action Needed	Step 1:	Obtain data and feedback in each of 15 critical success factor areas [2]
	Step 2:	Analyze data and feedback
	Step 3:	Use analysis to guide strategic planning process
	Step 4:	Hire a consultant to lead strategic planning process
	Step 5:	Review current vision and mission for relevance
	Step 6:	Establish performance goals
	Step 7:	Set performance indicators and measures in the critical success areas as determined by the data analysis
	Step 8:	Define appropriate responsibilities
	Step 9:	Align program activities to expenditures
	Step 10:	Evaluate effectiveness of program activities
	Step 11:	Make program change and modifications as needed
Who is Responsible	Chief Personnel Officer	
Time Frame	June 30, 2002	
Fiscal Impact	This recommendation can be implemented within existing resources.	

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[2] Critical success factors for typical human resource management practices should be used to measure the Department's performance. These factors should guide the strategic planning process and serve as the basis for evaluation Department performance. These critical success factors are: leadership and stewardship; visionary and strategic planning; organizational structure; human resources effectiveness measures; operational efficiency; customer service orientation; organizational culture and work environment; recruitment and staffing; employee benefit administration; compensation and salary administration; performance management; training and development; technology; and compliance.

Action Plan 7-17

Review Organizational Structure And Staffing Levels	
Strategy	Assess organizational structure and staffing levels using clearly defined criteria.
Action Needed	Step 1: Conduct customer surveys to ascertain level of satisfaction with current levels of service.
	Step 2: Evaluate organizational structure, systems and processes to determine what changes are needed to improve service.
	Step 3: Benchmark other organizations to understand how they have addressed similar issues
	Step 4: Determine areas needing modification/change
	Step 5: Develop criteria recommendations for organizational change and staffing modifications
	Step 6: Draft revised organizational and structural plans
	Step 7: Obtain school board approval for any reorganization/restructuring
	Step 8: Evaluate and update organizational structure annually to meet changing District needs and priorities.
Who is Responsible	Chief Personnel Officer
Time Frame	June 30, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Action Plan 7-18

Assess Service Delivery and Personnel Practices	
Strategy	Conduct a needs assessment and solicit employee feedback with regard to the effectiveness and efficiency of human resource program services.
Action Needed	Step 1: Conduct a needs assessment of the District relative to human resource needs.
	Step 2: Conduct an employee survey to obtain feedback about the efficiency and effectiveness of human resource programs
	Step 3: Use results to set strategic goals and objectives for the program
	Step 4: Define criteria or measurement for services
	Step 5: Identify assumptions, limitations and resources needed to accomplish goals
	Step 6: Re-assess and make program changes, modifications, improvements based on results of assessment evaluation.
Who is Responsible	Chief Personnel Officer
Time Frame	June 30, 2002 and on-going
Fiscal Impact	This recommendation can be implemented within existing resources.

Action Plan 7-19

Mandate Direct Deposit of Pay	
Strategy	Develop policies that increase the use of direct deposit of employee pay.
Action Needed	Step 1: Develop policies to increase the use of direct deposit of employee pay, such as requiring it for new employees, and identifying criteria for allowing exceptions to this practice.
	Step 2: Work with labor leaders to establish timelines for implementing this policy and identify exceptions.
	Step 3: Submit policy to the Board for approval.
	Step 4: Communicate policy and timelines to staff.
	Step 5: Implement policy.
Who is Responsible	Deputy Superintendent Personnel Management and Services
Time Frame	June 30, 2002 and on-going
Fiscal Impact	This recommendation can be implemented within existing resources.

Use of State and District Construction Funds

Action Plan 9-1

Alternatives to Construction	
Strategies	Systematically consider alternatives to construction prior to authorizing the expenditure of capital funds.
Actions Needed	Step 1: An analysis of specific alternatives to construction should be prepared prior to including projects in the five-year capital plan.
Who is responsible	Executive Director of Capital Construction Budgets
Time Frame	June 2002
Fiscal Impact	This recommendation will require establishing an additional position in the Capital Construction Budget office. See Action Plan 9-5

Action Plan 9-2

Make More Extensive Use of Double Sessions and Year-Round Schools	
Strategies	Make more extensive use of double sessions and year round schools as a way to relieve current and projected overcrowding at the middle and high school levels.
Actions Needed	Step 1: Identify middle and schools and high schools where overcrowding can be relieved by implementing double sessions. Step 2: Assign responsibility to the School Operations Department for developing site-specific plans for converting these overcrowded schools to double sessions by the opening of school in September 2002. Step 3: Assign responsibility to the School Operations Department for surveying elementary schools to determine which ones have staff and parents who might be willing to convert to a year-round schedule. Step 4: Once candidate schools are identified, consult with affected unions and develop site-specific plans for effecting the change at the start of the 2002-2003 school year.
Who is responsible	Deputy Superintendent of Operations
Time Frame	September 2002
Fiscal Impact	Based on a savings of $15,000 for each student station not built minus $2,000 in implementation costs per station, this recommendation could avoid $365,300,000 in construction costs if the District converted 28,100 total student stations over a 5-year period.

Action Plan 9-3

Ensure Compliance With Statutory Requirements Regarding The Use of "two-mill" Funds	
Strategies	MDCPS should make an annual determination of its compliance with the spending limits imposed by s. 236.25, *Florida Statutes*.
Actions Needed	Step 1: Prepare an annual accounting of the use of "two-mill" funds at the end of each fiscal year. (This accounting should delineate each use of "two-mill" funds consistent with the categories shown in s. 236.25, *Florida Statutes*. A calculation should also be made to determine if the annual limits on certain uses have been exceeded.)

	Step 2:	Notify the Florida Department of Education immediately if spending limits have been exceeded.
	Step 3:	Establish budget controls to ensure that the spending limits are not exceeded in future years.
Who is responsible	Chief Budget Officer	
Time Frame	September 2002	
Fiscal Impact	This recommendation can be implemented with existing resources.	

Action Plan 9-4

Acquire Integrated Project Cost Accounting Software		
Strategies	Acquire an integrated project cost accounting software package for capital projects.	
Actions Needed	Step 1:	Develop and issue an RFP for project cost accounting software and software implementation services.
	Step 2:	Select staff to serve on a proposal review committee.
	Step 3:	Review proposals and make recommendation for award to the Board of Education.
	Step 4:	After receiving Board approval, enter into contract negotiations and award contract.
	Step 5:	Identify members of a project cost accounting executive steering committee.
	Step 6:	Review and approve a project implementation schedule.
	Step 7:	Conduct fit analysis.
	Step 8:	Perform functional testing.
	Step 9:	Perform acceptance testing.
	Step 10:	Schedule staff training and design-standardized reports.
	Step 11:	Begin tracking project costs using the new software.
Who is responsible	Chief Financial Officer and Chief Technology Officer	
Time Frame	February 2003	
Fiscal Impact	To Be Determined-The acquisition cost of the project cost accounting software and the implementation services.	

Action Plan 9-5

Increase the Staff of the Capital Construction Budget office		
Strategies	Improve control of capital construction funds by hiring additional budget analyst.	
Actions Needed	Step 1:	Obtain funding for additional budget analyst position.
	Step 2:	Post position announcement
	Step 3:	Interview candidates.
	Step 4:	Select person for new position and commence on the job training.
Who is responsible	Chief Budget Officer & Chief Facilities Officer-Construction	
Time Frame	June 2002	
Fiscal Impact	Additional funding of approximately $375,000 needed over five years.	

Action Plan 9-7

Develop Systems To Ensure The Regular Transfer of Maintenance Cost Data to Facilities Planning and Standards Office		
Strategy	Generate COMPASS reports that will provide maintenance life cycle cost data to the Facilities Planning and Standards Office so that this data can be used to develop designs that reduce maintenance and operations costs.	
Action Needed	Step 1:	Assign responsibility for coordinating the design of useful work order reports to the Executive Director of Operations Management.
	Step 2:	Meet with Facilities Planning and Standards staff to finalize report design.

	Step 3: Obtain timeline for completion of report coding from the Office of Information Technology.
	Step 4: Review draft of work order report with Facilities Planning and Standards staff.
	Step 5: If report is satisfactory, jointly agree on a reporting schedule.
	Step 6: Upon receipt of quarterly report, Facilities Planning and Standards should incorporate conclusions into design standards.
Who is Responsible	Chief Facilities Officer-Maintenance
Time Frame	June 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Action Plan 9-8

Establish Additional Architect or Engineer Position To Conduct Life Cycle Cost Studies	
Strategy	Increase professional staff by one position in order to double the number of post occupancy reviews, adequacy of design reviews and design standards compliance reviews.
Action Needed	Step 1: Interview and select an additional architect or professional engineer.
	Step 2: Train new professional in District design standards and the need for cost estimates or cost savings estimates.
	Step 3: Prepare quarterly review schedule.
	Step 4: Commence reviews and report results to Chief Facilities Officer-Construction. These results should include recommendations to change design standards.
	Step 5: Immediately refer to the Executive Director of Project and Contract Management the results of any reviews that disclose the failure of contractors to adhere to District design standards.
Who is Responsible	Assistant Chief Facilities Officer-Construction
Time Frame	September 2002
Fiscal Impact	This recommendation will require an additional professional position in the Facilities Planning & Standards office. The costs of this position will be offset by projected maintenance and construction cost savings from improved facility design.

