

# EFFICIENCY REVIEW OF NORFOLK PUBLIC SCHOOLS

## *Final Report*



**Submitted to:**



**Submitted by:**



**May 21, 2008**

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# EFFICIENCY REVIEW OF NORFOLK PUBLIC SCHOOLS

*Final Report*

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Submitted to:

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Submitted by:



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May 21, 2008

# TABLE OF CONTENTS

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## PAGE

LIST OF COMMENDATIONS

LIST OF RECOMMENDATIONS

EXECUTIVE SUMMARY.....	i
1.0 DIVISION ADMINISTRATION .....	1-1
1.1 Introduction and Legal Foundation.....	1-2
1.2 School Board Governance .....	1-3
1.3 Policies and Procedures .....	1-15
1.4 Legal Services.....	1-21
1.5 Organization and Management.....	1-23
2.0 FINANCIAL MANAGEMENT AND PURCHASING.....	2-1
2.1 Introduction and Management .....	2-2
2.2 Budget Management.....	2-7
2.3 Purchasing .....	2-12
2.4 Purchase Cards .....	2-17
2.5 Risk and Safety .....	2-19
2.6 Accounting and Payroll .....	2-24
2.7 Activity Funds.....	2-28
2.8 Fixed Assets.....	2-32
2.9 Internal and External Auditing .....	2-36
3.0 EDUCATIONAL SERVICE DELIVERY .....	3-1
3.1 Organizational Structure and Staffing .....	3-4
3.2 School Improvement, Student Achievement, and Special Programs.....	3-15
4.0 PERSONNEL AND HUMAN RESOURCES MANAGEMENT .....	4-1
4.1 Organization and Management.....	4-2
4.2 Recruitment, Hiring, and Retention .....	4-8
4.3 Professional Development and Employee Evaluation .....	4-19
4.4 Classification, Compensation, and Benefits.....	4-22

## TABLE OF CONTENTS (Continued)

---

	<b>PAGE</b>
5.0 FACILITY USE AND MANAGEMENT .....	5-1
5.1 Planning Services .....	5-2
5.2 Design and Construction .....	5-5
5.3 Maintenance.....	5-10
5.4 Custodial Services .....	5-16
5.5 Energy Management.....	5-25
6.0 TRANSPORTATION .....	6-1
6.1 Organization and Performance .....	6-3
6.2 Planning, Policies, and Procedures .....	6-8
6.3 Routing and Scheduling.....	6-20
6.4 Vehicle Maintenance.....	6-23
7.0 TECHNOLOGY MANAGEMENT.....	7-1
7.1 Organization and Staffing.....	7-4
7.2 Staff Development.....	7-6
7.3 Technology Planning and Budgeting .....	7-7
7.4 Systems Infrastructure and Integration .....	7-9
7.5 Technology Support and Help Desk Operations.....	7-12
7.6 Technology Acquisition Practices .....	7-13
8.0 CHILD NUTRITION SERVICES .....	8-1
8.1 Organization and Management.....	8-2
8.2 Policies, Procedures, and Compliance with Regulations .....	8-13
8.3 Financial Performance .....	8-19
9.0 FISCAL SUMMARY.....	9-1

### APPENDICES

- Appendix A: Survey Results
- Appendix B: Peer Comparison Data

# LIST OF ALL COMMENDATIONS BY CHAPTER

---

## PAGE

### 1.0 DIVISION ADMINISTRATION

Commendation 1-A: The Norfolk Public Schools' School Board, superintendent, administration, and staff are commended for developing a comprehensive meeting agenda information packet that is provided to members of the school board, and for posting the agenda and meeting minutes on the Web site ..... 1-7

Commendation 1-B: The NPS School Board, City of Norfolk, and administration are commended for providing legal services through a shared services arrangement and for the overall excellent relationship between the attorney's office and NPS ..... 1-22

Commendation 1-C: NPS is commended for developing and implementing accountability plans, annual planning documents, and a strategic plan focusing on moving the school division to defined World-Class status ..... 1-35

Commendation 1-D: NPS, the communications manager/clerk of the school board, and division staff are commended for initiating a comprehensive communications audit to review all communications media and develop a prioritized list of recommendations for improved communications efforts and more effective use of media ..... 1-38

Commendation 1-E: The NPS administration is commended for developing and implementing a state-of-the-art principal and assistant principal performance assessment system that is based on current research on effective leadership and schools ..... 1-40

Commendation 1-F: NPS is commended for providing school-level administrative staffing formulas that meet or exceed generally accepted standards..... 1-41

Commendation 1-G: NPS is commended for developing and implementing a best practice model school "Walkthrough: A Key to Success" as a part of a process to support annual accountability plans and the division's strategic plan initiatives..... 1-42

### 2.0 FINANCIAL MANAGEMENT AND PURCHASING

Commendation 2-A: The division is commended for its budget document that qualified for awards presented by the Government Finance Officers Association and the Association of School Business Officials International..... 2-12

Commendation 2-B: The division is commended for its progressive purchasing program ..... 2-13

## **LIST OF ALL COMMENDATIONS BY CHAPTER (Continued)**

---

### **PAGE**

#### **2.0 FINANCIAL MANAGEMENT AND PURCHASING (Continued)**

Commendation 2-C: The division is commended for a purchasing manual that is precise, easily understood, and that contains specific purchasing guidelines for division staff to follow .....2-14

Commendation 2-D: The purchasing department is commended for providing schools with Web-based textbook ordering .....2-14

Commendation 2-E: The division is commended for their procurement card program that the National Institute of Governmental Purchasing has described as an excellent program with highly effective controls.....2-18

Commendation 2-F: The financial department is commended for hiring a business system auditor, for conducting audits of its P-card program, and for implementing recommendations contained in audit reports .....2-19

Commendation 2-G: The division is commended for establishing a superintendent's exemplary school safety award to heighten safety awareness .....2-22

Commendation 2-H: The division is commended for its comprehensive annual financial reports that have earned the division recognition for excellence for several years .....2-26

#### **3.0 EDUCATIONAL SERVICE DELIVERY**

Commendation 3-A: The division is commended for developing and implementing a comprehensive accountability and strategic planning process that demonstrates its commitment to becoming a World-Class school division .....3-16

Commendation 3-B: The division is commended for its success in narrowing the achievement gap between African American and Caucasian students as a major focus of its school improvement efforts.....3-17

Commendation 3-C: NPS is commended for developing comprehensive school accountability plans that include documentation of student achievement, research-based instructional strategies, professional development, assessment of plan implementation, and intended student outcomes .....3-20

#### **4.0 PERSONNEL AND HUMAN RESOURCES MANAGEMENT**

Commendation 4-A: The human resources department maintains separate files for medical records and other sensitive and confidential information apart from the employee master files .....4-6

## **LIST OF ALL COMMENDATIONS BY CHAPTER (Continued)**

---

### **PAGE**

#### **4.0 PERSONNEL AND HUMAN RESOURCES MANAGEMENT (Continued)**

Commendation 4-B: The human resources department is commended for developing a comprehensive and well organized operating procedures manual on its day-to-day functions and for establishing multiple methods of communicating policies and procedures to Norfolk Public Schools employees .....	4-8
Commendation 4-C: The human resources department is commended for analyzing data related to its recruiting strategies and for conducting ongoing assessment of its recruitment program .....	4-12
Commendation 4-D: Norfolk Public Schools is commended for displaying a strong commitment to a drug-free workplace by extending the requirement for drug and alcohol testing for newly hired full-time employees and coaches.....	4-15
Commendation 4-E: The human resources department is commended for using a structured interview process.....	4-16
Commendation 4-F: The department is commended for seeking feedback from individuals separating from employment .....	4-18
Commendation 4-G: As a retention tool, Norfolk Public Schools provides an effective mentoring program that helps new teachers improve in both methodology and professional responsibility, and ultimately has a positive effect on student learning.....	4-19
Commendation 4-H: Norfolk Public Schools is commended for the emphasis and support it gives to staff development and training for all employees, both licensed/certificated and classified.....	4-20
Commendation 4-I: Norfolk Public Schools is commended for recognizing the need to review the classification and compensation plan for noninstructional employees and approving a plan to be phased in over a three-year period .....	4-22
Commendation 4-J: Norfolk Public Schools is commended for establishing the Teacher Pay Study Committee to recommend salary restructuring in order to make the teacher salary scales competitive .....	4-32
Commendation 4-K: Norfolk Public Schools is commended for participating in the Norfolk Consortium to decrease the cost of delivering insurance benefits to its employees and to implement a comprehensive wellness program, as well as for providing a comprehensive benefits program for its employees .....	4-38

## **LIST OF ALL COMMENDATIONS BY CHAPTER (Continued)**

---

	<b>PAGE</b>
<b>5.0 FACILITY USE AND MANAGEMENT</b>	
Commendation 5-A: NPS is commended for developing a comprehensive long-range facility master plan .....	5-2
Commendation 5-B: The division is commended for developing accurate annual enrollment projections using sound methodology and multiple sources of accurate data .....	5-3
Commendation 5-C: RCPS School plant facilities have successfully used the services of a construction manager and controlled costs.....	5-10
Commendation 5-D: School plant facilities is commended for conducting a customer satisfaction survey of the work completed by the maintenance department.....	5-13
Commendation 5-E: The division is staffing custodial services at a best practice level .....	5-22
Commendation 5-F: NPS is commended for funding custodial cleaning supplies in excess of a best practice level .....	5-24
Commendation 5-G: Custodians who perform well are publicly recognized.....	5-25
Commendation 5-H: NPS is commended for making energy management a major priority.....	5-26
<b>6.0 TRANSPORTATION</b>	
Commendation 6-A: Staff in Norfolk Public Schools approve of the quality of service provided by the transportation department .....	6-3
Commendation 6-B: The division is commended for overall adherence to best practices in transportation operations.....	6-8
Commendation 6-C: Norfolk Public Schools is commended for cultivating a high level of morale in the transportation department and retaining a stable crew of bus drivers.....	6-8
Commendation 6-D: The NPS process for selecting private transportation vendors is exceptionally rigorous and promotes the highest quality service .....	6-11
Commendation 6-E: The mechanics of the NPS Transportation Department are commended for the outstanding service they provide in maintaining the fleet .....	6-23



## **LIST OF ALL COMMENDATIONS BY CHAPTER (Continued)**

	<b>PAGE</b>
<b>7.0 TECHNOLOGY MANAGEMENT</b>	
Commendation 7-A: The information division is commended for maintaining divisionwide support of business and student information systems across NPS .....	7-5
Commendation 7-B: The information division is commended for the development of an online survey of NPS staff with regard to service satisfaction .....	7-7
Commendation 7-C: The information division successfully accesses E-rate discounts on behalf of NPS.....	7-8
Commendation 7-D: The information division has developed a comprehensive disaster recovery/ business continuity plan .....	7-9
Commendation 7-E: The information division successfully acquired the needed equipment to establish a 3:1 ratio of students to computers within the division .....	7-10
Commendation 7-F: The information division provides a Web page as a successful tool for teachers to utilize in communicating with students and parents .....	7-10
Commendation 7-G: The information division is commended for the implementation of an automated calling system to enhance communications with designated contacts .....	7-11
<b>8.0 CHILD NUTRITION SERVICES</b>	
Commendation 8-A: The division's use of a central warehouse and a central kitchen maximizes quality and efficiency for the NPS Child Nutrition Services Department.....	8-2
Commendation 8-B: The NPS nutritional standards serve as an outstanding model for promoting wellness among its students and staff .....	8-14
Commendation 8-C: NPS is commended for its adoption of standardized menus and its approach to menu planning .....	8-15
Commendation 8-D: The practice of not charging for reduced price meals is a public service that benefits the community and results in increased student participation.....	8-15

# LIST OF ALL RECOMMENDATIONS BY CHAPTER

---

	<b>PAGE</b>
<b>1.0 DIVISION ADMINISTRATION</b>	
Recommendation 1-1: Provide fire-rated storage for valuable school board meeting records .....	1-7
Recommendation 1-2: Submit school board docket (agenda) items and supporting data or information to the school board deputy clerk's office electronically along with the monthly meeting agenda and packet .....	1-8
Recommendation 1-3: Fully implement policy AFA provision related to short- and long-term plans designed to ensure continued excellence in practices and improvements in identified performance areas and consider adoption of the Carver Governance Model .....	1-10
Recommendation 1-4: Reorganize the school board clerk's office .....	1-12
Recommendation 1-5: Provide cross-training for the deputy clerk's position .....	1-13
Recommendation 1-6: Reactivate the Shared Services Steering Committee and workgroups and instruct them to continue the original mission and provide the city and board with recommendations .....	1-14
Recommendation 1-7: Review and update the policy manual provisions as required by Virginia code .....	1-18
Recommendation 1-8: Create a policy provision containing a list of existing procedural manuals, handbooks, and planning documents and, on the Web site, create a series of hot links from the manual to the cited documents or procedures or state the office of location.....	1-19
Recommendation 1-9: Contract for independent legal counsel to the superintendent and administration to provide services when the situation requires representation separate from City of Norfolk Board counsel.....	1-23
Recommendation 1-10: Initiate planning for future organizational restructuring that will be required as a result of continued declining enrollment and related fiscal support .....	1-26
Recommendation 1-11: Reorganize the office and functions of the chief of staff.....	1-28
Recommendation 1-12: Conduct a detailed review and analysis of time spent by the executive leadership (chiefs, senior directors, and executive directors) in committee meetings .....	1-33

# **LIST OF ALL RECOMMENDATIONS BY CHAPTER (Continued)**

## **PAGE**

### **1.0 DIVISION ADMINISTRATION (Continued)**

Recommendation 1-13: Assign a second, confidential e-mail address to each of the SLT members and the four executive directors for school governance and have their assigned secretarial staff member open and process routine e-mail received through their regular division e-mail address.....	1-34
Recommendation 1-14: Create a clearinghouse provision designed to minimize e-mail correspondence that is duplicative, repetitive, or only incidental to the recipients' needs .....	1-35
Recommendation 1-15: Review and assess the option of adopting the Roanoke City Schools' system for tracking all activity related to implementation of strategic plan initiatives.....	1-36
Recommendation 1-16: Refine the existing strategic document to reference all strategic planning initiatives including facilities, technology, and any other related plans.....	1-37
Recommendation 1-17: Purchase and install a small, compact flatbed scanner.....	1-37
Recommendation 1-18: Employ an executive director for the Norfolk Public Schools Foundation.....	1-38

### **2.0 FINANCIAL MANAGEMENT AND PURCHASING**

Recommendation 2-1: Formally track unauthorized procurements and P-card transactions to ensure progressive discipline is administered when needed .....	2-15
Recommendation 2-2: Continue to analyze textbook ordering systems to identify options that will provide easy-to-use inventory tracking and management capabilities.....	2-16
Recommendation 2-3: Create a division-level safety advisory committee and a formal requirement for schools and departments to establish safety committees and hold meetings .....	2-23
Recommendation 2-4: Develop a process requiring all serious safety inspection deficiencies to be addressed, and notification provided to the health and safety specialist when completed .....	2-24
Recommendation 2-5: Consider revising the workers' compensation provision which allows injured employees to use accrued leave .....	2-24
Recommendation 2-6: Prepare interim financial reports that include balance sheet and operating statements for the board on at least a quarterly basis .....	2-26