Facilities Construction

Action Plan 10-1

Reactivate School Site Planning and Construction Committee	
Strategy	The District should activate the new School Site Planning and Construction Committee facility planning committee, assign it appropriate responsibilities and staff it appropriately.
Action Needed	Step 1: Convene School Site Planning and Construction Committee and ask committee members to reformulate the proposed new School Board Rule (October 10, 2001) to reflect the best use for its input and oversight.
	Step 2: Take revised section on the external educational facilities committee to School Board for approval.
	Step 3: Based on the recommended scope of the Committee's work, assign sufficient resources to staff the Committee.
	Step 4: Maintain a regular meeting schedule with timely notice, well-formulated agendas, minutes and specific topics for public input.
Who is Responsible	Chief Facilities Officer
Time Frame	June 2002
Fiscal Impact	None

Action Plan 10-2

Establish facilities planning department	
Strategy	Create a planning office that aligns site, boundary, and capital planning functions and ensures that decision-making about facilities is consistent with educational operations.
Action Needed	Step 1: Create a planning department that reports the Chief Facilities Officer for Planning and Construction. Step 2: On an interim basis establish the planning department in the Government Affairs and Land Use Policy and Acquisition Office. Step 3: Prepare description of planning functions. Step 4: Develop job descriptions and job qualifications for planning office staff and determine appropriate pay grades for these staff. Step 5: Post the new positions and encourage existing staff with capital facilities, maintenance, and education experience to apply. Step 6: Interview applicants. Step 7: Identify personnel to be assigned to the planning department. Step 8: Establish a four to six month training program for newly reassigned planning staff.
Who is Responsible	Chief Facilities Officer and Director of Government Affairs
Time Frame	September 2002
Fiscal Impact	Can be implemented using existing resources.

Action Plan 10-3

Engage public in long-rang educational planning	
Strategy	Develop a long-range educational plan with broad community input and update it on a regular basis.
Action Needed	Step 1: Assign the responsibility for a public engagement initiative to the head of the recommended planning department. Step 2: Pass a School Board resolution in support of a long-range master planning process engaging the broad public—parents, teachers, school based support staff, community members and the business community. Step 3: Establish a Master Planning Task Force. Step 4: Develop a plan framework and schedule for providing information to the public and getting feedback from the public about facility issues, community priorities and values, the educational program and community needs. Step 5: Use the Task Force to synthesize the values, concerns and priorities of the community into a long-range plan. Step 6: Hold public hearings in each region to receive feedback on a draft long-range educational facilities master plan. Step 7: Revise plan based on hearings. Step 8: Approve long-range educational facilities master plan.
Who Is Responsible	Chief Facilities Officer, Planning and Construction
Time Frame	May 2003
Fiscal Impact	This can be implemented with existing resources.

Action Plan 10-4

Explore small site acquisition for construction of small schools and offer design competition for prototype small schools	
Strategy	Determine the potential for relieving overcrowding and the estimated cost per student station through building small schools on small sites.

Action Needed	Step 1:	Ask land review task force to prepare cost benefit analysis on the real estate and construction side of buying smaller pieces of land and building small schools.
	Step 2:	Create an education committee to work with the Facilities Planning and Standards unit to develop the educational specifications for a prototype small school from each level.
	Step 3:	Integrate educational specifications and findings and real estate and construction specifications and findings into a report with recommendations to the Superintendent.
	Step 4:	Make a recommendation to school board on potential for construction and utilization of small schools.
	Step 5:	If small schools on small sites appear to hold potential for improving education and reducing overcrowding, organize a design competition for prototype small schools—including adaptive reuse for small schools.
Who Is Responsible	Chief Facilities Officer, Planning and Construction	
Time Frame	April 2002-Sept 2003	
Fiscal Impact	The analysis could be done with existing staff and pro bono services of task force members. The design competition should be able to be financed with corporate or foundation support.	

Action Plan 10-5

Establish Financing Task Force		
Strategy	Establish a school construction and modernization task force to develop financing proposals for implementation of long-range educational facilities master plan.	
Action Needed	Step 1:	Announce the creation of a construction financing task force.
	Step 2:	Appoint a small, but recognizably influential group of business leaders to serve on the financing task force after soliciting advice from County leaders, business leaders and Board of Education members.
	Step 3:	Charge the task force with finding ways to fund the implementation of the long-range master plan.
	Step 4:	Use the task force to develop recommendations for the superintendent.
	Step 5:	Publicize task force recommendations.
	Step 6:	Hold public hearings on financing recommendations.
	Step 7:	Submit recommendations to the Board of Education for review and action.
Who Is Responsible	Superintendent	
Time Frame	June 2003; Task force is put in place near the end of master planning process.	
Fiscal Impact	No fiscal impact.	

Action Plan 10-6

Establish a standing capital planning committee		
Strategy	Create a public committee to provide input on setting priorities for the capital plan and advising the District on site selection.	
Action Needed	Step 1:	Revise the responsibilities of the proposed standing committee to reflect a more realistic and manageable role.
	Step 2:	Establish a public school site planning and construction committee to focus attention on these important responsibilities.
	Step 3:	Appoint members representing parents, business community, construction and real estate professionals (without conflict of interests) and other community stakeholders. (These appointments should be made by the School Board.)
	Step 4:	Charge committee with reviewing the recommended planning department's five-year Work Plan recommendations to ensure their consistency with the long- range master plan.

	Step 5:	Hold public hearings on capital project priorities and proposed site purchases.
Who Is Responsible	Chief Facilities Officer of Planning and Construction	
Time Frame	Establish in time to advise school District on long-range master planning.	
Fiscal Impact	No fiscal impact.	

Action Plan 10-17

Review organization and staffing of capital program

Strategy	Review the cost and organization of the capital program management with the objective of reducing staffing of the capital management, operations and oversight by 20-35% within 3 years.	
Action Needed	Step 1:	Conduct desk audits, including clerical support positions.
	Step 2:	Examine approval procedures for design and construction related decisions.
	Step 3:	Examine approval procedures for budget related decisions.
	Step 4:	Assess impact of personnel policy toward capital employees—work related travel, the union's role, training, compensation, and seniority.
	Step 5:	Examine school board influence on hiring.
	Step 6:	Plan and initiate phased in staff reorganization and reduction.
Who Is Responsible	Chief Facilities Officer	
Time Frame	July 2004	
Fiscal Impact	Cost for evaluation may be $100,000; gross savings with 20% staff reduction, phased in over three years, could be $7.8 million over a five-year period.	

Action Plan 10-23

Provide orientations to all new facilities

Strategy	Ensure that an orientation is provided for each new facility.	
Action Needed	Step 1:	Each year, identify all new facilities to be brought on-line.
	Step 2:	Develop an orientation for the users of each new facility.
	Step 3:	Provide orientations as facilities are brought on-line.
Who Is Responsible	Chief Facilities Officer	
Time Frame	July 2002	
Fiscal Impact	This recommendation can be completed with existing resources.	

Action Plan 10-24

Link post occupancy with planning and require post occupancy reviews

Strategy	Place the responsibility for post occupancy evaluations with the planning department and require reviews for all major construction projects.	
Action Needed	Step 1:	Review "Post Construction" procedures in Section 8 of the MDCPS Facilities, Planning, Design and Construction Manual.
	Step 2:	Develop a simplified post occupancy review process that focuses on building performance from the point of view of school-based staff, students and community and school based engineers and custodians.
	Step 3:	Modify guideline to made simplified post-occupancy reviews mandatory for all major construction projects.
	Step 4:	Establish criteria for in-depth post occupancy evaluations—for example, when determining whether or not to re-use design, to evaluate contractor performance, or to fully understand issues of cost.
	Step 5:	Undertake a limited number of in-depth post-occupancy evaluations.

	Step 6:	Bring results of post occupancy evaluations back to the Technical Review Committee on a regular basis and to the citizen's School Site Planning and Construction Committee.
Who Is Responsible	Chief Facilities Officer	
Time Frame	June 2003	
Fiscal Impact	This recommendation can be completed with existing resources.	

Facilities Maintenance

Action Plan 11-2

Develop Short and Long Term Goals and Objectives		
Strategy	Prepare and disseminate to Maintenance Operations managers and staff short and long-term goals and objectives.	
Action Needed	Step 1:	Chief Facilities Officer-Maintenance should meet with his leadership team to develop specific and measurable short and long-term goals and objectives.
	Step 2:	Prepare draft goals and objectives.
	Step 3:	Obtain feedback from Facilities Construction and the Superintendent.
	Step 4:	Receive approval from the Superintendent.
	Step 5:	Distribute goals and objectives to Maintenance Operations staff.
	Step 6:	Make quarterly report to the Superintendent on progress towards achieving goals and objectives.
Who is Responsible	Chief Facilities Officer-Maintenance	
Time Frame	September 2002	
Fiscal Impact	This recommendation may be implemented with existing resources.	