## **LIST OF ALL RECOMMENDATIONS BY CHAPTER (Continued)**

---

### **PAGE**

#### **2.0 FINANCIAL MANAGEMENT AND PURCHASING (Continued)**

Recommendation 2-7: Develop desk procedures for all employees of the financial departments .....	2-27
Recommendation 2-8: Continue to explore automating the bank account reconciliation process.....	2-28
Recommendation 2-9: Compile a user manual for school administrators to use in fulfilling their school activity fund fiduciary responsibilities .....	2-30
Recommendation 2-10: Prepare and use a matrix of prior audit findings of school activity funds to assess risks and schedule audits of higher risk schools early in the audit cycle.....	2-31
Recommendation 2-11: Track special audits, including the time and cost to perform them, and maintain a file of reports.....	2-32
Recommendation 2-12: Develop and implement a comprehensive fixed asset policy.....	2-34
Recommendation 2-13: Improve internal controls over fixed asset deletions by ensuring procedures described in the division's equipment inventory manual are followed.....	2-35
Recommendation 2-14: Determine if a field can be added to the division's P-card system to identify fixed assets purchased or another viable solution to help ensure items are added to the fixed asset system .....	2-36
Recommendation 2-15: Establish a formal internal audit function by hiring an internal audit director who reports to the NPS School Board through the audit committee and transfer the business system auditor and the senior auditor to additionally staff the function .....	2-39

#### **3.0 EDUCATIONAL SERVICE DELIVERY**

Recommendation 3-1: Reorganize the division of academic affairs to better align similar job functions, avoid duplication of work responsibilities, and increase emphasis on general education curriculum and instruction for all students.....	3-10
Recommendation 3-2: Increase the emphasis on middle school instructional strategies and professional development to improve achievement of all students and meet Adequate Yearly Progress, as required by No Child Left Behind .....	3-21
Recommendation 3-3: Create a comprehensive approach to providing nontraditional education for students who are at risk of failing or dropping out of school.....	3-23

## **LIST OF ALL RECOMMENDATIONS BY CHAPTER (Continued)**

---

### **PAGE**

#### **4.0 PERSONNEL AND HUMAN RESOURCES MANAGEMENT**

Recommendation 4-1: Convert the space adjacent to the wellness coordinator into human resources office space.....	4-5
Recommendation 4-2: Review and reinforce with appropriate staff the procedures related to the storage of immigration forms (I-9s).....	4-6
Recommendation 4-3: Install an upgraded electronic storage system to accommodate active personnel files and transfer licensure records and unsecured inactive files to metal cabinets made available through this process.....	4-7
Recommendation 4-4: Increase the budget for recruitment activities to keep pace with needed expenditures to the extent that budget constraints allow.....	4-12
Recommendation 4-5: Ensure that all paraprofessionals are informed of support available to help them gain highly qualified status .....	4-13
Recommendation 4-6: Require new hires to share the cost of fingerprinting and criminal background checks and/or drug testing .....	4-15
Recommendation 4-7: Develop and implement the proposed applicant tracking system .....	4-17
Recommendation 4-8: Utilize different methodology for exit surveys to assure employees of anonymity in their responses.....	4-18
Recommendation 4-9: Develop an inclusive divisionwide staff development plan and a clearinghouse for training and development opportunities.....	4-20
Recommendation 4-10: Continue the process to complete the revisions on the classified appraisal handbook and evaluation form by the end of the 2007-08 school year .....	4-21
Recommendation 4-11: The human resources department should track and keep records of hard-to-fill positions in specialized areas.....	4-23
Recommendation 4-12: Continue to analyze salaries offered to teachers and make adjustments based on available funding .....	4-32
Recommendation 4-13: Increase the stipend for National Board Certification to a more competitive level.....	4-33

## **LIST OF ALL RECOMMENDATIONS BY CHAPTER (Continued)**

---

### **PAGE**

#### **5.0 FACILITY USE AND MANAGEMENT**

Recommendation 5-1: Develop a structured and transparent attendance process and adjust boundaries on a regular basis to balance the utilization of schools .....	5-4
Recommendation 5-2: Create a capital projects/master plan group to oversee the implementation of the long-range facilities master plan and the energy management performance contract.....	5-7
Recommendation 5-3: Create an additional senior coordinator position to oversee half of the maintenance shops and report directly to the senior director .....	5-12
Recommendation 5-4: Increase maintenance funding by 5 percent annually over the next five years .....	5-15
Recommendation 5-5: Conduct a study comparing the in-house costs to the outsourcing costs for administering the custodial services .....	5-18

#### **6.0 TRANSPORTATION**

Recommendation 6-1: Expand the NPS policy regarding student transportation to include more detailed reporting requirements and comprehensive language addressing specific policy needs.....	6-10
Recommendation 6-2: Develop standards for evaluating the potential for outsourcing transportation operations .....	6-11
Recommendation 6-3: Develop a formal process for evaluating cost efficiency in departmental operations and document all activities and findings .....	6-14
Recommendation 6-4: Implement an annual report card for the Norfolk Public Schools Transportation Department.....	6-16
Recommendation 6-5: Require all new programs to include funding for student transportation.....	6-18
Recommendation 6-6: Implement an ongoing, formal process for monitoring the efficiency of exclusive transportation routes to maximize efficiency .....	6-18
Recommendation 6-7: Develop and implement a formal bus replacement policy based on industry standards .....	6-20
Recommendation 6-8: Review the current routing process to ensure the full utilization of the EDULOG. <i>nt</i> software to create new bus routes based on student residence data .....	6-21

## **LIST OF ALL RECOMMENDATIONS BY CHAPTER (Continued)**

	<b>PAGE</b>
<b>7.0 TECHNOLOGY MANAGEMENT</b>	
Recommendation 7-1: Expand the information division to include instructional technology and computer maintenance .....	7-5
Recommendation 7-2: Fund a targeted, strategically developed plan for training the information division’s technical support staff .....	7-6
Recommendation 7-3: Annually evaluate and update the NPS technology plan .....	7-8
Recommendation 7-4: Establish a comprehensive inventory of the automated and non-automated processes utilized in support of administrative functions .....	7-11
Recommendation 7-5: Limit ITRT assigned duties to those delineated in the VDOE ITRT handbook and SOL test coordination .....	7-12
Recommendation 7-6: Provide help desk staff the opportunity to receive advanced technical training, to utilize extensive scripting, and to shadow school engineers .....	7-13
Recommendation 7-7: Require all purchases of technology-related products and services to be approved by the information division .....	7-14
Recommendation 7-8: Develop a funded life cycle for technology-related equipment not to exceed five years.....	7-15
<b>8.0 CHILD NUTRITION SERVICES</b>	
Recommendation 8-1: Design a customer satisfaction survey to ensure ongoing feedback regarding child nutrition services .....	8-8
Recommendation 8-2: Implement an annual report card on the NPS Child Nutrition Services Department .....	8-12
Recommendation 8-3: Develop a comprehensive board policy for child nutrition.....	8-16
Recommendation 8-4: Increase the cost of NPS student and staff lunches by \$0.50 per meal .....	8-20
Recommendation 8-5: Increase the cost of NPS student and staff breakfasts by \$0.30 per meal .....	8-21
Recommendation 8-6: Reduce staff at schools where staff hours are above best practice levels .....	8-22

## **LIST OF ALL RECOMMENDATIONS BY CHAPTER (Continued)**

	<b>PAGE</b>
<b>8.0 CHILD NUTRITION SERVICES (Continued)</b>	
Recommendation 8-7: Charge all appropriate indirect costs to the child nutrition fund.....	8-23
Recommendation 8-8: Discontinue operation of the Our Place cafeteria.....	8-25



## ***EXECUTIVE SUMMARY***

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## ***EXECUTIVE SUMMARY***

The Commonwealth of Virginia inaugurated the school efficiency review program in the 2004-05 school year as the governor's *Education for a Lifetime* initiative. The program involves contracting with outside educational experts to perform efficiency reviews for school divisions within the Commonwealth; school divisions must volunteer to participate. The efficiency review results provide guidance to school divisions in determining whether educational dollars are being utilized to the fullest extent possible.

In September 2007, MGT of America, Inc., was awarded a contract to conduct an efficiency review of Norfolk Public Schools (NPS). As stated in the Request for Proposal, the purpose of the study was to conduct an external review of the efficiency of various offices and operations within NPS and to present a final report of the findings, recommendations, and projected costs and/or cost savings associated with the recommendations. The objective of the review is to identify ways in which NPS could realize cost savings in noninstructional areas in order to redirect those funds toward classroom activities.

### **Overview of Norfolk Public Schools**

Located in the Hampton Roads region of Virginia, Norfolk opened its first free school in 1761. Today NPS consists of 35 elementary schools, 9 middle schools, and 5 high schools. In addition, the division has other auxiliary facilities, including alternative, magnet, and specialty programs. NPS serves over 35,000 students and employs over 4,000 teachers. The division has a budget of \$311.2 million for fiscal year 2007, with at least 76 percent of the budget dedicated to direct instruction. NPS will spend an estimated \$9,132 per pupil during the 2007 fiscal year.

It is the mission of NPS to "educate each student to be a successful, productive contributor to society by providing powerful teaching and learning opportunities." Additionally, the division states they will build a World-Class school system where:

- *All students possess the habits of powerful literacy.*
- *All gaps close while achievement increases for all students.*
- *All schools exceed local, state, national, and international standards.*
- *All students access productive options and opportunities upon graduation.*

### **Review Methodology**

The methodology MGT used to prepare for and conduct the NPS Efficiency Review is described in this section. Throughout our practice, we have discovered that to be successful, an efficiency review of a school division must:

- Be based upon a very detailed work plan and time schedule.
- Take into account the unique environment within which the school division operates and the specific student body involved.

- Obtain input from board members, administrators, staff, and the community.
- Identify the existence, appropriateness, and use of specific educational objectives.
- Contain comparisons to other similar school divisions to provide a reference point.
- Follow a common set of guidelines tailored specifically to the division being reviewed.
- Include analyses of the efficiency of work practices.
- Identify the level and effectiveness of externally imposed work tasks and procedures.
- Identify exemplary programs and practices as well as needed improvements.
- Document all findings.
- Present straightforward and practical recommendations for improvements.

With this in mind, our methodology primarily involved a focused use of Virginia's review guidelines and MGT's guidelines to analyze both existing data and new information obtained through various means of NPS employee input. Each of the strategies used is described in this executive summary.

### **Review of Existing Records and Data Sources**

During the period between project initiation and the beginning of the onsite review, we simultaneously conducted many activities. Among these activities were identifying and collecting existing reports and data containing recent information related to the various administrative functions and operations we would review in NPS.

MGT requested more than 100 documents from NPS, including, but not limited, to the following:

- School board policies and administrative procedures.
- Organizational charts.
- Program and compliance reports.
- Technology plan.
- Annual performance reports.
- Independent financial audits.
- Plans for curriculum and instruction.
- Annual budget and expenditure reports.
- Job descriptions.
- Salary schedules.
- Personnel handbooks.

Data from each of these sources were analyzed, and the information was used as a starting point for collecting additional data during our onsite visit.

### **Diagnostic Review**

A diagnostic review of NPS was conducted on October 17-19, 2007. An MGT consultant interviewed central office administrators, community leaders, and school board members concerning the management and operations of the division.

### **Employee Surveys**

To secure the involvement of central office administrators, principals/assistant principals, and teachers in the focus and scope of the NPS efficiency review, three online surveys were prepared and disseminated in November 2007. These anonymous surveys gave division staff the opportunity to express their views about the management and operations of the division. The surveys were similar in format and content to provide a database for determining how the opinions and perceptions of central office administrators, principals/assistant principals, and teachers vary.

NPS staff was given from November 28, 2007 through December 21, 2007 to respond. The response rates for the three surveys were as follows: 80 percent of central office administrators returned a survey, as did 72 percent of principals/assistant principals and 24 percent of teachers. MGT uses a statistical formula to set an acceptable return rate in order to declare that the survey results are “representative” of the population surveyed. In the case of NPS, response rates for central office administrators and principals/assistant principals were slightly below this standard. MGT compared all survey responses of these three employee groups. We compared the NPS responses to those of their counterparts in the more than 40 school districts where we have conducted similar surveys.

The survey results may be found in **Appendix A**. Specific survey items pertinent to findings in the functional areas MGT reviewed are presented within each chapter.

### **Conducting the Formal Onsite Review**

A team of eight consultants conducted the formal onsite review of NPS during the week of January 5, 2008. The review team examined the following NPS systems and operations:

- Division Administration
- Financial Management and Purchasing
- Cost of Educational Service Delivery
- Personnel and Human Resources Management
- Facility Use and Management
- Transportation
- Technology Management
- Child Nutrition Services

Prior to the onsite review, each team member received extensive information about NPS operations. During the onsite work, team members conducted detailed reviews of the structure and operations of NPS in their assigned functional areas. Consultants visited 25 schools and school properties to assess business operations.

The onsite review included interviews with all division administrators at the school and central office; focus groups with all classifications of employees including elementary principals, secondary principals, instructional assistants, and food service, transportation, maintenance, technology, and custodial employees; and individual interviews with board staff and all student services personnel.

MGT hosted a community open house at Blair Middle School on January 8, 2008, to allow an opportunity for parents, students, school staff, division staff, and business and community members to contribute to the process. In addition, MGT provided a Web site for public participation. Numerous comments were gained through this additional forum.

### **Comparison Summary**

The Virginia Department of Education has developed a cluster code to identify similar school divisions for comparison purposes. Cluster identifiers were created by using data including, but not limited to, the cost per student for each major area, major drivers of costs, and ranking of costs. NPS is one of ten school divisions in the Commonwealth of Virginia identified in Cluster 1, and is one of the largest divisions in the cluster. The Virginia public school divisions selected for a sample comparison to NPS are:

- Newport News Public Schools.
- Hampton City Schools.
- Roanoke City Public Schools.
- Richmond City Public Schools.
- Portsmouth Public Schools.

Extensive exhibits illustrating how the peer school divisions compare to NPS in terms of enrollment, demographics, funding, and student achievement for the most current school year for which data were available from the Virginia Department of Education Web site may be found in **Appendix B**. Specific comparisons pertinent to findings in the functional areas MGT reviewed are presented within each chapter. In reviewing these comparisons, the reader must remember that school divisions may have different operational definitions, and data self-reported by peer school divisions can be subjective.

### **Overview of Final Report**

MGT's final report is organized into nine chapters. **Appendix A** presents the results of the MGT-administered surveys of central office administrators, principals/assistant principals, and teachers. **Appendix B** presents a comparison of NPS with selected Virginia peer divisions. Chapters **1.0** through **8.0** present the results of the school efficiency review of NPS. Findings, commendations, and recommendations are presented for each operational area reviewed. Each chapter analyzes a specific function within the school division based on the current organizational structure. The following data on each function are included:

- A description of the current situation in NPS.
- A summary of the study's findings.
- MGT's commendations and recommendations for each finding.

- A five-year fiscal impact statement detailing recommended costs or cost savings, which are stated in 2008-09 dollars.

The report concludes with a summary of the fiscal impact of the review recommendations in **Chapter 9.0**.

### **Key Commendations**

Detailed findings for each commendation for exemplary practices appear in the full report in **Chapters 1.0** through **8.0**. The following are the major commendations for which NPS is recognized.