Action Plan 11-3

Include Projections Of In-House Maintenance Staff Needs in Five –Year Work Plan		
Strategy	Modify the five-year plan to include services provided by in-house maintenance staff and a projection of future staff needs.	
Action Needed	Step 1:	Establish standards for various types of work orders.
	Step 2:	Develop annual projections of actual staff hours required to achieve approved goals based on specific numbers and types of work orders expected.
	Step 3:	Include staffing projections for next five years in the five-year work plan to meet existing and expected future workload.
	Step 4:	Determine what future projects or types of projects can (or cannot) be completed with various levels of staffing.
	Step 5:	Provide Five-Year Maintenance and Operations Capital Outlay Budget to Superintendent, school board, public and District staff.
Who is Responsible	Maintenance and Operations Department	
Time Frame	September 2002	
Fiscal Impact	This recommendation may be implemented with existing resources.	

Action Plan 11-4

Estimate Costs for All Work Orders	
Strategy	Require all shop foremen and coordinators to estimate the time and materials needed for each work order using a standardized methodology.

Action Needed	Step 1:	Train all satellite trades staff in the use of the R.S. Means estimating software.
	Step 2:	Modify operating procedures to require a cost estimate for all work orders regardless of size.
	Step 3:	Begin placing time and material estimates in all work orders prior to beginning work.
Who is Responsible	North and South Area Maintenance Directors	
Time Frame	January 2003	
Fiscal Impact	Implementing this recommendation is estimated to cost $375,290 over the next five years but improvement management capabilities may offset some or all of the costs.	

Action Plan 11-5

Develop And Implement An Annual Training Plan		
Strategy	Develop and implement an annual training plan for maintenance workers and supervisors.	
Action Needed	Step 1:	Review staff job descriptions and interview maintenance supervisors to identify training needs.
	Step 2:	Develop a flexible training proposal that can adjust to any funding level.
	Step 3:	Request funding during the annual budget development process.
	Step 4:	Determine method of tracking and recording actual courses attended so that supervisory staff and managers can easily access data.
	Step 5:	Upon approval of funding, inform all maintenance staff of new training program.
	Step 6:	Schedule training.
Who is Responsible	Executive Director of Maintenance Employment/Employee Resources, Policies and Procedures	
Time Frame	January 2003	
Fiscal Impact	This recommendation will require an investment of $250,000 annually for a total of $1,250,000 over the next five years.	

Action Plan 11-6

Subscribe To Magazine And Reimburse Memberships in Professional Societies		
Strategy	Subscribe to trade journals and provide partial reimbursement of memberships in professional societies.	
Action Needed	Step 1:	Interview staff, and collect background information on specific professional societies and job-related magazines.
	Step 2:	Determine method of tracking staff participation in this program so that supervisors and management can refer to it in performance evaluation process.
	Step 3:	Compile list of approved organizations and magazines.
	Step 4:	Prepare flexible budget proposal.
	Step 5:	Request funding during annual budget development process.
	Step 6:	Subscribe to selected magazine and begin partial reimbursements.
Who is Responsible	Executive Director for Maintenance Employee Resources, Policies and Procedures.	
Time Frame	September 2002	
Fiscal Impact	This recommendation will require an investment of $100,000 annually and $500,000 over the next five years.	

Action Plan 11-7

Conduct Annual and Quarterly Customer Feedback Surveys	
Strategy	Continuously solicit customer feedback both in writing and via e-mail (on a quarterly basis) and through an anonymous customer survey (on an annual basis).
Action Needed	Step 1: Create a link on the Maintenance Operations web page where District staff and the public can provide comments on the quality of maintenance services.
	Step 2: Summarize and report on these comments quarterly by sharing results with satellite directors.
	Step 3: Require satellite directors to describe improvements or corrective actions taken as a result of comments.
	Step 4: Develop an annual anonymous customer service survey.
	Step 5: Distribute the survey to all principals, teachers' union chapter chairpersons and central site administrators.
	Step 6: Summarize survey results and report them to the Superintendent.
Who is Responsible	North and South area District Directors of Maintenance
Time Frame	June 2002
Fiscal Impact	This recommendation may be implemented with existing resources.

Action Plan 11-8

Benchmark Maintenance Services	
Strategy	Use data from other school Districts to assist in developing performance and cost efficiency measures.
Action Needed	Step 1: Identify sample Districts inside and outside of Florida to use for comparisons.
	Step 2: Develop performance measures that will be used for comparisons.
	Step 3: Survey identified sample Districts.
	Step 4: Prepare comparative analysis of Districts' data with Miami-Dade County Public Schools.
	Step 5: Summarize results of survey and share with Maintenance Operations managers, the Superintendent and the cabinet.
	Step 6: Institute operational and/or procedural improvements to address most common issues raised in survey unless they conflict with collective bargaining agreements, statutes or are too costly.
Who is Responsible	Chief Facilities Officer - Maintenance
Time Frame	January 2003
Fiscal Impact	This recommendation may be implemented with existing resources.

Action Plan 11-9

Monitor Maintenance Performance and Cost Data	
Strategy	Regularly assess the reliability of performance and cost data.
Action Needed	Step 1: Select or design appropriate maintenance work order reports.
	Step 2: Establish performance and cost standards initially for 100 most common maintenance tasks and eventually for all other l work orders.
	Step 3: Begin generating monthly reports and distribute them to appropriate Maintenance Operations staff.
	Step 4: Begin using reports as a management tool.
	Step 5: Develop process to audit the reliability of the performance and cost data reported on these reports.
	Step 6: Implement audit process.
Who is Responsible	Executive Director of Operations Management and Planning

Time Frame	June 2002 for 100 most common work orders and January 2003 for all others.
Fiscal Impact	These recommendations may be implemented with existing resources.

Action Plan 11-10

Establish A Formal Process For Evaluating And Improving Cost Estimates	
Strategy	Establish a formal process for evaluating and improving the accuracy of cost estimates including undertaking a periodic comparison of in-house estimates and actual costs.
Action Needed	Step 1: Maintenance managers responsible for JOCs, term bids, and in-house project estimating should work together to develop a system for tracking initial cost estimates and actual job costs for all projects. [3]
	Step 2: Develop a quarterly report that summarizes and provides the back-up detail on the accuracy of the various groups' cost estimates compared to actual expenditures.
	Step 3: Pending contract negotiations, revise personnel performance evaluation process to include a review of estimation accuracy for cost estimators.
	Step 4: Revise contractor performance evaluation process to include a review of estimation accuracy.
Who Is Responsible	Executive Director of Maintenance Contract Management, North and South Area District Directors
Time Frame	June 2002
Fiscal Impact	The resources spent by the District will not be change but budget and planning processes will be improved.

Action Plan 11-11

Use An Estimated Inflation Rate To Develop Five-Year Maintenance Operations Budgets	
Strategy	Include an estimated inflation rate when developing five-year maintenance operations budgets to improve the accuracy of maintenance cost estimates in the out years.
Action Needed	Step 1: Select a readily accessible inflation index from a reliable source such as the Consumer Price Index.
	Step 2: Apply the adopted inflation rate for years two through five to all spending categories in the five-year Capital Outlay Budget.
Who Is Responsible	North and South Area District Directors, Executive Director of the Division of Management Systems and Controls
Time Frame	September 2002
Fiscal Impact	The resources spent by the District will not change but budget and planning processes will be improved.

Action Plan 11-12

Conduct A Through Cost Benefit Analysis Of The Deferred Maintenance Program	
Strategy	Conduct a thorough cost/benefit analysis of deferred maintenance program to determine if increasing expenditures on preventative maintenance could save significant long-term resources.
Action Needed	Step 1: Establish spending categories of maintenance work orders: • Under $5,000 • $5,000 to $24,999.99 • $25,000 to $99,999.99 • $100,000 or more

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[3] This system should be electronic, should track the individual providing the estimates, and should track material and labor separately for in-house projects.

	Step 2:	Sort all work orders for the last year into these spending categories.
	Step 3:	Review a random sample of work orders from each category (not fewer than 50 from each group) and make a determination as to whether the work order could have been avoided or delayed had routine preventative been performed.
	Step 4:	Determine the work that would be avoidable with preventative maintenance and estimate the cost (both time and materials) associated with the requisite preventative maintenance for each work order.
	Step 5:	Based on the sample averages, estimate the percentage of work orders from each spending category that could have been avoided with a preventative maintenance program as well as the estimated costs of such programs.
Who Is Responsible	Chief of Facilities Maintenance and Operations	
Time Frame	June 2003	
Fiscal Impact	The amount of potential savings will depend upon the analysis.	