- The NPS School Board, superintendent, administration, and staff are commended for developing a comprehensive meeting agenda information packet that is provided to members of the school board and for posting the agenda and meeting minutes on the Web site (**Commendation 1-A**).
- The NPS School Board, City of Norfolk, and administration are commended for providing legal services through a shared services arrangement and the overall excellent relationship between the attorney's office and NPS (**Commendation 1-B**).
- The NPS administration is commended for developing and implementing a state-of-the-art principal and assistant principal performance assessment system that is based on current research on effective leadership and schools research (**Commendation 1-E**).
- NPS is commended for developing and implementing a best practice model school "Walkthrough: A Key to Success" as a part of a process to support annual accountability plans and the division's strategic plan initiatives (**Commendation 1-G**).
- The division is commended for a purchasing manual that is precise, easily understood, and contains specific purchasing guidelines for division staff to follow (**Commendation 2-C**).
- The division is commended for their procurement card program that the National Institute of Governmental Purchases has described as an excellent program with highly effective controls (**Commendation 2-E**).
- The financial department is commended for hiring a business system auditor, for conducting audits of its P-card program, and for implementing recommendations contained in audit reports (**Commendation 2-F**).
- NPS is commended for establishing a superintendent's exemplary school safety award to heighten safety awareness (**Commendation 2-G**).
- The division is commended for developing and implementing a comprehensive accountability and strategic planning process that demonstrates its

commitment to becoming a World-Class school division (**Commendation 3-A**).

- The division is commended for developing comprehensive school accountability plans that include documentation of student achievement, research-based instructional strategies, professional development, assessment of plan implementation, and intended student outcomes (**Commendation 3-C**).
- The human resources department is commended for developing a comprehensive and well organized operating procedures manual on its day-to-day functions and for establishing multiple methods of communicating policies and procedures to Norfolk Public Schools employees (**Commendation 4-B**).
- The human resources department is commended for analyzing data related to its recruiting strategies and for conducting ongoing assessment of its recruitment program (**Commendation 4-C**).
- The human resources department is commended for seeking feedback from individuals separating from employment (**Commendation 4-F**).
- NPS has developed a comprehensive, long-range facility master plan (**Commendation 5-A**).
- School plant facilities has successfully used the services of a construction manager and controlled construction costs (**Commendation 5-C**).
- School plant facilities have implemented a customer satisfaction survey of the work completed by the maintenance department (**Commendation 5-D**).
- Custodians who perform well are publicly recognized (**Commendation 5-G**).
- NPS is commended for making energy management a major priority (**Commendation 5-H**).
- Norfolk Public Schools is commended for cultivating a high level of morale in the transportation department and retaining a stable crew of bus drivers (**Commendation 6-C**).
- The NPS process for selecting private transportation vendors is exceptionally rigorous and promotes the highest quality service (**Commendation 6-D**).
- The mechanics of the NPS Transportation Department are commended for the outstanding service they provide in maintaining the fleet (**Commendation 6-E**).
- The information division is commended for maintaining divisionwide support of business and student information systems across NPS (**Commendation 7-A**).
- The information division successfully accesses E-rate discounts on behalf of NPS (**Commendation 7-C**).

- The information division has developed a comprehensive disaster recovery/business continuity plan (**Commendation 7-D**).
- The information division successfully acquired the needed equipment to establish a 3:1 ratio of students to computers (**Commendation 7-E**).
- The information division has implemented an automated calling system to enhance communications with designated contacts (**Commendation 7-G**).
- The division's use of a central warehouse and a central kitchen maximizes quality and efficiency for NPS Child Nutrition Services (**Commendation 8-A**).
- The NPS nutritional standards serve as an outstanding model for promoting wellness among its students and staff. (**Commendation 8-B**).
- The child nutrition services department has adopted standardized menus that are based on a precise planning model (**Commendation 8-C**).
- NPS does not charge for reduced price meals, a public service that benefits the community and results in increased student participation (**Commendation 8-D**).

### **Key Recommendations**

This executive summary briefly highlights key efficiency issues in NPS. More detailed recommendations for improving operations may be found throughout the main body of the full report. Key recommendations for improvement include the following:

- Submit school board docket (agenda) items and supporting data or information to the school board deputy clerk's office electronically along with the monthly meeting agenda and packet (**Recommendation 1-2**).
- Reorganize the school board clerk's office (**Recommendation 1-4**).
- Provide cross-training for the deputy clerk's position (**Recommendation 1-5**).
- Review and update the policy manual provisions as required by Virginia code (**Recommendation 1-7**).
- Contract for independent legal counsel to the superintendent and administration to provide services when the situation requires representation separate from City of Norfolk Board counsel (**Recommendation 1-9**).
- Initiate planning for future organizational restructuring that will be required as a result of continued declining enrollment and related fiscal support (**Recommendation 1-10**).
- Reorganize the office and functions of the chief of staff (**Recommendation 1-11**).



- Review and assess the option of adopting the Roanoke City Schools' system for tracking all activity related to implementation of strategic plan initiatives (**Recommendation 1-15**).
- Purchase and install a small, compact flatbed scanner (**Recommendation 1-17**).
- Employ a director for the Norfolk Public Schools Foundation (**Recommendation 1-18**).
- Formally track unauthorized procurements and P-card transactions (**Recommendation 2-1**).
- Develop a process requiring all serious safety inspection deficiencies to be addressed, and notification provided to the health and safety specialist when completed (**Recommendation 2-4**).
- Consider revising the workers' compensation provision which allows injured employees to use accrued leave (**Recommendation 2-5**).
- Prepare interim financial reports that include balance sheets and operating statements for the board on at least a quarterly basis (**Recommendation 2-6**).
- Compile a user manual for school administrators to use to fulfill their school activity fund fiduciary responsibilities (**Recommendation 2-9**).
- Prepare and use a matrix of prior audit findings of school activity funds to assess risks and schedule audits of higher-risk schools early in the audit cycle (**Recommendation 2-10**).
- Develop and implement a comprehensive fixed asset policy (**Recommendation 2-12**).
- Establish a formal internal audit function by hiring an internal audit director who reports to the NPS School Board through the audit committee, and transfer the business system auditor and the senior auditor to additionally staff the function (**Recommendation 2-15**).
- Reorganize the division of academic affairs to better align similar job functions, avoid duplication of work responsibilities, and increase emphasis on general education curriculum and instruction for all students (**Recommendation 3-1**).
- Increase the emphasis on middle school instructional strategies and professional development to improve achievement of all students and meet Adequate Yearly Progress (AYP) as required by No Child Left Behind (NCLB) (**Recommendation 3-2**).
- Create a comprehensive approach to provide nontraditional education for students who are at risk of failing or dropping out of school (**Recommendation 3-4**).

- Convert the office space adjacent to the wellness coordinator into human resources office space (**Recommendation 4-1**).
- Increase the budget for recruitment activities to keep pace with needed expenditures (**Recommendation 4-4**).
- Require new hires to share the cost of fingerprinting and criminal background checks and/or drug testing (**Recommendation 4-6**).
- Utilize different methodology for exit surveys to assure employees of anonymity in their responses (**Recommendation 4-8**).
- Continue to analyze salaries offered to teachers and make adjustments based on available funding (**Recommendation 4-12**).
- Increase the stipend for National Board Certification to a more competitive level (**Recommendation 4-13**).
- Create a capital projects group to oversee the implementation of the facility master plan and the energy performance contract (**Recommendation 5-2**).
- Create another senior coordinator position in school plant facilities to oversee half of the shops (**Recommendation 5-3**).
- Increase maintenance funding by 5 percent annually over the next five years (**Recommendation 5-4**).
- Implement an ongoing, formal process for monitoring the efficiency of exclusive transportation routes to maximize efficiency (**Recommendation 6-6**).
- Develop and implement a formal bus replacement policy based on industry standards (**Recommendation 6-7**).
- Expand the information division to include instructional technology and computer maintenance (**Recommendation 7-1**).
- Fund a targeted, strategically developed plan for training the information division's technical support staff (**Recommendation 7-2**).
- Annually evaluate and update the NPS technology plan (**Recommendation 7-3**).
- Require all purchases of technology-related products and services to be approved by the information division (**Recommendation 7-7**).
- Develop a funded life cycle for technology-related equipment not to exceed five years (**Recommendation 7-8**).
- Increase the cost of student and staff lunch and breakfast meals (**Recommendation 8-4 and 8-5**).

- Reduce staff at schools where staff hours are above best practice levels (**Recommendation 8-6**).
- Charge all appropriate indirect costs to the child nutrition fund (**Recommendation 8-7**).
- Discontinue operation of the Our Place cafeteria (**Recommendation 8-8**).

**Fiscal Impact**

Based on the analyses of data obtained from interviews with NPS personnel, parents, and the community at large; NPS surveys; state and school division documents; and first-hand observations during the review, MGT developed 78 recommendations, 23 of which have fiscal implications.

As shown in **Exhibit 1**, full implementation of the recommendations in this report would generate gross savings of \$22,608,850 over a five-year period. Costs for the same period would equal \$9,784,802, with a total one-time cost of \$46,950, for a net savings of **\$12,777,098**. It is important to note that many of the recommendations MGT made without specifying a fiscal impact are expected to result in a net cost savings to NPS, depending on how the division elects to implement them. It is also important to note that costs and savings presented in this report are in 2008-09 dollars and do not reflect increases due to salary or inflation adjustments.

**EXHIBIT 1  
SUMMARY OF ANNUAL SAVINGS (COSTS)**

CATEGORY	YEARS					TOTAL FIVE-YEAR SAVINGS
	2008-09	2009-10	2010-11	2011-12	2012-13	
TOTAL SAVINGS	\$4,521,770	\$4,521,770	\$4,521,770	\$4,521,770	\$4,521,770	\$22,608,850
TOTAL (COSTS)	(\$1,829,590)	(\$1,919,145)	(\$1,962,707)	(\$2,011,217)	(\$2,062,143)	(\$9,784,802)
TOTAL NET SAVINGS (COSTS)	\$2,692,180	\$2,602,625	\$2,559,063	\$2,510,553	\$2,459,627	\$12,824,048
ONE-TIME SAVINGS (COSTS)						(\$46,950)
TOTAL FIVE-YEAR NET SAVINGS (COSTS) INCLUDING ONE-TIME SAVINGS (COSTS)						\$12,777,098

## ***1.0 DIVISION ADMINISTRATION***

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## 1.0 DIVISION ADMINISTRATION

This chapter presents findings and recommendations relating to the overall organization of Norfolk Public Schools (NPS). The major sections of the chapter are as follows:

- 1.1 Introduction and Legal Foundation
- 1.2 School Board Governance
- 1.3 Policies and Procedures
- 1.4 Legal Services
- 1.5 Organization and Management

### CHAPTER SUMMARY

Contained within this chapter are commendations for actions and activities associated with division management. Key commendations are as follows:

- The NPS School Board, superintendent, administration, and staff are commended for developing a comprehensive meeting agenda information packet that is provided to members of the school board and for posting the agenda and meeting minutes on the Web site (**Commendation 1-A**).
- The NPS School Board, City of Norfolk, and administration are commended for providing legal services through a shared services arrangement and for the overall excellent relationship between the attorney's office and NPS (**Commendation 1-B**).
- The NPS administration is commended for developing and implementing a state-of-the-art principal and assistant principal performance assessment system that is based on current research on effective leadership and schools (**Commendation 1-E**).
- NPS is commended for developing and implementing a best practice model school "Walkthrough: A Key to Success" as a part of a process to support annual accountability plans and the division's strategic plan initiatives (**Commendation 1-G**).

This chapter contains the following key recommendations:

- Submit school board docket (agenda) items and supporting data or information to the school board deputy clerk's office electronically along with the monthly meeting agenda and packet (**Recommendation 1-2**).
- Reorganize the school board clerk's office (**Recommendation 1-4**).
- Provide cross-training for the deputy clerk's position (**Recommendation 1-5**).
- Review and update the policy manual provisions as required by Virginia code (**Recommendation 1-7**).

- Contract for independent legal counsel to the superintendent and administration to provide services when the situation requires representation separate from City of Norfolk Board counsel (**Recommendation 1-9**).
- Initiate planning for future organizational restructuring that will be required as a result of continued declining enrollment and related fiscal support (**Recommendation 1-10**).
- Reorganize the office and functions of the chief of staff (**Recommendation 1-11**).
- Review and assess the option of adopting the Roanoke City Schools' system for tracking all activity related to implementation of strategic plan initiatives (**Recommendation 1-15**).
- Purchase and install a small, compact flatbed scanner (**Recommendation 1-17**).
- Employ an executive director for the Norfolk Public Schools Foundation (**Recommendation 1-18**).

### **1.1 Introduction and Legal Foundation**

Norfolk opened its first free school in 1761. Today NPS consists of 35 elementary schools, nine middle schools, and five high schools. In addition, the division has other auxiliary facilities, including alternative, magnet, and specialty programs. NPS serves over 32,000 students and employs approximately 3,000 teachers.

It is the mission of NPS to “educate each student to be a successful, productive contributor to society by providing powerful teaching and learning opportunities.” Additionally, the division states it will build a World-Class school system where:

- *All students possess the habits of powerful literacy.*
- *All gaps close while achievement increases for all students.*
- *All schools exceed local, state, national, and international standards.*
- *All students access productive options and opportunities upon graduation.*

NPS has become a model for successful urban education as evidenced by the 2005 Broad Prize for Urban Education. Other accomplishments the division has achieved include the Office of Communications and Media Relations winning the following five awards from the National School Public Relations Association (NSPRA):

- Award of Merit: 2006-07 School Calendar and Information Guide
- Award of Honorable Mention: Editorial – “Positive Thinking about Norfolk Public Schools”
- Award of Honorable Mention: NPS Employee Handbook

- Award of Honorable Mention: Logo/Identity Package – Norfolk Education Foundation
- Award of Honorable Mention: 2006-07 Urban Advantage Brochure

Conditions in NPS of importance to this review include:

- The formation of a Tea Party group with major concerns related to education spending in Norfolk.
- An increase in student learning to meet established standards for a World-Class school system.
- Continuing decline of approximately 2,000 students in enrollment from 34,715 to 32,674 during the past five school years.

The superintendent and board members, as well as other personnel, emphasized the challenges associated with these issues in interviews with MGT.

## **1.2 School Board Governance**

The educational system in NPS is the result of Commonwealth of Virginia legislation authorizing the establishment of city and county school divisions. The seven-member school board is appointed by the Norfolk City Council to two-year terms.

**Exhibit 1-1** provides an overview of the members of the NPS School Board.

**EXHIBIT 1-1  
NORFOLK PUBLIC SCHOOLS  
SCHOOL BOARD MEMBERS  
JANUARY 2008**

<b>NAME</b>	<b>TITLE</b>	<b>TERM EXPIRES</b>	<b>YEARS OF SERVICE AS OF 12/31/07</b>	<b>OCCUPATION</b>
Barry C. Bishop	Chair	2009	8.5	Greater Norfolk Corporation
Ursula D. Rhodes	Vice Chair	2008	3.5	Bank of America
Ltc. George W. Cook, Jr.	Member	2009	2.5	U.S. Army
James T. Driggers	Member	2009	2.5	Civil Service
Linda B. McCluney	Member	2008	1.5	Dean, Academic Affairs, Joint Forces Staff College
Stephen W. Tonelson	Member	2008	1.5	Professor, Old Dominion College
Lillian P. Wright	Member	2009	3.5	Retired University Professor

Source: NPS Clerk of the Board and NPS Web site, 2008.

Regular school board meetings are held on the third Wednesday of each month at 5:30 p.m. for the open regular session and an informal closed session generally beginning at 3:30 p.m. However, any changes are posted on the Web site or otherwise advertised. Meetings are held in the school board meeting room (room 1202 of the School Administration Building, 800 East City Hall Avenue), which easily accommodates the public. Regular meeting locations, dates, and times are posted on the NPS Web site and advertised as required by law. Closed session meetings are held prior to the regular meeting unless otherwise noted. Special meetings, if required, are advertised in advance through local media. Electronic agendas are available online, and the public is welcome to attend all regular meetings. Citizens wishing to address the school board are requested to notify the board clerk in writing, by telephone, or by e-mail prior to 12:00 noon of the meeting day and provide their name, address, telephone number, and topic to be addressed.

Closed meetings may include:

- Discussion of individual personnel.
- Student issues.
- Negotiations of material terms for purchase of property or a specific contract for employment.
- Attorney-client privilege related to litigation preparation and execution.
- Other matters as permitted under Commonwealth of Virginia law.

Minutes of all regular meetings are recorded by the school board deputy clerk, transcribed, and approved by the school board at the next regular meeting, and are published on the Web site. Minutes are not maintained for closed meetings; rather, the board deputy clerk prepares a record of motions and related votes. Minutes and supplementary data are stored as paper copies in a non-fireproof storage area.

School board members participate in various committee activities. **Exhibit 1-2** shows committee and activity assignments.



**EXHIBIT 1-2  
SCHOOL BOARD COMMITTEE AND  
OTHER ASSIGNMENTS  
2007-08**

COMMITTEE NAME	BOARD MEMBER 2007-08	MEETING DATES
Audit/Finance Committee (Reviews system audit procedures, district finances, and budgeting)	Driggers/Bishop	
Construction (Capital Improvement) (Discusses district's construction/renovation needs and establishes priorities for Capital Improvement Plan)	Bishop/Cook	8:00 a.m., October 4 December 6 February 7 April 3 June 5 9/6/07
Recognition (Develops methods for school board to recognize students, staff, and community members)	McCluney/Rhodes	
Pupil Personnel (Participates in student discipline reviews and assists in developing recommendations to the whole school board regarding pupil personnel matters)	July/August—Wright/Rhodes Sept/Oct—Tonelson/Wright Nov/Dec—Cook/Tonelson Jan/Feb—McCluney/Cook March/April—Driggers/McCluney May/June—Rhodes/Driggers July/August—Wright/Rhodes	Meets first Thursday of the month @ 9:00 a.m. in Room 1204
Calendar (Participates on district committee to establish recommendations for school calendar)	Driggers	
Legislative (Works with district Legislative Liaison to establish the SB's legislative agenda for the year and to monitor General Assembly actions pertaining to education)	Tonelson/Cook	
2007 VSBA/NSBA Federal Relations Network (FRN))	Bishop/Wright	February 3-5, 2008 Washington, DC
Virginia School Boards Association (Voting representative at Conference)	Delegate: Rhodes Alternate: McCluney	November 14-16 Williamsburg
Guiding Coalition (Serve SB representative at meetings. This group consists of a variety of stakeholders and is charged with monitoring and advising on the strategic direction of the district.)	Cook and Wright	November 19, 2007 January 22, 2008 None in March April 7, 2008
Panasonic/LAP Team (Attend Leadership Associations Program retreats used to review, assess, and plan district work)		LAP I—Oct. 10-12, 2008 (Home) LAP II—Feb. 7-9, 2008 (Colorado Springs) LAP III—May 1-3, 2008 (New Orleans)

Source: NPS Board deputy clerk, 2008.

Board members participate in Virginia School Boards Association (VSBA) meetings and training, and new members are provided orientation both locally and by VSBA.

MGT administered online surveys to central office administrators, principals and assistant principals, and teachers. Response rates for teachers were significantly high at 24 percent. While response rates for the other groups were much higher (central office administrators—80 percent and principals and assistant principals—72 percent), their overall numbers in the potential list of respondents were much smaller than teachers;

therefore, the responses are not considered statistically significant. Nevertheless, the rates are instructive. **Exhibit 1-3** shows the responses to several statements.

**EXHIBIT 1-3  
COMPARISON OF RESPONSES WITHIN THE DISTRICT**

STATEMENT	(%G + E) / (%F + P) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
Board of Education members' knowledge of the educational needs of students in this school division.	60/32	74/23	34/35
Board of Education members' knowledge of operations in this school division.	38/52	74/22	33/34
Board of Education members' work at setting or revising policies for this school division.	46/46	70/19	32/32

Source: MGT Survey, 2008.

<sup>1</sup>Percentage responding *good* or *excellent*/percentage responding *fair* or *poor*. The *don't know* responses have been omitted.

**FINDING**

The meeting agenda is comprehensive and provides for public, administrative, and board member input. The school board meeting agenda and approved meeting minutes are now posted on the division's Web site, which provides the public a convenient way to view topics for consideration by the school board.

Approximately two weeks prior to the school board meeting, the superintendent and the school board chair and vice chair begin developing the agenda in collaboration with division staff. Information is compiled and provided to the school board deputy clerk to include in each school board meeting agenda and supporting agenda packet.

The school board meeting agenda is typically organized into the following sections, and a closed meeting provision is included if needed:

- Call to Order.
- Closed Executive Session (Personnel, Pupil, and Legal Matters).
- Open Informal Session (Resolution Certifying an Executive Session, Reports).
- Dinner Break.
- Open Formal Session (Call to Order, Pledge of Allegiance, Superintendent's Report, General Information, Approval of Consent Agenda).
- Open Formal Session (Consent Agenda: Personnel Docket, Board Minutes, Fiscal Report, Other Reports).
- Open Formal Session (Decision Agenda).
- Adjourn.

Following preparation of a proposed or draft agenda, and organization of supporting documents, the school board deputy clerk creates a final hardcopy version of the school board meeting agenda and packet, which are available to board members on the Friday prior to the regular meeting.

Interviews revealed that school board members were essentially satisfied with the information provided for each meeting and the availability of additional information if needed. MGT's review of meeting documents confirmed this assertion.

Meeting dates for the year and regular meeting agendas are posted on the division's Web site.

**COMMENDATION 1-A:**

**The Norfolk Public Schools' School Board, superintendent, administration, and staff are commended for developing a comprehensive meeting agenda information packet that is provided to members of the school board, and for posting the agenda and meeting minutes on the Web site.**

**FINDING**

Important school board meeting records and supporting documentation (supplemental minutes) are prepared by the board deputy clerk and placed in loose leaf folders and on shelves in a non-fire- or -disaster-rated room.

The deputy clerk sends a copy of the agenda and minutes—subsequent to school board approval—to the division Web master for posting on the Web site. Once records are no longer needed for general inspection without notice, they are sent to the Kirn Library and are available for research purposes. Older records are on microfilm, while more current records are in paper format.

Fires and/or severe weather could result in the loss of essential support and backup records that are stored at the central office building. Best practices suggest that duplicates of valuable records should be kept off the premises in safe storage or maintained in fire-rated vaults or cabinets on the premises.

**RECOMMENDATION 1-1:**

**Provide fire-rated storage for valuable school board meeting records.**

The implementation of this recommendation should result in purchasing one fire-rated four-drawer file cabinet. This cabinet should be used to store the loose-leaf records that have not yet been incorporated into the division archives in the Sergeant Room of the Norfolk Kirn Library.

This recommendation should ensure that important records of board actions would not be lost in the event of a catastrophe.

**FISCAL IMPACT**

This recommendation could be implemented by purchasing one lockable, fire-rated four-drawer file cabinet. Office Depot, Staples, and other office supply stores offer such cabinets for \$1,300. The total one-time cost for implementation of this recommendation should be \$1,300 and can be accomplished with an estimated two clerical hours.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Purchase One Lockable, Fire-Rated Four-Drawer File Cabinet	(\$1,300)	\$0	\$0	\$0	\$0

**FINDING**

School board docket (agenda) and supporting data or information are provided on a timely basis to all board members in hardcopy form; however, greater efficiency and economy could be realized if these documents were electronically transmitted to the board, media, and administrators.

A typical packet can include 500 or more pages of detailed information, recommendations, and other essential documents. Documents for the agenda arrive from the various departments in paper form and some electronically.

Best practices that school boards are beginning to adopt include developing and transmitting the meeting packet electronically to reduce paper use and increase the efficiency of organizing and packaging the meeting information.

**RECOMMENDATION 1-2:**

**Submit school board docket (agenda) items and supporting data or information to the school board deputy clerk’s office electronically along with the monthly meeting agenda and packet.**

Implementation of this recommendation should begin by requiring all departments to begin submission of board agenda and supporting data in electronic format by scanning documents for transmission. Because some school board members are unable or not prepared to accept electronic agenda packets, initially a paper packet can be prepared for them. However, all packets for the media and staff should be in electronic format.

The electronic system can be accomplished using Microsoft Word capabilities, and as resources become available Board Docs or some similar program should be acquired to provide a full-service program that not only facilitates the assembly of an electronic packet but also provides ease of indexing and electronic storage.

**FISCAL IMPACT**

The total cost of this recommendation cannot be fully estimated because estimates of cost savings cannot be made until a fully electronic system is in place and implemented. However, the cost of purchasing and installing an electronic system should not exceed

\$12,000, including providing laptops to board members. Basic laptops can be purchased for the seven board members for \$500 each for a total of \$3,500, and software can be purchased for an estimated \$10,000, for a grand total of \$13,500.

It is not necessary to convert the board meeting room to wireless to accomplish this recommendation since meeting packets can be transmitted via e-mail attachment or placed on a CD and sent to each member. These two options have the advantage of permitting the board to meet in remote locations without the added cost of specialized technology.

Considerable annual savings should result from elimination of the voluminous current paper packets and increased staff productivity by reducing assembly and distribution time. The board does not track expenses for paper as a single purchased or used item. However, if an electronic board packet were used, only portions of it might be printed and it could be distributed to news media and others primarily in an electronic format. Thus, it is reasonable to expect the administration to use less paper.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Provide School Board Meeting Agenda Packets Electronically	(\$13,500)	\$0	\$0	\$0	\$0

**FINDING**

The school board conducts an annual self-assessment of its performance that is essentially consistent with Policy AFA, Evaluation of School Board Operational Procedures. However, the policy requires the development of short- and long-term plans for maintaining acceptable practices and improving identified areas of need.

Policy AFA, Evaluation of School Board Operational Procedures, includes the following provisions:

- *The school board will review its performance annually to ensure its proper discharge of responsibilities to the community.*
- *Evaluation will be based on a positive approach, which will indicate the strengths of the board and the areas that need improvement.*
- *To help the board meet this goal, the following elements will be included in the school board self-evaluation process: 1. Board members will be involved in the development of an evaluation instrument and procedure; 2. The school board evaluation instrument will be completed by individual board members on a confidential basis, and submitted to the board of chairman, or his or her designee, for compilation; 3. The school board will meet, with all members present, to review and discuss the composite results; and 4. Each conclusion will be supported by objective evidence.*
- *Upon final discussion of the results, the board will develop both short- and long-range goals and objectives to ensure continued proficiency in its area of*

*excellence, to strengthen weak areas, and to improve the efficiency of the board.*

The board is to be commended for maintaining its focus on the four established targets and insisting that the administration provide data-driven evidence of progress.

A best practice that has evolved in some other school systems and school-related organizations in the nation is the Carver Policy Governance Model. This model focuses on identified outcomes, the board's policy role, and establishing executive limits that govern the superintendent's actions. The model provides a strong foundation for educational communities to achieve success for all students in their jurisdiction, as well as guides and determines the effectiveness and sufficiency of organizational progress. As a result, the development of both long- and short-term improvement goals and their ongoing assessment is an integral part of all board activity. Additionally, this process actively engages the board in systematic development of community understanding of the division's progress toward defined success.

**RECOMMENDATION 1-3:**

**Fully implement policy AFA provision related to short- and long-term plans designed to ensure continued excellence in practices and improvements in identified performance areas and consider adoption of the Carver Policy Governance Model.**

Implementation of this recommendation should provide the board with a systematic means for fully carrying out the intent of Policy AFA. Adoption of the Carver Policy Governance Model should provide the board with a best practices system to support the development of a World-Class school system.

Within this model, the board creates the "ends" (i.e., goals) and the superintendent establishes the "means" (i.e., activities, practices, methods, etc.) for reaching the goals. That is, the board is responsible for selecting and evaluating the superintendent and establishing ends statements, which create targeted desired and actual outcomes for NPS in the areas of student learning, leadership, safe and supportive learning environments, ample resources, and family and community engagements. The board also identifies executive limitations that define behavior and activities in which the superintendent should not engage (i.e., unacceptable means). Once the model is established, the superintendent is responsible for interpreting and implementing strategies to achieve and measure organizational progress toward the ends. This is a process in which the board is currently engaged.

A distinct measurement approach to the Carver Policy Governance Model is the ability to demonstrate the value-added work of NPS. Data are reported based on the ability of NPS to provide positive impact of value added.

The strength of the Carver Policy Governance Model is reported to be the ends statements that are the focus of the board and the development of goals for NPS. Typically these are reported in an Ends Report or other defined reporting document and include:

- Improve student learning.
- Increase leadership capacity.

- Improve safety, civility, and support in learning environments.
- Increase economic efficiencies and resources.
- Increase family and community engagement.

In summary, the Carver Policy Governance Model provides a system for clearly defining roles and responsibilities, identifying objective goals, and providing an accountability system to ensure progress is being made toward the stated goals. The Ends Report or other defined reporting document provides data-based documentation on the accomplishments and gains of the division toward reaching the established goals in each identified area. In addition, the report documents how data were collected, as well as future directions or next steps to continue to increase outcomes.

Clark County School District in Las Vegas, Nevada, and Educational Service District 121 outside Seattle, Washington, are two organizations that utilize this model effectively.

### **FISCAL IMPACT**

This recommendation can be implemented at no additional cost to the division; however, it will require obtaining comprehensive information on the Carver Policy Governance Model and at least two school board work sessions to determine if it would contribute to NPS's efforts to achieve World-Class status.

### **FINDING**

The school board clerk office is staffed with a full-time deputy clerk and supervised by the school board clerk, who is also the manager of the communications and media relations department and, in this capacity, reports to the chief of staff. This arrangement weakens the role of the communications department since board responsibilities must be the first order of business.

The duties of the deputy clerk, as was noted in a previous finding, include:

- Handling routine administrative and clerical tasks for the board clerk.
- Making travel arrangements for the board and board clerk.
- Reconciling credit card transactions daily for the office.
- Maintaining accounting records for the office.
- Producing the board docket (agenda) for board meetings and submitting it to the Webmaster for posting.
- Preparing minutes of meetings and submitting approved minutes to the Webmaster.
- Performing other duties as assigned.

The board clerk, in addition to managing the communications and media relations department, is responsible for communications with all board members, ensuring that

board members receive clarification on agenda matters and other issues of concern and arranging for board events and other board-related activity.

Typically, in a school system of this size or smaller, the duties associated with a board clerk function can be effectively carried out by one full-time employee classified as an administrative assistant or specialist.

**RECOMMENDATION 1-4:**

**Reorganize the school board clerk’s office.**

Implementation of this recommendation should result in the separation of the internal and external communications functions from the board clerk’s office and reduce the cost of board clerk services. Implementation should include the following actions:

- Eliminate the current .5 board clerk position.
- Eliminate the current deputy clerk position.
- Create one full-time board clerk position classified as an administrative assistant.
- Assign the recommended full-time board clerk all responsibilities for the clerk’s office.

Implementation of **Recommendation 1-2**, conversion to an electronic agenda and related information both received and transmitted by the clerk’s office, should adequately streamline agenda development to permit time to carry out all assigned clerk’s duties.