Action Plan 11-13

Modify The Custodial Staffing Formula

Strategy	Modify custodial staffing formula to more closely reflect national and State of Florida standards for custodial coverage.	
Action Needed	Step 1:	Adjust the base allocation rate to one custodian for every 19,000 square feet regardless of school size.
	Step 2:	Recalculate custodial allocations for all schools using the base allocation plus additional District modifiers. [4]
	Step 3:	Plan and initiate phased in staff reduction.
Who Is Responsible	Director, Department of Plant Operations	
Time Frame	July 2004	
Fiscal Impact	The District could reduce its personnel budget by $6 million per year based on a reduction of District custodial staff by 208 positions. This represents an 8.5 percent reduction in custodial staffing. Phased in over a three-year period this would generate $18.5 million in savings.	

Action Plan 11-14

Require Head Custodians To Work The Second Shift

Strategy	Require head custodians to work during the shift when most non-supervisory custodians are working and when most cleaning activity occurs.	
Action Needed	Step 1:	Revise job descriptions and collective bargaining agreements to reflect the second shift requirement.
	Step 2:	Make all promotions to head custodian contingent upon working the second shift.
Who Is Responsible	Chief of Facilities Maintenance and Operations, Director of Department of Plant Operations	
Time Frame	December 2002	
Fiscal Impact	Implementation of this recommendation will cost the District approximately $185,000 per year in additional shift differential pay for Head Custodians. Over the next five years the total expense will be $925,000. [5]	

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[4] Under the District's current formula, the base rate can range from as little as 1:8,000 square feet up to 1:17,500 square feet. The existing modifiers in the District's formula will still allow some flexibility for unique conditions in some District schools. As a result, the District will continue to allocate custodians at a higher rate than the State formula suggests. The long-term goal, however, should be to attain the 1:19,000 ratio suggested by the state.

[5] By existing labor agreement standards, custodians are given an additional 40¢ per hour for second shift and 45¢ per hour for third shift. For 315 schools, 40 weeks per year on second shift, this amounts to $176,400. The additional $8,600 is an estimated "cushion" to cover any added differential expense for those Head Custodians that will be required to work third shift.

Action Plan 11-15

Establish Staffing Formulae For The Maintenance Trades Areas	
Strategy	Establish staffing formulae for the maintenance trades areas based on historical work order activity data.
Action Needed	Step 1: Identify a target average number of "hands-on" maintenance personnel for the District based on industry standards. [6]
	Step 2: Review work orders from a recent 12-month period to determine the amount of staff hours spent by District maintenance staff. [7]
	Step 2: Compare the percentage of work order hours generated by trade group to corresponding percentages of trade staff.
	Step 3: Determine the proper ratio of trades based upon a ranking of work order demand. [8]
	Step 4: Ease the hiring freeze for high volume trades where insufficient staffing exists.
Who Is Responsible	Chief of Facilities Maintenance and Operations
Time Frame	December 2002
Fiscal Impact	The fiscal impact of this recommendation will depend upon the analysis. However, by reducing overall staffing levels to industry standards, the District would eliminate 71 trades positions for an approximate savings of up to $17 million over five years. [9]

Action Plan 11-17

Establish A Dollar Limit Over Which All Projects Must Be Formally Evaluated To Determine The Least Expensive Service Delivery Approach	
Strategy	Establish a dollar limit over which all projects must be formally analyzed to determine the least expensive service delivery method.
Action Needed	Step 1: Determine who will be responsible for analyzing and comparing expected costs.
	Step 2: Determine how many such analyses can be completed by that individual or group in a given time frame.
	Step 3: Review the average number of work orders generated by the District over the given time frame.
	Step 4: Back into the dollar threshold based on the amount of expected analysis workload.
	Step 5: Assess whether this threshold is reasonable.
	Step 6: Without regard for internal capacity, review all new work orders with cost estimates above the dollar threshold to determine the least costly method of completion.
	Step 7: If outside contractors are less costly than in-house trade areas with excess capacity, the District should consider downsizing in those areas.
Who Is Responsible	Chief of Facilities Maintenance and Operations
Time Frame	June 2002
Fiscal Impact	The amount of potential savings will depend upon the analysis.

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[6] According to one private sector specialist in institutional facilities maintenance, some urban school Districts attain ratios in the range of one maintenance worker for every 35,000 to 40,000 square feet of occupied building space. Currently Miami-Dade's ratio last year was one maintenance worker for every 32,500 square feet. (These figures are for production staff only, not for administration.)

[7] Work orders should be sorted by trade group. In addition, if sampling is used, the samples should be drawn evenly from each month.

[8] Some of the higher-use trade categories may warrant a higher portion of staffing than the work orders would indicate because the District may decide to eliminate in-house staffing of some lower-use trade categories altogether.

[9] Staff reports that 70 trades positions have recently been eliminated from the District's budget.

Action Plan 11-18

Incorporate Feedback From End Users Into The Evaluation Of In-House Trades Personnel And Outside Contractors	
Strategy	Incorporate customer feedback from end users for all work orders and use this feedback to evaluate in-house staff and outside contractors.
Action Needed	Step 1: Develop a customer service rating form for maintenance work. [10]
	Step 2: Require customer service rating forms for all work orders not completed by the in-school Zone Mechanics. School administrators should complete forms, though delegation of this responsibility to Zone Mechanics would be acceptable.
	Step 3: Compile and track customer service ratings for various categories:
	• By satellite
	• By trade
	• By service provider (in-house, JOC, term bid)
	Step 4: Use customer service rating data for internal and external evaluations.
Who Is Responsible	North and South Area District Directors, Executive Director of the Division of Management Systems and Controls
Time Frame	December 2002
Fiscal Impact	The amount of resources spent by the District will not be affected, but the information will help the District to identify staff and contractors who need to improve their performance.

Action Plan 11-19

Reassign Responsibility For Unskilled Maintenance Tasks To Custodians Or To Outside Contractors	
Strategy	Shift the responsibility for unskilled maintenance tasks, such as changing light bulbs and filters, to custodial staff or to contracted services in order to allow the Zone Mechanics to focus on more technical routine maintenance.
Action Needed	Step 1: Amend job descriptions, collective bargaining agreements and resource allocations for outside contracting, as necessary, to allow the reassignment of responsibility from Zone Mechanics for changing air filters and burned out light bulbs.
	Step 2: Develop an estimate, by building, of the amount of time required to change bulbs and air filters.
	Step 3: If custodial staff cannot assume these responsibilities, enter into agreements with outside contractors to provide bulb and filter changing services.
Who Is Responsible	Director of Department of Plant Operations, Executive Director of Maintenance Contract Management
Time Frame	December 2002
Fiscal Impact	The District can avoid as much as $18 million in costs over the next five years by shifting responsibilities for unskilled maintenance from zone mechanics to custodians. This will enable the District to increase the work done by the zone mechanics without increasing the number of mechanics on staff. Based on the number of work-hours spent on this kind of maintenance, and the lower salaries of custodians as compared to the higher paid zone mechanics, this District could avoid up to $3.6 million per year, or $18 million over a five-year period.

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[10] This form should solicit information on the timeliness with which work orders are completed, the courteousness of maintenance staff, and the quality of the workmanship.

Action Plan 11-20

Consider Life Cycle Costs When Acquiring New Equipment	
Strategy	Consider ongoing preventative maintenance costs when evaluating the cost of replacement equipment. [11]
Action Needed	Step 1: Amend the approval process for all major equipment purchases to require the consideration of annualized maintenance costs. Step 2: Calculate the present value of the projected maintenance costs for the expected life of the equipment and consider those costs when making acquisition decisions.
Who Is Responsible	Chief of Facilities Maintenance and Operations, Chief Facilities Officer (Facilities Planning & Construction), Executive Director of the Division of Management Systems and Controls.
Time Frame	September 2002
Fiscal Impact	The amount of potential savings will depend upon the results of the analysis performed.

Action Plan 11-21

Establish Replacement Scheduled For Major Equipment	
Strategy	Establish replacement schedules based on actual historical data for major equipment and adhere to the schedule in order to minimize "emergencies."
Action Needed	Step 1: Review historical life cycle information and determine the average actual life for major equipment. Step 2: Use calculations to modify the District's five-year Capital Outlay budget.
Who Is Responsible	Chief of Facilities Maintenance and Operations, North and South Area District Directors
Time Frame	December 2002
Fiscal Impact	The amount of potential savings will depend upon the results of the analysis performed

Action Plan 11-22

Allocate More Resources To Preventive Maintenance Activities	
Strategy	Allocate more resources to preventative maintenance activities—especially the Zone Mechanic program—to help reduce excessive deferred maintenance costs.
Action Needed	Step 1: Review a recent 12-month period of work orders and sort out those that could have been handled by "generalist" Zone Mechanics. Step 2: Calculate the number of full-time equivalent Zone Mechanics that would be required to complete those work orders. Step 3: Shift the equivalent number of trade staff to the Zone Mechanic program.
Who Is Responsible	Chief of Facilities Maintenance and Operations
Time Frame	July 2002
Fiscal Impact	The amount of resources spent by the District will not immediately be affected, but the reduced effort that will need to be devoted to corrective maintenance as preventive maintenance practices are implemented and efficiencies in the completion of school-based work orders will, over time, free maintenance resources for other priorities.