**FISCAL IMPACT**

Implementation of this recommendation could save the board \$41,142 in the first year and \$205,710 over a five-year period. These savings are calculated as follows with fringe benefits estimated at 33 percent: deleted .5 board clerk position at salary of \$36,662 plus fringe benefits of \$12,098 equals \$48,760 plus deleted 1.0 deputy board clerk at salary of \$48,987 plus fringe benefits of \$16,166 (\$65,153) minus 1.0 created board clerk at salary of \$54,715 plus fringe benefits of \$18,056 (\$72,771) for a total first-year savings of \$41,142.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Eliminate .5 Board Clerk Position	\$48,760	\$48,760	\$48,760	\$48,760	\$48,760
Eliminate 1.0 Deputy Board Clerk Position	\$65,153	\$65,153	\$65,153	\$65,153	\$65,153
Create 1.0 Board Clerk – Administrative Assistant Position	(\$72,771)	(\$72,771)	(\$72,771)	(\$72,771)	(\$72,771)
<b>TOTAL</b>	<b>\$41,142</b>	<b>\$41,142</b>	<b>\$41,142</b>	<b>\$41,142</b>	<b>\$41,142</b>



## **FINDING**

The position of deputy clerk has not been cross-trained to another position to ensure that competent handling of essential responsibilities could take place in the event of an extended absence from duty.

The deputy clerk's duties include, but are not limited to:

- Handles routine administrative and clerical tasks for the board clerk.
- Makes travel arrangements for the board and clerk.
- Reconciles credit card transactions daily for the office.
- Maintains accounting records for the office.
- Produces the board docket (agenda) for board meetings and submits to the Web master for posting.
- Prepares minutes of meetings and submits approved minutes to the Web master.
- Other duties as assigned.

While the board's clerk can handle routine duties for short-term absences of the deputy clerk, other responsibilities will prevent effective carrying out of the comprehensive duties assigned to the deputy clerk.

## **RECOMMENDATION 1-5:**

### **Provide cross-training for the deputy clerk's position.**

Implementation of this recommendation should ensure that continuity of services is maintained in the absence of the deputy clerk. The board clerk and superintendent's executive administrative assistant should identify a position to serve as backup to the deputy clerk and establish a schedule for cross-training.

## **FISCAL IMPACT**

This recommendation can be implemented at no cost to the division. Staff time for accomplishing this recommendation could involve an estimated two hours of administrative time and eight hours of clerical time.

## **FINDING**

In March 2006, the Norfolk City Manager and NPS Superintendent established five workgroups to explore the expansion of shared services. However, following the initial meeting, establishment of the steering committee, and workgroups' preliminary activity, further study has not continued. No record of activity after September 2006 was available to the MGT consultants.

Prior to the establishment of the five workgroups—Human Resources (recruitment and screening), Purchasing, After School Program, Information Technology, and Employee Wellness Program—NPS shared services with the City of Norfolk included legal services, school plant grounds maintenance, vehicle fueling, and the school resource officer (SRO) program with the city police department. Additionally, the Norfolk Consortium, consisting of the City of Norfolk, NPS, Norfolk Redevelopment and Housing Authority, and Norfolk Community Services, seeks health care coverage as one group.

Overall, important guidelines were developed through the March to September initiative including:

- *Establishing three primary guiding principles: goal of high performance and value-oriented outcomes as a goal, emphasizing shared responsibilities and service as an end result, and shared services initiative shall insist on measured standards and quantifiable performance.*
- *Establishing a Shared Services Steering Committee with a clearly defined charge.*
- *Creating a clear definition of shared services.*
- *Listing of clearly stated objectives.*
- *Other outcomes but no final report.*

While the shared service initiative began with significant progress to establish direction it has not continued to develop a final series of recommended actions.

#### **RECOMMENDATION 1-6:**

**Reactivate the Shared Services Steering Committee and workgroups and instruct them to continue the original mission and provide the city and board with recommendations.**

Implementation of this recommendation should result in the superintendent meeting with the Norfolk City Manager to discuss the reactivation of the Shared Services Steering Committee and workgroups and instruct them to continue the original mission and provide the city and board with recommendations.

This should result in an in-depth review of shared services options with final recommendations submitted to the superintendent and city manager, ultimately leading to greater efficiencies and savings.

#### **FISCAL IMPACT**

This recommendation can be implemented at no direct cost to the City of Norfolk or NPS other than the employee time required for meetings and the research involved.

### **1.3 Policies and Procedures**

The development of policies and procedures constitutes the means by which an organization can communicate expectations to its constituents, ensure internal consistency of practice, and establish limits for executive authority as provided by law. Policies and procedures, therefore, reveal the philosophy and position of the school board and should be stated clearly enough to provide for executive or staff direction.

Commonwealth of Virginia law (22.1-253.13:7) contains specific provisions governing school board policy. The law requires that policies be up-to-date and reviewed at least every five years and revised as needed. The policies must address the following eight overall areas:

- *A system of two-way communication between employees and the local school board and its administrative staff.*
- *The selection and evaluation of all instructional materials purchased by the division, with clear procedures for handling challenged controversial materials.*
- *Standards of student conduct and attendance, and related enforcement procedures.*
- *School-community communications and involvement.*
- *Guidelines to encourage parents to provide instructional assistance to their children.*
- *Information about procedures for addressing school division concerns with defined recourse for parents.*
- *A cooperatively developed procedure for personnel evaluation.*
- *Grievance, dismissal procedures, and other procedures as prescribed by the General Assembly and school board.*

Division schools and the central office have a copy of the NPS policy manual. The policy manual has been placed online; however, the hardcopy maintained in the board's suite is the official copy.

The policies have been codified using the National School Boards Association (NSBA) codification system as reflected in **Exhibit 1-4**. The policy manual is composed of 11 chapters or major classification sections, each containing a detailed table of contents. Individual policies are coded within these chapters. The manual contains an alphabetical subject and topical indices in the front of the document following an overall table of contents. The Web site provides search capability and is user friendly.

**Exhibit 1-4** presents the NPS policy manual classifications (chapters), titles, and policy codes.

**EXHIBIT 1-4  
NORFOLK PUBLIC SCHOOLS  
ORGANIZATION OF SCHOOL BOARD POLICY MANUAL**

CLASSIFICATION	SECTION TITLES	POLICY CODES
A	Foundations and Basic Commitments	AA-AFA
B	School Board Governance and Operations	BB-BHE
C	General School Administration	CA-CNZ
D	Fiscal Management	DA-DZA
E	Support Services	EA-EIA
F	Facilities Development	FA-FG
G	Personnel	GAB-GEZZ
H*	Negotiations	None
I	Instruction	IAA-INDC
J	Students	JB-JZZC
K	School-Community Relations	KA-KP
L	Education Agency Relations	LA-LI

Source: NPS School Board Policy Manual, 2008.

\* The Supreme Court of Virginia has stated that neither Virginia constitutional nor statutory authority exists for school boards to enter into collective bargaining agreements with their employees.

NPS has a policy development process based on receiving updates from the VSBA, the board, administration, and/or Norfolk City attorney's office. Additionally, a form and related process are available for developing new proposals. These processes include a systematic review of proposals, review by the Council for Strategic Leadership and Planning (CLASP – an 18-member superintendent's leadership group), establishment of possible acceptability by attorney's office, final approval by the superintendent and the Senior Leadership Team (SLT – five chiefs and senior director of strategic evaluation and assessment support), placement on the board docket for approval, board approval, and submission of approved policy to the Municipal Code Corporation, a Tallahassee, Florida, firm under contract to maintain the Web version.

**Exhibit 1-5** shows state-required provisions that are addressed in the current policy manual along with the specific code. As can be seen, NPS is in compliance with the requirement to adopt related provisions.

**EXHIBIT 1-5  
VIRGINIA REQUIRED POLICY TOPICS  
AND RELATED NORFOLK PUBLIC SCHOOL BOARD POLICIES**

REQUIRED TOPIC	NPS APPLICABLE POLICY
Selection and evaluation of all instructional materials	IM, IIA, IIAA, IIAB
Process for parents to address concerns related to the division	KL, KLB, GBLA
System of two-way communication between employees and School Board	BG, BG-R
Cooperatively developed personnel evaluation procedures	GCN, GDN
Grievance, dismissal, and other procedures	GBM, GBM-R, GBMZ, GDPD, GDPD-R
Standards of student conduct and attendance	JED, JED-R, JFC, JFC-R, JFCA, JFCB, JFCC, JFCD, JFCI, JHAZ, JFG, JGD, JGE, EEACC, EEACC-R
School-community communications and involvement	KA, KC, KD, KF, KM, KMA
Guidelines encouraging parents to provide instructional assistance to their children	IGBC, IGBCZ, IGBCZ-R, IKA, KP
Procedures for handling challenged and controversial materials	KLB, KLB-R

Source: NPS School Board Policy Manual, 2008.

**FINDING**

**Exhibit 1-6** shows the revision status of NPS School Board policies. As is shown, 237 of the 354 policies have not been reviewed or adopted within the required time limits of Virginia law. Interviews with personnel reveal that some of these have been administratively reviewed; however, the date of the review process has not been incorporated into the history of the policy.

**EXHIBIT 1-6  
NORFOLK PUBLIC SCHOOLS  
BOARD POLICIES REVISION STATUS  
JANUARY 2008**

CHAPTER	TITLE	NUMBER OF POLICIES EXAMINED	NUMBER OF POLICIES ADOPTED/UPDATED/RESTATED IN:			
			PRIOR TO 2001-02	2002-05	2005-07	2007-08
A	Foundations and Basic Commitments	8	4	4	-	-
B	School Board Governance and Operations	36	27	5	2	2
C	General School Administration	22	11	1	3	7
D	Fiscal Management	24	15	6	2	1
E	Support Services	36	29	5	2	-
F	Facilities Development	8	8			-
G	Personnel	68	31	26	10	1
H	Negotiations*	0	-	-	-	-
I	Instruction	56	44	2	8	2
J	Students	56	41	6	9	-
K	School-Community Relations	30	20	3	7	-
L	Education Agency Relations	10	7	3	-	-
<b>TOTAL</b>		<b>354</b>	<b>237</b>	<b>61</b>	<b>43</b>	<b>13</b>

Source: NPS School Board Policy Manual, 2008.

\* The Supreme Court of Virginia has stated that neither Virginia constitutional nor statutory authority exists for school boards to enter into collective bargaining agreements with their employees.

Failure to bring policies up to date can result in actions contrary to Virginia code and other controlling regulations. This condition could result in expensive litigation as well.

**RECOMMENDATION 1-7:**

**Review and update the policy manual provisions as required by Virginia code.**

Implementation of this recommendation should be accomplished as soon as possible to ensure that all policy provisions are consistent with Virginia code and other controlling regulations. The school board's membership in the VSBA should facilitate this process.

The policies that have been administratively reviewed and found to be consistent with Virginia code and other controlling regulations should be taken to the board for final approval as reviewed and/or updated and the date affixed to the documents.

Reviewing and updating the policy manual provisions ensures that the school board and division are in compliance with essential rules and serves to protect the board and administration legally.

## **FISCAL IMPACT**

Implementation of this recommendation can be accomplished through the existing VSBA policy update contract and at no additional cost to the division. Staff time for accomplishing this recommendation cannot be accurately estimated until a plan for coordination of implementation is established.

## **FINDING**

The policy manual contains references to procedural manuals, handbooks, and other documents. These are in addition to a variety of other publications that are often needed by the staff. Identifying and locating these can be time consuming.

Various policies refer to other documents or procedures. Examples include:

- DJA, Purchasing Authority.
- EB, School Crisis, Emergency Management and Medical Emergency Response Plan.
- FEA, Educational Specifications.
- IFE, Curriculum Guides and Course Outlines.

The process of identifying the existence and location of important documents, handbooks, and manuals can be expedited by creating a combined list and incorporating it into a section of the policy manual.

The NPS Intranet contains a section to permit access to selected manuals, handbooks, and other documents but is not complete and does not permit examination by the public.

## **RECOMMENDATION 1-8:**

**Create a policy provision containing a list of existing procedural manuals, handbooks, and planning documents and, on the Web site, create a series of hot links from the manual to the cited documents or procedures or state the office of location.**

Creating this document should provide NPS with a compilation of important procedures and operation manuals, handbooks, and other materials. Also, this provision should serve as a valuable tool for the orientation of new school board members as well as new division personnel.

Some school systems have included in their policy manual such a provision within the equivalent Section B, School Board Governance and Operations.

This provision may be phrased as follows:

**SCHOOL BOARD AND SCHOOL SYSTEM PLANS AND PROCEDURES**

*The School Board has plans, manuals, handbooks, and codes that outline procedures to be followed relative to stated topics. The plans, manuals, handbooks, and codes listed below may be adopted by reference as part of these policies when required by other board provisions, Commonwealth of Virginia code, or other controlling requirements. These include, but are not limited to...*

Within this portion of the policy manual, the titles of various documents could be listed. This list should become an important resource for school board members and employees to understand the extent of activity and responsibilities involved in managing a complex organization.

**Exhibit 1-7** provides a partial list of the types of documents often included in such a document. Upon development and adoption of the list of documents and, concurrently with the implementation of **Recommendation 1-7**, a series of hot links should be created between the policy manual and related documents. This should provide the policy manual user easy access to other related information, thus increasing user efficiency by reducing time required to locate needed documents.



**EXHIBIT 1-7  
SAMPLE LIST OF PROCEDURAL, OPERATIONAL, PLANNING,  
AND OTHER DOCUMENTS**

**Administration**

Accountability Plans  
Emergency Plan  
Strategic Plan  
Professional and Staff Development Plan  
Safety Plan  
Human Resources Management and Development Plan  
Capital Project Priority List  
Transportation Procedures Manual  
Food Service Procedures

**Instructional and Student Services**

After-School Child Care Program Manual  
Code of Student Conduct  
Testing Procedures Manual  
Alternative Education Plan  
Instructional Material Manual  
Instructional Technology Plan  
Limited English Proficient (LEP) Plan  
Manual for Admissions and Placement in Special Education Programs  
Student Graduation Requirements  
School Handbooks  
School Health Procedures Manual  
School Improvement Plans  
Special Programs and Procedures Manual  
Student Education Records Manual  
Student Services Plan  
Truancy Plan

**Other Documents**

Source: Created by MGT of America, Inc., November 2005, and revised January 2008.

**FISCAL IMPACT**

This recommendation could be accomplished with existing personnel concurrently with **Recommendation 1-7**, updating the entire policy manual as required by Commonwealth code, and at no additional cost to NPS. Consultants assume the assignment of policy revision coordination will rest with the legal services department unless otherwise assigned by the superintendent. This recommendation will only require minor additional time in compiling procedural, operational, planning, and other documents.

**1.4 Legal Services**

Costs for legal services have increased dramatically over the last three decades due to a number of factors. These factors include due process activity associated with disciplinary

proceedings, complicated issues related to special education students, risk management matters, and a variety of other issues. Areas of special education and student disciplinary activity are particularly troublesome and require special legal expertise. These areas are typically complicated by the complexities of federal requirements and the relationship to local and state regulations, coupled with the school system's need to maintain an orderly educational environment.

Virginia code (22.1-82) provides authority for the school board to:

*...employ legal counsel to advise it concerning any legal matter or to represent it, any member thereof or any school official in any legal proceeding to which the School Board, member or official may be a party, when such proceeding is instituted by or against it or against the member or official by virtue of his actions in connection with his duties as such member or official.*

## **FINDING**

Extensive interviews with NPS administrators and support staff consistently revealed that the NPS School Board, City of Norfolk attorney's office, and administration had an excellent and respected working relationship.

Legal services are obtained through shared services with the City of Norfolk attorney's office at no direct cost to the school board other than for some hearing expenses and other matters. The city's chief counsel has assigned two attorneys to assist NPS as needed. When independent counsel is required, the city attorney can readily provide a recommendation.