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[11] The District might set a cost threshold for this strategy over which an evaluation would be required.

Action Plan 11-23

Conduct Annual Performance Evaluations for Maintenance Workers	
Strategy	Conduct annual performance evaluations and use the process to enhance the productivity of all maintenance staff.
Action Needed	Step 1: Develop draft annual performance evaluation document and procedures. Step 2: Obtain feedback from District's labor relations office. Step 3: Revise draft and share it with the leadership of affected unions. Step 4: Finalize performance evaluation document and procedures for administering it. Step 5: Develop training plan for staff that will be responsible for administering the performance evaluation document. Step 6: Commence training of coordinators, forepersons and all others who supervise maintenance workers. Step 7: Administer performance evaluations.
Who is Responsible	Executive Director Maintenance Employment/Employee Resources, Policies and Procedures
Time Frame	October 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Student Transportation

Action Plan 12-1

Develop Transportation Plan to Increase Bus Occupancy	
Strategy	The Department should analyze options to increase bus occupancy including options regarding revised bell schedules and transportation of ESE and magnet school students.
Action Needed	Step 1: Identify policy options to evaluate that have the greatest impact on increasing bus occupancy such as bell schedules and transportation of ESE and magnet school students. Step 2: Conduct cost-benefit analysis of policy options. Step 3: Produce a report and present it to the superintendent and school board to make a decision on how to increase bus occupancy. Step 4: Implement school board decision.
Who Is Responsible	Administrative Director, Department of Transportation
Time Frame	December 2002
Fiscal Impact	By increasing bus occupancy, the District should realize an increase in state funding annually. By matching the bus occupancy of the Broward County School District, the District could realize an additional $1.7 million annually and $8.5 million over five years in state funding. By increasing bus occupancy, the District could reduce the number of bus routes operated, which would reduce the number of buses needed, number of drivers needed, and reduce maintenance and fuel costs. The District could reduce its fleet in daily use by over 300 buses by matching the Broward County School District's operation. The transportation plan to increase bus occupancy should detail these savings and how to phase them in over time.

Computerized Routing and Scheduling System	
Strategy	The District should move rapidly to complete the installation of an effective computerized routing and scheduling system.

Action Needed	Step 1:	Assign the responsibility for the implementation of an effective computerized Routing and Scheduling System to one of the DOT's executive directors.
	Step 2:	Complete the evaluation, testing, and selection of a new system on an expedited schedule.
	Step 3:	Provide the new computerized routing and scheduling resource to the centralized routing staff with the appropriate training on its effective utilization..
	Step 4:	Conduct routing and scheduling activities for the 2002-03 school year utilizing the new system.
	Step 5:	Evaluate and report improvements in the number routes and related ride-times and develop process for identifying and implementing additional procedural improvements.
Who Is Responsible	Administrative Director, Department of Transportation	
Time Frame	July 2002	
Fiscal Impact	Resources for this project are currently in the District's budget.	

Centralize Bus Routing Function

Strategy		Centralize the routing staff currently located at each of the Transportation centers to improve the efficiency of designing routes that overlap the geographic areas, improve route planning staffing efficiency, and to ensure consistent adherence to District routing standards.
Action Needed	Step 1:	Assign the responsibility for District-wide routing and scheduling of school buses to one of the DOT's executive directors
	Step 2:	Analyze and modify, as appropriate, routing protocols and procedures.
	Step 3:	Physically bring together routing resources and train staff on uniform standards and procedures.
	Step 4:	Conduct routing and scheduling activities for the 2002-03 school year in a centralized and coordinated fashion.
	Step 5:	Evaluate and report improvements in the number of routes and related ride-times and develop process for identifying and implementing additional procedural improvements.
Who Is Responsible	Administrative Director, Department of Transportation.	
Time Frame	July, 2002	
Fiscal Impact	This recommendation will result in the reduction of resources required for this function. There are currently 40 route managers and specialists involved in this function at an estimated annual payroll cost of $1.7 million. A saving of at least $500,000 (or 30 %) per year can be achieved in this area and $2.5 million over five years. In addition, the more efficient routing achieved through this and other related recommendations in this report should reduce the number of routes. The specific dollar savings from reductions in the number of routes is indeterminate.	

Complaint Monitoring

Strategy		The District should establish and maintain an effective complaint monitoring system to log and summarize the concerns of parents, schools, and the community, and to document the efforts to resolve these concerns.
Action Needed	Step 1:	Assign the responsibility for the implementation of a complaint monitoring system to the Coordinator of Operations and Training.
	Step 2:	Establish a system for the uniform reporting of complaints from schools, students, parents and the community.
	Step 3:	Establish a system for the collection, summarization, and analysis of complaint data.
	Step 4:	Evaluate and report complaint information on a timely basis and institute changes in operations and communications reduce complaints and improve customer relations.

Who Is Responsible	Administrative Director, Department of Transportation
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Action Plan 12-2

Employee Turnover Data and Exit Interviews

Strategy	Maintain turnover statistics for bus drivers and other job classifications and conduct exit interviews with employees to determine the District's effectiveness in retaining trained and experienced employees.
Action Needed	Step 1: Assign the responsibility for turn over statistics to the coordinator operations and Training.
	Step 2: Establish system for the uniform collection of retirement, resignation, and termination data by employee classifications.
	Step 3: Establish a process for conducting exit interviews to determine factors in employee resignations.
	Step 4: Evaluate and report turnover statistics and documented reasons for employee resignations.
	Step 5: Identifying and implement systemic improvements to help retained quality employees.
Who Is Responsible	Administrative Director, Department of Transportation.
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources

Decentralize Bus Driver Job Applications and Interviews

Strategy	Bus driver job applications and initial interviews should be completed at the transportation centers to help draw job applicants from through out the District.
Action Needed	Step 1: Assign the responsibility for the process bus driver job applications and initial interviews to the coordinator of Operations and Training.
	Step 2: Establish system, in coordination with Human Resources Department, for the dissemination of bus driver job applications at the transportation centers.
	Step 3: Establish a process, in coordination with Human Resources Department, for the initial job interview of potential bus drivers at the transportation centers.
Who Is Responsible	Administrative Director, Department of Transportation.
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Action Plan 12-5

Analyze 12-Year Bus Replacement Schedule

Strategy	Conduct a cost/benefit analysis of the cost-effectiveness of maintaining a 12-year bus replacement schedule. This analysis should be repeated periodically as conditions, vehicle costs, maintenance labor costs and other major factors change.
Action Needed	Step 1: For a representative sample of the entire bus fleet, determine year-by-year life cycle maintenance costs.
	Step 2: Determine the average age and sale price for District buses of differing sizes and configurations when sold at auction.
	Step 3: Use service records to determine the average and peak number of buses out of service at any one time
	Step 4: Adjust purchase schedule if indicated by the analysis results.
	Step 5: Repeat the analysis every five years to determine if policies need to be changed.

Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Reduce the Spare Bus Ratio to No More Than 12 % of Daily Routes

Strategy	Set a cap of 12 % of daily routes for the number of spare buses maintained by the District.
Action Needed	Step 1: Submit new policy wording to the school board for approval. Step 2: Change standard operating procedures to reflect the change to 12 %. Step 3: Plan a scheduled reduction in the new school bus purchases to reflect the change without radically increasing the age of the spare fleet. Step 4: Auction off the District's fleet of "emergency" buses stored at its auction yard.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2002
Fiscal Impact	This recommendation will result in a one-time cost recovery of $173,000. Additional annual savings will accrue to the District in reduced maintenance costs. In addition, the District could receive as much as $290,000 from the sale of the emergency buses.

Review Bus Sizes in the Transportation Fleet

Strategy	Review District bus capacity needs more critically once routing efficiency has been improved. If warranted at that time, the District should purchase smaller buses for those routes where the higher seating capacity is not needed
Action Needed	Step 1: See Action Plan 12-1 for issues relating to improved routing efficiency. Step 2: Review all assigned routes to determine required seating capacity. Step 3: Alter new bus purchases to reflect actual seating capacity needs.
Who Is Responsible	Administrative Director, Department of Transportation
Time Frame	December, 2002
Fiscal Impact	Based on current routes, this recommendation will result in an annualized capital savings of $616,666 in reduced bus purchases and $3.1 million over five years. In addition, savings in reduced diesel fuel expenditures will exceed $438,000 per year and $2.2 million over five years. However, until routing efficiencies are implemented, estimated savings from operating smaller buses could change.