## **COMMENDATION 1-B:**

**The NPS School Board, City of Norfolk, and administration are commended for providing legal services through a shared services arrangement and for the overall excellent relationship between the attorney's office and NPS.**

## **FINDING**

The school board does not have approved provisions for the superintendent to employ legal counsel when the need arises. However, the city attorney readily advises the administration on the availability of local counsel when necessary.

Generally, however, school boards approve provisions that establish the procedures for placing an outside attorney or legal firm under retainer to provide specialized counsel as the need arises. Such situations can occur, for example, when the school board must hear and act upon a superintendent's recommendation that is challenged, for example, one affecting a staff member or student.

A more effective approach is to have approved provisions for when contact with independent legal counsel is warranted.

**RECOMMENDATION 1-9:**

**Contract for independent legal counsel to the superintendent and administration to provide services when the situation requires representation separate from City of Norfolk Board counsel.**

Implementation of this recommendation should be accomplished as a measure to ensure adequate legal counsel.

By providing counsel through a retainer agreement that provides only for compensation when the attorney is called upon, extra expenses are not incurred and the administrative staff does not have to expend additional time locating representation suited to the situation.

The superintendent must use an attorney other than the board's attorney when he must present his case for action by the board, and the board sits as the hearing officer. This primarily occurs in two situations: first, when the superintendent recommends an adverse employment action (dismissal or reprimand) that is challenged by the employee, and second, when an action for expulsion of a student is presented to the board and the parent or guardian challenges the recommendation. MGT did not research the number of such incidents. However, MGT believes that the most cost-effective representation can be obtained if some type of contract is established that determines the fee schedules in advance. This should make it possible to obtain counsel more expeditiously when needed.

**FISCAL IMPACT**

Implementation of this recommendation should yield cost savings for the division; however, the exact fiscal impact cannot be determined due to unforeseeable circumstances. This would require an estimated 30 hours of administrative time, including time for interviewing candidates, and an estimated four hours of clerical time.

**1.5 Organization and Management**

This section reviews the NPS organization; decision-making, management, planning and accountability, and public information functions; and school organization and management.

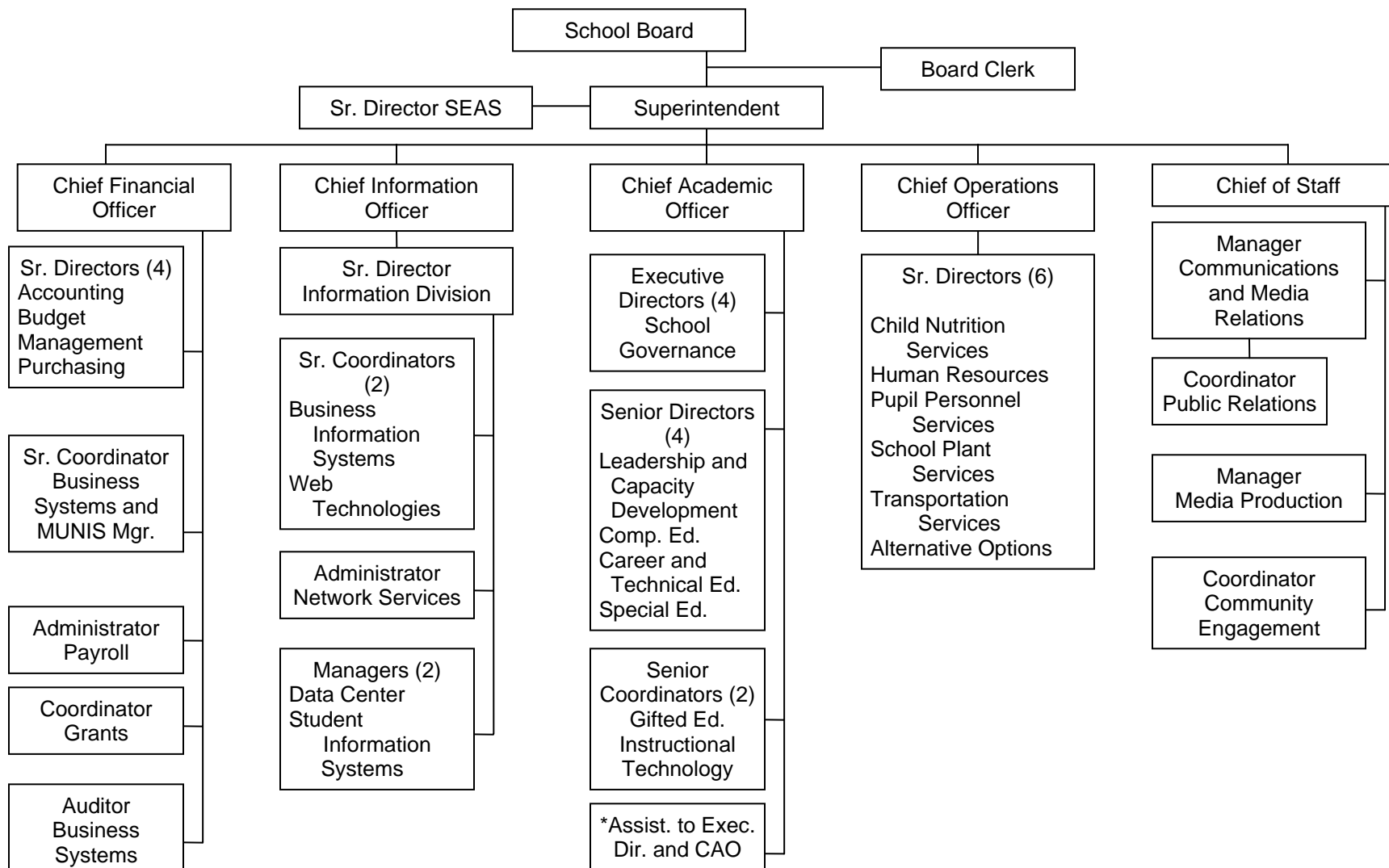
**1.5.1 Division Organization**

The executive and administrative functions of NPS are managed through a system that is organized into line and staff relationships that define official spans of authority and communication channels.

NPS has three primary layers within the central office. These layers facilitate communication of information and decisions through the system and to the public; however, they create special challenges because of some broad spans of control and the organizational structures within various departments. The new superintendent has reorganized some sections of the central office; and this review has taken these actions into consideration.

As shown in **Exhibit 1-8**, NPS is a relatively traditional organization with three primary layers of central office authority under the superintendent: a system of five chiefs; reporting senior directors and directors; a series of administrators, managers and coordinators; and the principals. For a school system with an enrollment of over 30,000 that is decreasing, this represents, in MGT's experience, an adequately staffed and structured organization.

**EXHIBIT 1-8  
NORFOLK PUBLIC SCHOOLS  
CURRENT ORGANIZATIONAL CHART  
JANUARY 2008**



Source: Created by MGT of America, Inc., from NPS records, January 2008.

\* Supports the CAO and four Executive Directors for School Governance.

**FINDING**

The five-year enrollment trend for 2003-04 through 2007-08 shows a decrease of 2,041 students enrolled in NPS. Five-year enrollment projections through 2012-13 indicate a further decline in enrollment, resulting in a need to continually evaluate the central office staffing pattern to avoid overstaffing and excessive costs for personnel.

**Exhibit 1-9** shows the previous five years' actual enrollment and the projections for the five-year period through 2012-13. As can be seen, projections for the years 2003-04 through 2007-08 have been very accurate and enrollment has declined by over 2,000 students. Projected enrollment through 2012-13 shows continued decline; however, the available figures do not include Pre-K and self-contained special education populations. The NPS February 13, 2007, draft enrollment projections prepared for the SLT show that the 2012-13 enrollment for all students is estimated at 30,500 with overall enrollment for Pre-K increasing in subsequent years. Given this scenario, NPS can expect to lose from 1,100 to 1,400 more students by 2012-13.

**EXHIBIT 1-9  
ENROLLMENT DATA  
2003-04 THROUGH 2012-13**

YEAR	ENROLLMENT	PROJECTION
2003-04	34,715	34,664
2004-05	34,216	34,284
2005-06	33,835	34,162
2006-07	33,352	33,603
2007-08	32,674	32,794
2008-09*	N/A	31,314
2009-10*	N/A	30,974
2010-11*	N/A	30,705
2011-12*	N/A	30,417
2012-13*	N/A	30,200

Source: NPS, Long-Range Facilities Master Plan, September 2007, and NPS demographer, January 2007.

\*Figures do not include Pre-K and special education self-contained enrollments.

School board policy CC, Administrative Organization Plan, states that the superintendent shall conduct an annual review and evaluation of the staff organization of Norfolk Schools.

**RECOMMENDATION 1-10:**

**Initiate planning for future organizational restructuring that will be required as a result of continued declining enrollment and related fiscal support.**

Implementation of this recommendation should be considered an essential portion of the short- and long-term plans incorporated into the strategic documents. Ongoing planning of this nature should position the school system administration and school board to make gradual adjustments in central office and school-level administrative and support staffing so as to minimize the impact on important World-Class initiatives.

As can be seen from MGT's findings in later chapters of this report, the carefully configured professional development program, contributing to overall costs of educating students, should be maintained as a critical support of the World-Class movement.

**FISCAL IMPACT**

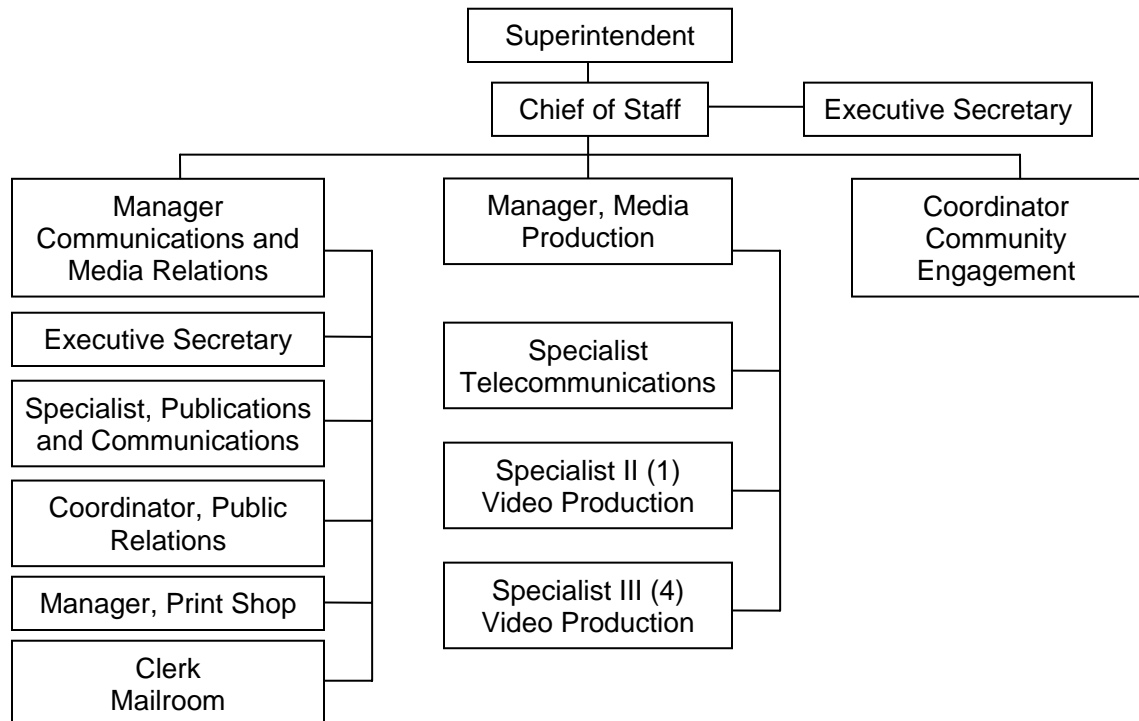
This recommendation can be accomplished without additional expense to NPS and as a component of the annual updating of the accountability plans and the division's strategic plan.

**FINDING**

The communications functions of NPS are not organized under one management position whose primary responsibility is assigned communications and media relations. This results in a need for greater overall coordination of internal and external communications.

**Exhibit 1-10** presents the organizational chart of the office of the chief of staff. As can be seen, the communications functions are not organized through a single managed department; rather they are separated into three sections.

**EXHIBIT 1-10  
NORFOLK PUBLIC SCHOOLS  
ORGANIZATIONAL CHART  
OFFICE OF THE CHIEF OF STAFF  
JANUARY 2008**



Source: NPS Chief of Staff office, January 2008.

Additionally, the executive secretary under the manager of communications and media relations is actually .5 within the department and .5 assigned to the Norfolk Education Foundation. The publications and communications specialist is responsible for 58 contacts working within the various schools and departments of NPS, each of whom is paid a supplement or stipend for communications-related duties and is evaluated for this performance annually by the specialist. The public relations coordinator position has been vacant and was scheduled to be filled by a new employee on January 22, 2008. While the print shop manager reports to the manager of communications and media relations, the shop is located elsewhere and is actually an operations function. The mailroom is staffed by one person with a substitute from the print shop assigned. Short-term or unanticipated absences are often covered by the manager of communications and media relations. Overall, the current organization does not allow for an orderly and efficiently managed department.

While the chief of staff is responsible for communications and media relations, media production, and community engagement departments, the other primary responsibilities of the position are not reflected by the organizational chart. Other responsibilities include:

- Coordinating the NPS Strategic Plan and assisting the CLASP with its monitoring.
- Preparing agendas for the SLT and CLASP meetings.
- Facilitating the superintendent's quarterly Student Cabinet meeting.
- Serving as an ombudsman in dealing with parent and other complaints before they reach the superintendent's desk.
- Coordinating daily with the superintendent and other chiefs and the senior director of Strategic Evaluation and Assessment Support (SEAS).
- Assisting the superintendent in preparing for board meetings and other activities as requested or required.

**RECOMMENDATION 1-11:**

**Reorganize the office and functions of the chief of staff.**

Implementation of this recommendation should result in the following actions designed to improve internal and external communications and effect more efficient coordination of services:

- Create a full-time director of communications responsible for a communications and community relations department reporting directly to the chief of staff (see **Recommendation 1-4** related to the organization of the school board clerks office).
- Reassign the coordinator of community engagement from the chief of staff to the proposed director of communications and community relations with



compensatory education funding continued at the current level as the position also serves Title I schools.

- Continue the current assignment of .5 clerical services to the coordinator of community engagement as the position also serves Title I schools.
- Reclassify the publications and communications specialist to coordinator as the position is responsible for 58 contacts working within the various schools and departments of NPS, each of whom is paid a supplement or stipend for communications-related duties and is evaluated for this performance annually by the current specialist.
- Reassign the mailroom clerk and related functions to the human resources department within the operations division as it is in closer proximity and the human resources department has clerical personnel that could be cross-trained to assist when necessary.
- Reassign the print shop and related functions to warehousing within the operations division as the Pony (courier) system, mailroom, and printing functions are interrelated.
- Incorporate the Norfolk Education Foundation within the proposed communications and community relations department until the foundation has resources to employ a full-time director. This arrangement should facilitate a closer relationship with the current community engagement function that has established effective business relationships for NPS (see **Recommendation 1-17**).
- Reassign the manager of media production to the proposed communications and community relations department and have the position report to the proposed director. This would place the Channel 47 television and production capacity within the overall communications function.
- Delete one video production specialist position and reassign responsibilities within the media production office. Reorganize the media production office based on recommendations provided by DIA, Incorporated, a local firm preparing a major communications audit for NPS.
- Reassign the administrator to the four executive directors for school governance to the proposed communications and community relations department, reporting to the proposed director. Rename the position as ombudsman. This action should provide the proposed communications and community relations department and the chief of staff an additional support position for managing parental and community issues.
- With the exception of handling parental concerns, reassign the duties of the current administrator to the four executive directors for school governance as follows: Section 504 to the special education department; summer school to the four executive directors for school governance and authorize provision of a salary supplement to an assistant principal to assist with summer school

coordination; Southern Association of Colleges and Schools (SACS) accreditation coordination to the four executive directors for school governance and authorize provision of a salary supplement to an assistant principal to assist; and remove the position from the Alternative Education Committee.

- The reassigned community engagement coordinator and the reclassified publications and communications specialist should closely coordinate activities relating to central office, school, and departmental communications. An integral aspect of this coordination should be the involvement of the renamed ombudsman and the development of an internal communications “clearinghouse” designed to minimize duplicative and redundant communications to schools and other administrative and support units of NPS (see **Recommendation 1-14**).

During MGT’s review of NPS, a local firm was under contract to the division to implement a communications audit. While the final report for this audit was not yet prepared, its preliminary findings supported MGT’s recommendation for a major reorganization of the communications functions, both internal and external.

**FISCAL IMPACT**

This recommendation can be accomplished at a first-year cost to NPS of \$13,902 and a five-year estimated cost of \$69,510. **Exhibit 1-11** shows how these costs were calculated.

**EXHIBIT 1-11  
COST CALCULATION FOR  
RECOMMENDATION 1-11**

<b>RECOMMENDED ACTION</b>	<b>(COST)/SAVINGS CALCULATION – FRINGE BENEFITS AT 33%</b>	<b>NOTES</b>
Eliminate .5 Manager Position, Communications and Media Relations	$\$36,662 + \$12,098 = \$48,760$	Base salary is calculated on 50% of current manager’s compensation.
Create 1.0 Director Position, Communications and Community Relations	$(\$80,007) + (\$26,402) = (\$106,409)$	Estimated salary is based on midpoint 12 of director’s level salary schedule.
Reclassify the Publications and Communications Specialist to Coordinator	$\$46,298 + \$15,278 - (\$59,703) + (\$19,702) = (\$17,829)$	\$46,298 is current salary and \$59,703 is midpoint 06 on salary schedule for coordinator.
Eliminate 1.0 Video Production Specialist Position	$\$46,298 + \$15,278 = \$61,576$	\$46,298 is a current salary for a specialist position.
<b>TOTAL</b>	<b>(\$13,902)</b>	

Source: Prepared by MGT of America from NPS payroll records and salary schedules, 2008.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Eliminate .5 Manager Position, Communications and Media Relations	\$48,760	\$48,760	\$48,760	\$48,760	\$48,760
Create 1.0 Director Position, Communications and Community Relations	(\$106,409)	(\$106,409)	(\$106,409)	(\$106,409)	(\$106,409)
Reclassify the Publications and Communications Specialist to Coordinator	(\$17,829)	(\$17,829)	(\$17,829)	(\$17,829)	(\$17,829)
Eliminate 1.0 Video Production Specialist Position	\$61,576	\$61,576	\$61,576	\$61,576	\$61,576
<b>Total</b>	<b>(\$13,902)</b>	<b>(\$13,902)</b>	<b>(\$13,902)</b>	<b>(\$13,902)</b>	<b>(\$13,902)</b>

**1.5.2 Decision-Making and Management, Planning and Accountability, and Public Information**

The current superintendent is in his third year of a four-year contract as executive officer in NPS. The superintendent's contract, initiated in March 2005 for an initial four-year period, provides the terms and conditions for employment. The contract includes specific provisions for benefits and compensation increases consistent with those of other NPS administrative and professional employees. Additionally, the school board provides automobile use or reimbursement for school business; pays for a family health plan; and provides life insurance, paid annual vacation leave, sick leave, and other benefits offered to 12-month employees of the school board. Additionally, the contract provides for the purchase of retirement credits as permitted under Commonwealth code and Virginia Retirement Service rules. The contract in all respects is consistent with Commonwealth of Virginia law and sound business practices.

The superintendent provides leadership for the division, with input from an executive staff and SLT. Additionally, the superintendent meets regularly with the CLASP. The superintendent's SLT meets weekly, with each meeting lasting approximately two hours. The CLASP, composed of 18 executive administrators, meets monthly for half-day sessions. All meetings are guided by prepared agendas, and meeting notes are distributed afterward.

MGT collected survey responses from central office administrators, principals and assistant principals, and teachers. **Exhibit 1-12** shows the responses to items relating to the decision-making and management of the division.

**EXHIBIT 1-12  
COMPARISON SURVEY RESPONSES  
NORFOLK PUBLIC SCHOOLS ADMINISTRATORS AND  
ADMINISTRATORS IN OTHER SCHOOL DISTRICTS**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. Teachers and administrators in our district have excellent working relationships.	54/11	54/14	67/13	76/7	39/29	45/26
2. Most administrative practices in our school district are highly effective and efficient.	54/22	54/23	73/7	69/18	38/32	34/36
3. Administrative decisions are made promptly and decisively.	24/49	44/33	72/13	62/21	41/29	36/36
4. Central Office Administrators are easily accessible and open to input.	62/17	65/18	62/19	71/15	31/33	39/35
5. Authority for administrative decisions is delegated to the lowest possible level.	35/35	28/44	33/30	36/38	18/27	15/29
6. Teachers and staff are empowered with sufficient authority to perform their responsibilities effectively.	40/19	52/18	80/8	77/12	44/34	55/27
7. The extensive committee structure in our school district ensures adequate input from teachers and staff on most important decisions.	38/22	50/20	57/24	60/21	28/39	29/39
8. Our school district has too many committees.	52/17	37/32	30/43	35/34	37/13	43/13
9. Our school district has too many layers of administrators.	22/57	19/64	29/56	27/57	38/22	53/15
10. Most of district administrative processes (e.g., purchasing, travel requests, leave applications, personnel, etc.) are highly efficient.	35/51	54/25	63/23	57/26	43/20	35/28
11. Central office administrators are responsive to school needs.	81/0	76/8	68/17	65/20	29/28	27/34
12. School-based personnel play an important role in making decisions that affect schools in our school district.	46/11	48/23	68/16	61/24	36/26	35/33

Source: MGT Survey, 2008.

<sup>1</sup>Percentage responding *agree* or *strongly agree*/percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses have been omitted.

## **FINDING**

A review of the executive leadership's calendars shows that a significant amount of time is devoted to meetings and related subcommittee activity, creating concerns about time diverted from primary responsibilities.

Responses to statements 7 and 8 (previously shown in **Exhibit 1-12**) suggest that central office administrators are concerned about the number of committees meetings they must attend and provide follow-up for.

MGT consultants collected and reviewed the monthly calendars of two of the five chiefs, all executive directors for school governance, and a selection of other central office administrators. Approximately 20 percent of administrative time is devoted to meetings not including meeting preparation and travel time. If calculated on a daily basis this would be the equivalent of one working day per week or an average of two hours per day. Combined with processing e-mail, providing consultations—for the executive directors for school governance, conducting walkthroughs and evaluating principals—this creates significant time pressure.

## **RECOMMENDATION 1-12:**

**Conduct a detailed review and analysis of time spent by the executive leadership (chiefs, senior directors, and executive directors) in committee meetings.**

Implementation of this recommendation should carefully examine committees, their structure and purpose, membership, and activity to determine if some activity can be modified or eliminated without a negative influence on attainment of established objectives related to the four target goals.

The review should include the systematic collection of detailed calendars of the 18 members of the CLASP and a random selection of calendars of directors and coordinators. Additionally, the study should examine the amount of time principals are out of their schools on official business for the central office or assigned committee work. The study should be conducted by the office of SEAS.

This activity should result in more effective management of administrative time.

## **FISCAL IMPACT**

This recommendation can be implemented at no additional cost to the division. Administrative time required including the collection of data, the statistical reviews of collected data, and clerical time for preparing reports cannot be estimated until the review protocols are developed.

## **FINDING**

The superintendent and key executives spend increasing amounts of time processing e-mail each day, reducing their available time to effectively carry out other responsibilities.

Only one member delegates the opening and processing of all regular mail and e-mail, while the other executives spend as much as one to two hours each day on these tasks. If administrators are unable to fully delegate the opening of e-mail to a support staff member then other options should be examined.

One recommended option would be to establish a second, private, and confidential e-mail address to be provided only to a carefully selected group of persons. The administrator would only open e-mail at this address, while a secretary could process all other e-mail, obtaining input from the administrator as needed.

**RECOMMENDATION 1-13:**

**Assign a second, confidential e-mail address to each of the SLT members and the four executive directors for school governance and have their assigned secretarial staff member open and process routine e-mail received through their regular division e-mail address.**

Implementation of this recommendation should result in increased efficiency and improved communications.

Additionally, all administrators should acquire a second e-mail address to be provided only to those who must communicate directly with them. Such persons could include school board members, fellow executive team members, and other selected individuals. This action should free up administrative time for important work while still making executive leadership accessible to selected persons.

**FISCAL IMPACT**

This recommendation can be accomplished at no additional cost to the division by using the current e-mail system and assigning the second encoded address.

**FINDING**

Interviews with principals, focus group feedback, and an examination of principals' printed e-mail correspondence revealed that many communications were duplicative, repetitive, or only incidental to the recipients' needs, resulting in wasted time in opening and reading this correspondence.

The justification statement following **Recommendation 1-11**, relating to reorganizing the office of the chief of staff and the proposed communications and community relations department, provides a structure for addressing this finding: The reassigned community engagement coordinator and the reclassified publications and communications specialist should closely coordinate activities relating to central office, schools, and departmental communications. An integral aspect of this coordination should be the involvement of the renamed ombudsman and the development of an internal communications "clearinghouse" designed to minimize duplicative and redundant communications to schools and other administrative and support units of NPS.

**RECOMMENDATION 1-14:**

**Create a clearinghouse provision designed to minimize e-mail correspondence that is duplicative, repetitive, or only incidental to the recipients' needs.**

Implementation of this recommendation should provide a system to reduce or minimize duplicative and repetitive e-mail correspondence so that administrative and other personnel spend less time processing e-mail.

All non-emergency e-mail correspondence that is "bunched" or the same message that is sent to a group of identified employees (e.g., all principals, all administrators, all secretaries) should be cleared through the proposed office (see **Recommendation 1-11**) and if duplicative of other messages, then returned to sender for clarification.

In preparation for implementation of this recommendation, a designated administrator should meet with personnel in small groups to identify as many specific examples of current duplication as is feasible. This should help in developing guidelines for central office e-mail senders.

The ultimate result should be greater efficiency and better use of staff time.

**FISCAL IMPACT**

This recommendation can be accomplished simultaneously with the implementation of **Recommendation 1-11** and at no additional cost to the division.

**FINDING**

The NPS Accountability Plans – annual planning documents – and the division's strategic plan are carefully crafted, data-driven documents that focus on four target areas and provide a model for guiding school improvement.

The accountability plan workbook, World-Class planning for World-Class schools, annual accountability plans, and NPS Strategic Plan Overview, 2006-10 are systematically structured and clearly data-driven. Goals are stated in measurable terms and outcomes reported in multiple descriptors to illustrate progress toward attainment. Gaps are easily seen.

**COMMENDATION 1-C:**

**NPS is commended for developing and implementing accountability plans, annual planning documents, and a strategic plan focusing on moving the school division to defined World-Class status.**

**FINDING**

While NPS has sophisticated and well-developed annual and strategic planning documents and processes that realistically guide improvements, as well as clear methods for tracking improvement and maintaining a record of progress, it has no

system that permits the daily entry of information or data on steps taken by individual departments to achieve the stated outcomes. As a consequence, an understanding of these steps can occur only through the CLASP meetings and extensive and exhaustive reporting.

A process to streamline the recording, tracking, and reporting of departments' activity in implementing the initiatives of a strategic plan or other planning document is being utilized by Roanoke City Schools' strategic planning personnel. This process permits the division leadership to adjust actual activity related to accomplishing a task if needed in a more timely fashion.

**RECOMMENDATION 1-15:**

**Review and assess the option of adopting the Roanoke City Schools' system for tracking all activity related to implementation of strategic plan initiatives.**

Implementation of this recommendation would provide the chief of staff and CLASP members an electronic tool for inputting activity related to strategic plan initiatives. The various members would be able to view the activity of all other departments, but could only enter data relevant to sections or items for which they were directly responsible.

This system would greatly reduce the time the chief of staff spends comparing results and determining if actions are consistent with expected outcomes. It would also reduce the amount of time that is spent in CLASP meetings reporting activity and outcomes so that more time could be devoted to determining the most effective course of action to be taken.

The first step in determining if the division should implement this process is to investigate fully the system utilized by Roanoke City Schools' strategic planning personnel. Roanoke's system was acquired and tailored by the staff member responsible for strategic planning monitoring.

**FISCAL IMPACT**

This cost of implementing this recommendation cannot be determined until the Roanoke system is reviewed and its applicability decided. Once that process is complete, then estimates on cost of software and necessary training and implementation consulting expenses can be established.

**FINDING**

While the NPS Strategic Plan Overview – 2006-10 is clearly a commendable document for providing important information relating to reaching World-Class status, it does not serve as a sole source for identifying all strategic initiatives to bring about excellence in operation and performance.

The overview effectively addresses all aspects of the power strategies for each of the four target goals. The introduction states that the strategic plan is an overarching framework for the work ahead; however, no reference is made to other important dimensions of a strategic document. Such dimensions would ordinarily include facilities



development and management, both administrative and instructional support technology systems, and other areas of the school division.

**RECOMMENDATION 1-16:**

**Refine the existing strategic document to reference all strategic planning initiatives including facilities, technology, and any other related plans.**

Implementation of this recommendation should result in bringing into one document all strategic initiatives that ordinarily are a part of an overall strategic plan. This should facilitate the monitoring of all aspects of the school division by the chief of staff, senior director of SEAS, and CLASP.

**FISCAL IMPACT**

This recommendation can be implemented concurrently with the annual review and revision of the document and at no additional cost.

**FINDING**

The mailroom employee often receives partial shipments of an order but does not have an efficient method for maintaining a record of the balance of the order. As a result, other NPS personnel waste time checking with the mailroom for the missing item(s).

This situation can easily be remedied by installing a flatbed scanner and instructing the mailroom clerk to scan a copy of each shipping receipt into his office computer, catalogued by purchase order number and cross-referenced to the appropriate department.

**RECOMMENDATION 1-17:**

**Purchase and install a small, compact flatbed scanner.**

Implementation of this recommendation should provide the mailroom clerk with a means to easily catalogue shipping and receiving information so that he can readily let department personnel know the status of received packages. As a shipment is received, a copy of the slip can be scanned and a “complete” or “incomplete” notation entered. This entry could specify which portion of the shipment is missing or incomplete.

This procedure will save both the mailroom clerk and receiving department’s time.

**FISCAL IMPACT**

A flatbed scanner may be purchased for less than \$150. This figure is based on the availability of inexpensive scanners at Office Depot, Staples, and other office supply stores. The mailroom clerk could install the scanner with no difficulty.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Purchase a Flatbed Scanner	(\$150)	\$0	\$0	\$0	\$0

## **FINDING**

NPS and the communications and media relations manager/clerk of the school board have contracted with a local marketing, advertising, and public relations firm to conduct a comprehensive communications audit.

In June 2007, a request for quotations to conduct a comprehensive communications audit for NPS was published. A local full-service agency that was involved in conducting the preliminary market exploration for the successful Norfolk mall was awarded the project. The firm, DIA: Incorporated, Dave Iwans & Associates, was presenting preliminary findings during MGT's onsite review.