Action Plan 12-9

Modify the Mechanic's Staffing Allocation Formula to Better Reflect Actual District Experience

Strategy	Tailor the mechanics staffing allocation formula to better reflect actual District experience.
Action Needed	Step 1: Review 12 months' worth of work orders to determine the time spent maintaining and repairing various categories of vehicle types. Step 2: For non-bus vehicles, determine the average amount of time spent by mechanics on each vehicle type. Step 3: Establish corresponding formulae for each vehicle type based on average repair times. Step 4: Compare projected mechanic needs by vehicle type to the current 40 to 1 ratio to determine if the current staffing formula should be changed.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Develop a Staffing Formula That Can Be Used to Determine The Number of Vehicle Maintenance Managers Needed	
Strategy	Develop a staffing formula that the District can use to determine the proper number of managers in its vehicle maintenance operations.
Action Needed	Step 1: Collect peer and industry information on management practices in other school district vehicle maintenance operations. Step 2: Compare industry and peer information with the District's current organizational structure. Step 3: Gather information on how managers currently spend their time and the types of factors that increase their workload. Step 4: Develop a management to staff ratio based on collected information and apply it to current operations to determine if there is an imbalance.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Action Plan 12-10

Authorize Maintenance Managers to Control the Use of Visa Purchases At Each Maintenance center	
Strategy	Allow maintenance managers to control the use of Visa purchases at each maintenance center to reduce delays in obtaining parts and supplies needed for repairs.
Action Needed	Step 1: Amend the standard operating procedures for Visa purchases to allow maintenance managers final purchase approval within established limits. Step 2: Train maintenance managers to use the required monthly reconciliation process for Visa purchases. Step 3: Implement the new procedures at all maintenance centers simultaneously.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Ensure That Visa Purchases Are Entered Into the Work Order System	
Strategy	Enter parts and service purchases made through the Visa program into the work orders system so that accurate life-cycle analysis can be completed
Action Needed	Step 1: Revise standard operating procedures for Visa purchases to require the Lead Mechanic or Foreperson to input parts and services purchased with Visa cards into the work order system when the transaction is completed. Step 2: Implement the new procedures at all maintenance centers simultaneously.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Select Motor Oil Vendor(s) Through a Competitive Process	
Strategy	Establish a competitive process for the purchase of motor oil to ensure the best price is received
Action Needed	Step 1: Establish specifications for motor oil purchases. Step 2: Issue an RFP for motor oil suppliers. Step 3: Identify potential vendors and inform them of the opportunity to bid. Step 4: Establish and apply proposal criteria that heavily weights lowest price.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	June, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Consider Outsourcing Warehouse Activities

Strategy	Consider contracting with large-scale vendors instead of operating its parts and supplies warehouse.
Action Needed	Step 1: Determine the annual operating costs for the District's vehicle maintenance warehouse activities. Step 2: Complete a market analysis on local competition in the parts and supplies industry to determine if adequate scale exists in the local market. Step 3: If so, seek out competitive bids for the supply of parts and supplies to the maintenance centers.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Replace the Computerized Work Order System With One That Allow for the Life-Cycle Tracking of Warranty Information

Strategy	Replace the computerized work order system with one that allows for the life-cycle tracking of warranty information and automatically flags warranted items when they are due to be serviced.
Action Needed	Step 1: See Action Plan 12-6, Recommendation 1. Step 2: Ensure that any new system has the capability of tracking and flagging warranty information.
Who Is Responsible	District Director of Vehicle Maintenance
Time Frame	December, 2002
Fiscal Impact	The costs of implementing this recommendation are presented in Action Plan 12-6.

Action Plan 12--11

Integrate Existing Systems

Strategy	Electronically integrate existing systems to eliminate redundancies thereby improving accuracy and operational efficiency.
Action Needed	Step 1: In coordination with OIT, prioritize the integration of existing systems. Step 2: Build computerized links to integrate systems.
Who Is Responsible	Administrative Director, Department of Transportation and the Director of the Office of Information Technology.
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources

Computerized Routing And Scheduling System

Strategy	The District should move rapidly to complete the installation of an effective computerized routing and scheduling system.
Action Needed	See Action Plan 12-1.
Who Is Responsible	Administrative Director, Department of Transportation
Time Frame	July, 2002
Fiscal Impact	Resources for this project are currently in the District's budget.

Action Plan 12-12

Accountability system with goals and measurable performance indicators	
Strategy	Adopt an accountability system with performance indicators and measurable goals. Benchmark performance within the DOT and to peer districts and report the results these efforts to the School Board and public.
Action Needed	Step 1: The administrative director of the DOT should assume the responsibility for the development and implementation of an accountability system. Step 2: Select performance indicators that are measurable and in general use in the industry. These might include such indicators as cost per mile, on-time arrivals, accidents per million miles, bus occupancy rates, breakdown rates, average ride times, and other measures of effectiveness and efficiency. Step 3: Establish uniform system of data collection for selected performance indicators. Step 4: Establish and disseminate to managers and staff measurable goals and objectives based on selected performance indicators. Step 5: Benchmark performance indicators both within the organization (e.g., among Transportation centers) and with peer school districts. Step 6: Evaluate these statistics and document reasons for variances. Step 7: Report performance related to goals and benchmarks to the superintendent, board of education and the public on an annual basis Step 8: Develop improvement plans, as needed, to assist managers and other employees in meeting individual and department goals in the future.
Who Is Responsible	Administrative Director, Department of Transportation
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Measure Customer Service	
Strategy	Institute customer service measurement instruments and utilize this information to make organizational improvements.
Action Needed	Step 1: Assign the established "measurement" committee of the DOT the responsibility to develop a survey instrument to measure customer satisfaction. Step 2: Widely disseminate the survey instrument. Step 3: Collect and analyze data from the survey. Step 4: Use information obtained from survey to improve customer service and customer communications. Step 5: Report customer satisfaction survey results to the Superintendent, Board of education, and the public on an annual basis.
Who Is Responsible	Administrative Director, Department of Transportation.
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources

Action Plan 12-13

Board Review of Current Transportation Policies	
Strategy	Review the cost implications of current policies in the areas of ESE transportation, Magnet Student transportation, bell schedules, and potential cost saving alternatives at the Superintendent and Board level of the District.
Action Needed	Step 1: Develop comprehensive review of the cost implication of current transportation policies for ESE, Magnet, and bell schedules along with cost saving alternatives.

	Step 2: Present to the superintendent and the governing board the cost implications of current policies and alternatives for consideration.
Who Is Responsible	Administrative Director, Department of Transportation
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Action Plan 12-14

Allocation Of Overtime

Strategy	Bus driver overtime accounts should be allocated to a level where they can be effectively controlled and offsetting revenue data should be provided to DOT managers on a regular basis to assist them in monitoring these accounts.
Action Needed	Step 1: Assign the responsibility for the implementation of bus driver overtime allocation to the Executive Director of DOT. Step 2: Determine appropriate allocations to centers and other offices based on prior experience and expected needs. Step 3: Train center managers in the use of budget monitoring tools. Step 4: Provide managers data on offsetting revenue to assist them in managing the overtime accounts. Step 5: Generate periodic reports on overtime usage and offsetting revenues for the Administrative Director's review. Step 6: Hold managers accountable to control overtime expenditures within budgeted allocations.
Who Is Responsible	Administrative Director, Department of Transportation and the Chief Financial Officer.
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources.

Replace Current Job Cost Computer System

Strategy	Replace or modify the current job cost system, COMPASS, so that it can be integrated with other related systems, such as the payroll system, and so that DOT garages will not be limited in tracking the history of expenses charged to the various vehicles in the fleet.
Action Needed	See Action Plan 12-6.
Who Is Responsible	Administrative Director, Department of Transportation
Time Frame	July, 2002
Fiscal Impact	Resources for this project are currently in the District's budget.

Action Plan 12-15

Compare Cost of District Vs. Private School Bus Operations

Strategy	Develop key cost information and prepare a cost comparison of contracted vs. in-house bus operations to use as a basis for decision-making regarding the expansion or contraction of contracted bus services.
Action Needed	Step 1: Assign the responsibility for the development of comparative cost information to the Executive Director of DOT. Step 2: Develop a comprehensive analysis of the cost of District in-house bus operations. Step 3: Conduct a Request for Qualifications (RFQ) to determine the market of viable contract bus providers followed by a bid process for bus routes. Step 4: Conduct a comparison of the cost of in-house bus operations to contracting for these services. Step 5: Use the comparative analysis as a basis for expansion or contraction of the number of bus routes contracted out.

Who Is Responsible	Administrative Director, Department of Transportation.
Time Frame	July, 2002
Fiscal Impact	This recommendation can be implemented within existing resources

Action Plan 12-16

Centralize Selected Functions	
Strategy	At a minimum, the routing, dispatching, and personnel record keeping functions should be consolidated and centralized within the DOT to improve operational efficiency, reduce costs and ensure uniformity. The DOT should also present options to the superintendent and school board to further flatten the DOT organizational structure.
Action Needed	Step 1: See Action Plan 12-1 relating to the centralization of school bus routing and scheduling functions.
	Step 2: Assign the responsibility for District-wide radio dispatch operations to the DOT's Executive Director. Assign the responsibility for centralization of personnel record keeping to the Coordinator of Operations and Training.
	Step 3: Analyze and modify, as appropriate, radio dispatch protocols and procedures.
	Step 4: Physically bring together bus dispatching resources and train staff on uniform standards and procedures.
	Step 5: Evaluate and report on the effectiveness of centralized bus dispatch operations and the centralization of personnel record keeping.
	Step 6: Present other options to the superintendent and school board to further flatten the DOT organizational structure.
Who Is Responsible	Administrative Director, Department of Transportation.
Time Frame	July, 2002
Fiscal Impact	This recommendation will result in cost saving in the area of radio dispatch operations. There are currently 36 radio dispatch operators located at the transportation centers that cost approximately $1.2 million per year. These costs can be reduced by at least 30 % or about $350,000 per year and $1.75 million over five years through the centralization of these services.

Food Service Operations

Action Plan 13-2

Develop Accurate Staffing Formula	
Strategy	Determine the number of hours needed to efficiently operate the cafeterias. The review should include a review of products available commercially as well as those items made from scratch.
Action Needed	Step 1: District to review current menus and make any changes that are anticipated.
	Step 2: Review current scratch cooked items and provide amounts made by site by menu frequency.
	Step 3: Determine if any menu item could be replaced with a more cost effective alternative that maintains quality and specifications.
	Step 4: Perform a time and motion study to determine actual hours needed to accomplish the food service mission.
Who is Responsible	Administrative Director
Time Frame	June 2002
Fiscal Impact	Can be accomplished with current District resources. Initiation of this recommendation should at least reduce labor costs by $4.5 million per year, or $22.5 million over 5 years.

Action Plan 13- 3

Hire an Administrative Director	
Strategy	Recruit and hire an administrative director to operate the department under the oversight of the chief business officer.
Action Needed	Step 1: Review the current job description and salary level for the vacant food service director position. Step 2: Open position and conduct nation wide search for an administrative director. Step 3: Advertise the position on the American School Food Service Association (ASFSA) web site and announce the opening on meal talk as well as the normal postings. [12] Step 4: Hire a new director using District hiring procedures.
Who is Responsible	Supervisor or the Food Service Administrative Director
Time Frame	June 2002
Fiscal Impact	$60,000 additional net cost to the program per year, or $300,000 over five years. At the time of our review, the supervisor of the food service program had split responsibilities.

Action Plan 13- 4

Eliminate the Use of Outside Food Vendors	
Strategy	Eliminate the use of outside food vendors.
Action Needed	Step 1: Notify all food service vendors that the contracts will not be renewed for the next school year. Step 2: Food Service develop a list by school of additional food service locations and products needed to replace vendors. Step 3: Food Service develop a school by school plan, reviewed with the principal, for implementing additional sales locations at each school at the start of the 2002/2003 school year. Step 4: Purchase equipment and train staff to open the new locations.
Who is Responsible	Chief Business Officer
Time Frame	September 2002
Fiscal Impact	Can be accomplished with current District resources. The cost of equipment and staffing will not exceed the additional net of revenue beyond expenses.

Action Plan 13- 5

Survey Student Food Preferences	
Strategy	Survey students to determine current preferences and recommendations for possible future improvements.
Action Needed	Step 1: Contact ASFSA and University of Mississippi State School Food Service Department to obtain survey instruments. Step 2: Make changes and develop the survey instrument for each type of school in the District. Step 3: Review the proposed survey with staff and students and make changes as necessary. Step 4: Send the survey out to a representative sample. Step 5: Review completed surveys and makes changes in the program as necessary.
Who is Responsible	Administrative Director
Time Frame	June 2002
Fiscal Impact	Can be accomplished with current District resources.

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[12] Meal talk is a popular chat room of the Food and Nutrition Information Center (FNIC) of the USDA.

Action Plan 13-6

Develop Accurate Theoretical Food Cost Data	
Strategy	Develop accurate theoretical food cost data.
Action Needed	Step 1: Eliminate use of commodity discount price for breakfast. Step 2: Cost lunch menus with and without commodities. Step 3: Cost menu changes made at the District level. Step 4: Provide menu cost data to area coordinators.
Who is Responsible	Administrative Director
Time Frame	January 1, 2003
Fiscal Impact	Can be accomplished with current District resources.

Action Plan 13-7

Develop Information Compatibility Between OIT and Food Services	
Strategy	Receive information from Office of Information Technology in a format that may be electronically input into the food services software.
Action Needed	Step 1: Prepare a sample of all the reports currently produced by food services. Step 2: Prepare a sample of all reports currently received by Food Services from OIT and highlight requested format changes. Step 3: Develop a priority list for implementation of various requested changes. Step 4: Develop a timeline for the implementation of changes.
Who is Responsible	Director of OIT and Administrative Director
Time Frame	June 30, 2003
Fiscal Impact	Can be accomplished with current District resources.

Action Plan 13-8

Include operational information of visitation form	
Strategy	Revise the supervisor's compliance visitation criteria form.
Action Needed	Step 1: Revise the current visitation form to include frequency of menu substitutions, timely completion of daily production reports, amount of overproduction and amount of underproduction. Step 2: Review revised form with cafeteria managers and school principals. Step 3: Implement use of new form.
Who is Responsible	Administrative Director
Time Frame	July 1, 2002
Fiscal Impact	Can be accomplished with existing District resources.

Action Plan 13-9

Study For Contracting Of Services	
Strategy	Determine if contracting for delivery of services such as small wares, preventive maintenance or meal trays can be better obtained from private contractors. The action plan below uses small wares as the illustration.
Action Needed	Step 1: Develop comparison of small wares delivered by the District and amount of small wares delivered to the District. Step 2: Develop actual cost of storage and delivery of small wares by the District warehouse Step 3: Prepare estimate of small wares to be used by the District in the 2002-03 school year.

	Step 4: Prepare a Request For Proposal for delivery of small wares by current vendor.
	Step 5: Compare actual cost of District delivery with cost from vendor.
	Step 6: Use most cost effective method of small wares delivery.
Who is Responsible	Administrative Director
Time Frame	July 1, 2002
Fiscal Impact	Can be accomplished with existing District resources.

Action Plan 13-10

Develop Five-Year Plan With Detailed Revenue And Cost Projections	
Strategy	Develop a five-year plan that includes both anticipated revenues and expenditures.
Action Needed	Step 1: Develop a five-year revenue forecast based on District projections, food service growth, campus closures, and anticipated changes.
	Step 2: Develop a five-year plan for District expenditures, including a priority list of kitchen modifications and the cost for each.
	Step 3: Modify the projections each year for change and the addition of a new 5th year.
Who is Responsible	Administrative Director
Time Frame	July 1, 2002
Fiscal Impact	Can be accomplished with existing District resources.

Action Plan 13- 11

Ensure Daily Production Reports Are Completed And Claim Forms Are Submitted To The State In A Timely Fashion	
Strategy	Develop procedures to ensure daily production reports are completed and that claim forms are submitted to the state in a timely fashion
Action Needed	Step 1: Develop department procedure that specifies daily production reports must be completed at each site.
	Step 2: Develop department procedure that specifies timelines for submitting claim forms to the state.
	Step 3: Ensure that sites are monitored to ensure daily production reports are completed and claims forms are submitted to the state in accordance with District procedures.
Who is Responsible	Administrative Director
Time Frame	July 1, 2002
Fiscal Impact	Can be implemented using current District resources. Can generate about $600,000 of additional interest per year for the District program, or $3,000,000 over 5 years.

Action Plan 13-13

Effectively Utilize Commodity Processing	
Strategy	Determine which commodities can be processed with significant savings to the District.
Action Needed	Step 1: Review commodity entitlement with the state department of agriculture to determine what commodities will be available.
	Step 2: Meet with manufactures to determine which menu items can be processed.
	Step 3: When bidding potential items using commodity ingredients have a price for the product with and without commodities.
	Step 4: Award contracts with both commodity and non-commodity pricing.
	Step 5: Purchase commodity or non-commodity from the manufacturer depending on the commodity supply and cost effectiveness.
Who is Responsible	Administrative Director
Time Frame	July 1, 2002

Fiscal Impact	Can be accomplished using current District resources. Improved practice should be able to reduce food costs by $600,000 per year, or $3,000,000 over five years.

Action Plan 13-14

Use Manufacturer Direct Pricing On Major Items	
Strategy	Obtain manufacturer direct pricing on major items before distribution bid.
Action Needed	Step 1: Determine which items the manufacturer can directly bid. Step 2: Bid items by manufacturer and make awards. Step 3: Bid the distribution as a %age mark-up over District pricing.
Who is Responsible	Administrative Director
Time Frame	July 1, 2002
Fiscal Impact	Can be accomplished with current District resources

Action Plan 13- 15

Evaluate Quality With Cost In Purchasing Decisions	
Strategy	Purchase the best quality products and the best price.
Action Needed	Step 1: Change purchasing award criteria to include taste test, recall history, packaging, and other non-price factors affecting the product. Step 2: Determine which products and manufacturers meet District specifications. Step 3: Base award on overall value of the product using District criteria from Step 1.
Who is Responsible	Administrative Director
Time Frame	July 1, 2003
Fiscal Impact	Can be accomplished using existing District resources

Action Plan 13-16

Evaluate The Use of Non-Fat Chocolate Milk	
Strategy	Use non-fat chocolate milk in place of 1% chocolate milk.
Action Needed	Step 1: Have the dairy provide pricing for non-fat chocolate milk based on mark-up over fixed prices for raw milk from Bid award 099-ZZ03. Step 2: Substitute non-fat chocolate milk for 1% chocolate milk and determine student reaction. Step 3: Change bid specifications to non-fat chocolate milk if the price is less and the students accept the product.
Who is Responsible	Administrative Director
Time Frame	July 1, 2003
Fiscal Impact	Can be accomplished with existing District resources. For this product alone, the District should be able to reduce food costs by about $176,000 per year, or $880,000 over five years.

Action Plan 13-17

Evaluate Purchase Of Items From Commodity Distributor	
Strategy	Evaluate purchase of chicken nuggets through the commodity distributor.
Action Needed	Step 1: Obtain direct manufacturer price for commodity and non-commodity chicken nuggets. Step 2: Order chicken nuggets into the commodity distributor to a par stock level based on the menu cycle.

	Step 3: Order will be commodity if available, non-commodity if commodity is not available.
	Step 4: Distributor will price and deliver as awarded under the current District contract.
Who is Responsible	Administrative Director
Time Frame	July 1, 2003
Fiscal Impact	Can be accomplished within existing District resources. For this product alone, the District should be able to reduce food costs by about $100,000 per year, or $500,000 over five years.

Cost Control Systems

Action Plan 14-2

Implement the District's Plan to Purchase Project Tracking Software	
Strategy	Implement the District's plan to purchase and install project-tracking software that will accumulate life-to-date project costs and detail expenditure and budget information on a functional basis.
Action Needed	Step 1: Identify and define user requirements for project-tracking software.
	Step 2: Coordinate the feasibility of using software-tracking packages currently utilized by other departments in the District.
	Step 3: Procure software based on most responsive provider of District needs.
	Step 4: Install and implement the project tracking software.
Who is Responsible	Chief Facilities Officer – construction, Chief Financial Officer, Chief Technology Officer, and the Controller
Time Frame	June 30, 2002
Fiscal Impact	Currently, the District is conducting a feasibility study on the needs of Capital Construction and Financial Management. Once completed, a cost benefit analysis will be conducted and a determination made as to whether to develop an in-house program that interfaces with the current general ledger system or to retain an outside vendor.

Action Plan 14-3

Inventory Documents Evidencing Property Rights	
Strategy	Develop and document the critical processes necessary to inventory documents that evidence property rights.
Action Needed	Step 1: Ascertain existing informal procedures for conducting inventories of documents evidencing property rights.
	Step 2: Ascertain the feasibility and appropriateness of existing procedures and develop and modify critical processes as necessary.
	Step 3: Assign the responsibility of developing formal procedures to the controller or another senior member of the administrative staff that reports to the controller.
Who is Responsible	Controller and the Office of Management and Compliance Audits
Time Frame	December 31, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Action Plan 14-4

Alternative Inventory Services	
Strategy	Analyze the costs and benefits of contracting the storage and distribution of supplies by private companies.

Action Needed	Step 1:	Determine the costs associated with maintaining inventories in-house by review and analysis of activity cost reports and all other variables.
	Step 2:	Ascertain the types of inventory related services available in the industry and the costs associated with the services.
	Step 3:	Determine the costs and benefits associated with utilizing alternative inventory management resources.
	Step 4:	Document the results of the study and present the analysis and the recommendations to the superintendent.
	Step 5:	If more beneficial, the associate superintendent of Bureau of Procurement & Materials Management should pursue contracting the storage and distribution of supplies to private companies.
Who is Responsible		Associate Superintendent of Bureau of Procurement & Materials Management
Time Frame		June 30, 2002
Fiscal Impact		This recommendation can be implemented with existing resources.

Action Plan 14-5

Implement a Natural Disaster Recovery Plan

Strategy		Implement a comprehensive natural disaster recovery plan.
Action Needed	Step 1:	Review of the draft of the comprehensive natural disaster recovery plan developed by the Office of Risk and Benefits Management for completeness.
	Step 2:	Obtain appropriate review of the plan and approval by deputy superintendent, superintendent and the board.
	Step 3:	Disseminate approved plan.
	Step 4:	Provide review or training for the appropriate District personnel.
Who is Responsible		Administrative Director, Office of Risk and Benefits Management
Time Frame		As soon as possible
Fiscal Impact		This recommendation can be implemented with existing resources.

Action Plan 14-6

Develop a Formal Procedures Manual

Strategy		Combine policies, procedures, and processes into a single document for reference and training.
Action Needed	Step 1:	Identify all major policies, procedures, and processes of the risk management function.
	Step 2:	Review existing documentation and update as needed.
	Step 3:	Develop written documentation for the major policies for which no documentation currently exists.
	Step 4:	Combine all written documentation into a policies and procedures manual for the risk management function.
Who is Responsible		Administrative director, Office of Risk and Benefits Management
Time Frame		As soon as possible
Fiscal Impact		This recommendation can be implemented with existing resources.

Action Plan 14-7

Establish a No Conflict of Interest Policy for Participants in the Selection Process for Group Providers

Strategy	Establish a "no conflict of interest" policy for all participants in the review of the proposers to provide group insurance services.

Action Needed	Step 1: Draft a policy that states that participants in the selection of the providers for group insurance coverage should not have financial, professional, or personal relationships with the providers that might be construed as being a conflict of interest.
	Step 2: Obtain board approval of the policy.
	Step 3: Establish procedures to ensure that participants review the policy and acknowledge their understanding at the beginning of the selection process
Who is Responsible	Administrative director, Office of Risk and Benefits Management
Time Frame	June 30, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Action Plan 14-8

Issue a Request for Proposal for the Third Party Employee Benefits Administration Services	
Strategy	Issue a request for proposal for the third party employee benefits administration services, which has not been competitively bid since 1991.
Action Needed	Step 1: Request approval from the board to issue a request for proposal for third party administration services.
	Step 2: Obtain board approval of the request of proposal.
	Step 3: Issue request for proposals, ensuring that the RFP is appropriately disseminated.
Who is Responsible	Administrative Director, Office of Risk and Benefits Management
Time Frame	June 30, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Action Plan 14-9

Develop An Employee Ethics Policy	
Strategy	Establish an employee ethics policy and clearly communicate to all employees.
Action Needed	Step 1: Develop ethics policy.
	Step 2: Establish procedures to ensure that employees review the policy and acknowledge their understanding.
Who is Responsible	Department Of Professional Standards and the School Board
Time Frame	June 30, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Action Plan 14-10

Revise Procedures Manuals	
Strategy	The critical processes for all financial management activities should be identified, reviewed, and updated in the procedures manuals.
Action Needed	Step 1: Determine the existing procedures for critical functions.
	Step 2: Ascertain the feasibility and appropriateness of the existing procedures, and develop and modify the critical processes, as necessary.
	Step 3: Assign the responsibility of developing formal procedures to the controller or another senior member of the administrative staff that reports to the controller.
	Step 4: Submit the revised procedures manuals to the Office of Management and Compliance Audits for review.
	Step 5: Submit the revised procedures manuals for school board approval.
	Step 6: Distribute the approved procedures manuals to all users.
Who is Responsible	Chief Financial Officer
Time Frame	December 31, 2002

Fiscal Impact	This recommendation can be implemented with existing resources.

Action Plan 14-11

Develop Policy for Reporting Suspected Improprieties	
Strategy	Develop a District policy for reporting suspected improprieties.
Action Needed	Step 1: Preparation of and subsequent submission to school board of proposed policy.
Who is Responsible	Department of Professional Standards and the school board
Time Frame	June 30, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Community Involvement

Action Plan 15-2

Use data included in reports to assess progress and identify improvements and cost savings	
Strategy	Bureau directors or staff regularly compare data included in reports and plans to community involvement goals and objectives to assess program progress and identify specific opportunities for program improvements and potential cost savings.
Action Needed	Step 1: Program managers compare data to related program goals and objectives for their area of work and develop recommendations for program improvements and cost savings (June 2002). Step 2: Program managers present recommendations for approval (July 2002). Step 3: Implement changes (August 2002).
Who Is Responsible	Bureau/Division/Program Directors and or staff.
Time Frame	June – August 2002
Fiscal Impact	None