DIA conducted over 20 focus groups with various community and division stakeholders. These groups included parents and civic leagues (five groups), students (one group of four students from each of the five high schools), staff (five groups including office professionals, classified staff, principals, and two groups of teachers), and three other groups including the Tea Party II tax group, private school parents, and one other group.

The preliminary results of this important audit are consistent with MGT's findings regarding the division's internal and external communications.

## **COMMENDATION 1-D:**

**NPS, the communications manager/clerk of the school board, and division staff are commended for initiating a comprehensive communications audit to review all communications media and develop a prioritized list of recommendations for improved communications efforts and more effective use of media.**

## **FINDING**

The Norfolk Public Schools Foundation, instituted in 2006, develops significant support for students and teachers through its programs; however, it is managed by a volunteer board of directors and a part-time administrative secretary, which prevents it from realizing its full potential.

The 22-member board of directors and the part-time administrative secretary have developed a teacher mini-grants program, instituted teacher recognition and awards events, and sponsored a major fund-raising drive, held in November 2007.

MGT's experience with school systems and other organizations that have established foundations to further their important work clearly indicates that a salaried director or administrator is necessary to fully realize the potential for widespread, effective support development. The Marion County Education Foundation in Ocala, Florida, supports a 40,000-student school system and has a school system–paid staff that generates funds that more than offset expenditure.

## **RECOMMENDATION 1-18:**

**Employ an executive director for the Norfolk Public Schools Foundation.**

Implementation of this recommendation should enable the Norfolk Education Foundation to build stronger support for the school division and its efforts to become a World-Class organization.

The executive director of the Marion County Education Foundation has indicated that she would be available to advise the NPS School Board and administration, pro bono, via a telephone conference, on the value of this recommended action. Additionally, her foundation could supply supporting fiscal and program development data and information.

The Consortium for Florida Education Foundations is another source of important information and can be contacted online at [www.CFEF.net](http://www.CFEF.net).

This recommendation should be implemented with assistance from the community engagement coordinator, who has developed several strong business partnerships that could be helpful. One option would be to have the school board fund the director position with a “match” from one or more corporate or philanthropic groups.

**FISCAL IMPACT**

The actual fiscal impact of this recommendation cannot be estimated until the match or funding source is identified. However, if the director position were funded comparably to current director positions in NPS and on a 50 percent match basis, then the salary could be \$80,007 for the first year, with the NPS contribution being \$40,004 plus fringe benefits of \$13,201 for a total cost of \$53,205. The four-year cost would be \$212,820. MGT assumes that implementation could occur as early as the 2009-10 school year.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Establish an Education Foundation Executive Director Position	\$0	(\$53,205)	(\$53,205)	(\$53,205)	(\$53,205)

**1.5.3 School Organization and Management**

NPS provides instructional programs to students in five high schools, nine middle schools, and 35 elementary schools as well as four alternative and special centers, for a total of 53 sites.

The schools and centers are staffed with principals and assistant principals as well as deans; teachers on special assignment; and activities/athletic, guidance, and library positions. Principals have control over defined areas of responsibility and staffing based on formula-derived allocations provided annually. Some schools have “traded” dean positions for additional assistant principal positions.

Principals report directly to executive directors for school governance, who are responsible for assessing the principals’ performance. For purposes of supervision, the principals and schools or centers are divided into four clusters, each responsible to an executive director. Two clusters include elementary schools, one is assigned middle

schools and three resource centers, and the fourth is made up of the high schools and alternative programs. Overall, workloads are heavy but balanced.

The athletic director for schools reports directly to the chief academic officer rather than the executive director responsible for secondary schools (see **Chapter 3.0, Educational Service Delivery**, for a recommendation related to this position).

## **FINDING**

The principal and assistant principal performance assessment system, which was revised in 2006 and implemented in 2006-07, is research based and involves comprehensive self-assessment and executive review.

A task force was convened and charged with reviewing and developing a revised principal and assistant principal performance appraisal system and related handbooks. This task force completed its assignment in 2006, and implementation occurred in the 2006-07 school year.

The system includes the five research-based domains including transformational leadership, instructional leadership, organizational/managerial leadership, responsive leadership, and student outcomes. Each domain has explicit definitions related to exceeding, meeting, and failing to meet standards. The handbook contains an appraisal instrument with appropriately styled sections in an easily read format. The appendix to the appraisal instrument addresses improving instruction and related information.

In total, the appraisal handbooks and instruments reflect best practices.

## **COMMENDATION 1-E:**

**The NPS administration is commended for developing and implementing a state-of-the-art principal and assistant principal performance assessment system that is based on current research on effective leadership and schools.**

## **FINDING**

Administrative staffing of all schools is formula driven and exceeds the requirements of Virginia's Standards of Quality (SOQ), thus providing principals with appropriate staff and flexibility to meet defined school needs.

MGT reviewed data on grade structure, enrollment, and administrative/dean staffing of all NPS schools and found that staffing of principal, assistant principal, and dean positions met accreditation and SOQ standards. State requirements are as follows for elementary schools:

- *One half-time principal to 299 students with a full-time principal at 300 students' enrollment.*
- *One half-time assistant principal to 600 students with a full-time assistant principal at 900 students' enrollment.*

- *No requirement for dean positions.*

State requirements are as follows for middle schools:

- *One full-time principal.*
- *One full-time assistant principal for each 900 students enrolled.*
- *No requirement for dean positions.*

State requirements are as follows for high schools:

- *One full-time principal.*
- *One full-time assistant principal for each 600 students enrolled.*
- *No requirement for dean positions.*

#### **COMMENDATION 1-F:**

**NPS is commended for providing school-level administrative staffing formulas that meet or exceed generally accepted standards.**

#### **FINDING**

In January 2005, NPS published its “Walkthrough: A Key to Success” document and process to support school improvement and reach for World-Class status.

The process is guided by a series of standards of expectations, a detailed walkthrough purpose, and statements of when walkthroughs should be conducted, including the following guidelines:

- To explore a question behind the data that is reporting achievement and raises questions of what or why.
- To explore a genuine focusing question meaning a question that cannot be answered by using other means.
- To explore a narrow focusing question when the school has a focusing question that is both narrow (sharply focused) and powerful (critically related to one or more key components of teaching and learning).
- To look at classroom practices through four lenses simultaneously: teacher practice, student activity, student work products, and classroom environment.
- For a qualitative, experiential investigation when the focusing question requires a qualitative, concrete, on-site experiential investigation.
- For collegial feedback when a fully collegial, non-supervisory relationship exists between visitor and visited, is both desired and plausible.

- To explore depth and breath of implementation of a classroom-level implementation of complex instructional practices.
- For a brief snapshot of classroom activities when needed for a starting point to investigate a focusing question.

The process structure guidelines carefully detail all aspects of the walkthrough from preplanning to implementation and conclusion including team membership and all related details.

**COMMENDATION 1-G:**

**NPS is commended for developing and implementing a best practice model school “Walkthrough: A Key to Success” as a part of a process to support annual accountability plans and the division’s strategic plan initiatives.**

## **2.0 FINANCIAL MANAGEMENT AND PURCHASING**

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## **2.0 FINANCIAL MANAGEMENT AND PURCHASING**

This chapter reviews the financial management and purchasing functions at Norfolk Public Schools (NPS). The major sections of this chapter are:

- 2.1 Introduction and Management
- 2.2 Budget Management
- 2.3 Purchasing
- 2.4 Purchase Cards
- 2.5 Risk and Safety
- 2.6 Accounting and Payroll
- 2.7 Activity Funds
- 2.8 Fixed Assets
- 2.9 Internal and External Auditing

### **CHAPTER SUMMARY**

The financial and purchasing functions at NPS are for the most part effectively performed by the staff of the division of business and finance. The business and finance staff, managed by the chief financial officer (CFO), perform their duties in a manner that has enabled the division to receive repeated national recognition awards for its annual comprehensive financial report, its annual budget document, and its purchasing program.

The independent audits for 2004-05 and 2005-06 conducted on NPS' comprehensive annual financial report by an independent accounting firm, provide positive opinions on the financial operations of the division and contain no management-level comments pertaining to internal controls or other weaknesses. Financial processes performed by business and finance staff are well-coordinated with staff of other departments such as human resources. Most major processes are documented with well-written procedure manuals made available to division staff on the internal intranet.

Recommendations contained in this chapter are essentially focused on suggested changes to improve the ability of the division to more effectively manage NPS financial resources. The key commendations reported in this chapter are as follows:

- The division is commended for a purchasing manual that is precise, easily understood, and contains specific purchasing guidelines for division staff to follow (**Commendation 2-C**).
- The division is commended for their procurement card program that the National Institute of Governmental Purchases has described as an excellent program with highly effective controls (**Commendation 2-E**).
- The financial department is commended for hiring a business system auditor, for conducting audits of its P-card program, and for implementing recommendations contained in audit reports (**Commendation 2-F**).
- NPS is commended for establishing a superintendent's exemplary school safety award to heighten safety awareness (**Commendation 2-G**).



This chapter contains the following key recommendations:

- Formally track unauthorized procurements and P-card transactions (**Recommendation 2-1**).
- Develop a process requiring all serious safety inspection deficiencies to be addressed, and provide notification to the health and safety specialist when completed (**Recommendation 2-4**).
- Consider revising the workers' compensation provision which allows injured employees to use accrued leave (**Recommendation 2-5**).
- Prepare interim financial reports that include balance sheets and operating statements for the board on at least a quarterly basis (**Recommendation 2-6**).
- Compile a user manual for school administrators to use to fulfill their school activity fund fiduciary responsibilities (**Recommendation 2-9**).
- Prepare and use a matrix of prior audit findings of school activity funds to assess risks and schedule audits of higher-risk schools early in the audit cycle (**Recommendation 2-10**).
- Develop and implement a comprehensive fixed asset policy (**Recommendation 2-12**).
- Establish a formal internal audit function by hiring an internal audit director who reports to the NPS School Board through the audit committee. Transfer the business system auditor and the senior auditor to provide additional staffing for the function (**Recommendation 2-15**).

## **2.1 Introduction and Management**

Sound school division financial management involves the effective use of limited resources to support student achievement. School divisions must maximize their resources available from all sources and must accurately account for their use of these resources to local taxpayers and the state and federal governments. The planning and budgeting process must support division goals. Proper accounting must reduce the risk of lost assets and ensure their appropriate use. The division must provide its board and administrators with timely, accurate, and useful reports concerning its financial condition.

NPS does not have taxing or appropriation authority and thus must rely on Norfolk City and its City Council to levy local taxes, appropriate funds, and issue debt on its behalf. The division develops its own budget which is sent to Norfolk City where the City Council adopts the budget for the school division as part of its total city budget.

NPS selected four other divisions as their peer divisions for comparison purposes for this efficiency review. They are Newport News City, Hampton City, Roanoke City, and Portsmouth City. **Exhibit 2-1** presents a comparison of receipts by funding source for NPS and the peer divisions. As shown in the exhibit, NPS funds 45.3 percent of costs for the division from state funds, while the peer average is 43.0 percent. NPS receives 29.6

percent of its funds from local funds as compared to the peer average of 30.1 percent. Federal funds for NPS accounts for 12.9 percent of its revenues while the peer average is 9.5 percent.

**EXHIBIT 2-1  
NORFOLK PUBLIC SCHOOLS AND PEER DIVISIONS  
COMPARISON OF RECEIPTS BY FUND SOURCE  
2005-06 SCHOOL YEAR**

<b>SCHOOL DIVISION</b>	<b>SALES AND USE TAX</b>	<b>STATE FUNDS</b>	<b>FEDERAL FUNDS</b>	<b>LOCAL FUNDS</b>	<b>OTHER FUNDS</b>	<b>LOANS, BONDS, ETC.</b>
<b>Norfolk Public Schools</b>	<b>9.2%</b>	<b>45.3%</b>	<b>12.9%</b>	<b>29.6%</b>	<b>2.7%</b>	<b>0.2%</b>
Newport News City	10.0%	42.9%	10.8%	31.8%	2.2%	2.2%
Hampton City	10.9%	47.4%	10.2%	29.0%	2.5%	0.1%
Roanoke City	6.9%	31.9%	9.7%	33.2%	2.4%	15.8%
Portsmouth City	8.1%	49.7%	7.4%	26.4%	7.9%	0.4%
<b>PEER SCHOOL DIVISION AVERAGE</b>	<b>9.0%</b>	<b>43.0%</b>	<b>9.5%</b>	<b>30.1%</b>	<b>3.8%</b>	<b>4.6%</b>

Source: 2006 Superintendent's Annual Report for Virginia, Virginia Department of Education, Web site, 2008.

**Exhibit 2-2** presents a comparison of NPS disbursements for 2005-06 to the average for the four peer divisions. As the exhibit shows, NPS's:

- Total disbursements per pupil of \$9,784.68 is 7.26 percent less than the peer average of \$10,495.01.
- Disbursements for administration of \$398.20 is 18.49% percent more than the peer average of \$324.58.
- Disbursements for facilities of \$379.90 is 58.06 percent less than the peer average of \$600.46.
- Disbursements for instruction of \$6,826.78 is comparable to the peer average of \$6,857.52.
- Disbursements for transportation of \$297.50 is 53.85 percent less than the peer average of \$457.69.
- Disbursements for debt service and transfers of \$6.79 is 5,275.41 percent less than the peer average of \$364.99.

**EXHIBIT 2-2  
NORFOLK PUBLIC SCHOOLS AND PEER DIVISIONS  
DISBURSEMENTS PER PUPIL BY CATEGORY  
2005-06 SCHOOL YEAR**

PROGRAM	NPS	PEER DIVISION AVERAGES	NPS PER PUPIL COSTS ABOVE (BELOW) PEER AVERAGE	
			AMOUNT	PERCENT
Administration	\$398.20	\$324.58	\$73.62	18.49%
Attendance and Health Services	\$105.41	\$190.54	(\$85.13)	(80.76%)
Pupil Transportation Services	\$297.50	\$457.69	(\$160.19)	(53.85%)
Operation and Maintenance Services	\$914.70	\$925.17	(\$10.47)	(1.14%)
Facilities	\$379.90	\$600.46	(\$220.56)	(58.06%)
Instruction	\$6,826.78	\$6,857.52	(\$30.74)	(0.45%)
Summer School	\$59.05	\$52.04	\$7.01	11.87%
School Food Services	\$378.22	\$391.39	(\$13.17)	(3.48%)
Adult Education	\$49.30	\$43.36	\$5.94	12.05%
Other Educational Programs	\$368.83	\$287.27	\$81.56	22.11%
Debt Service and Transfers	\$6.79	\$364.99	(\$358.20)	(5275.41%)
<b>TOTAL DISBURSEMENTS</b>	<b>\$9,784.68</b>	<b>\$10,495.01</b>	<b>(\$710.33)</b>	<b>(7.26%)</b>

Source: 2006 Superintendent's Annual Report for Virginia, Virginia Department of Education Web site, 2008.

The Commonwealth of Virginia distributes state aid using a local composite index which is an indicator of a locality's ability to pay for public education. The local composite index is derived from local true values of real estate and public service corporation property values, adjusted gross income, and local retail sales per local average daily membership and population. The index is then weighted against the same values on a statewide basis. The higher a locality's local composite index, the greater a locality's ability is expected to be to fund public education.

**Exhibit 2-3** presents the NPS and peer division local composite indexes for 2008-10. Roanoke City has the highest composite index while Portsmouth City has the lowest. Norfolk's composite index of .2589 is slightly higher than the peer average of .2559. The composite index for localities is capped at .8000 by state law. No locality is required to fund more than 80 percent of Standards of Quality costs.

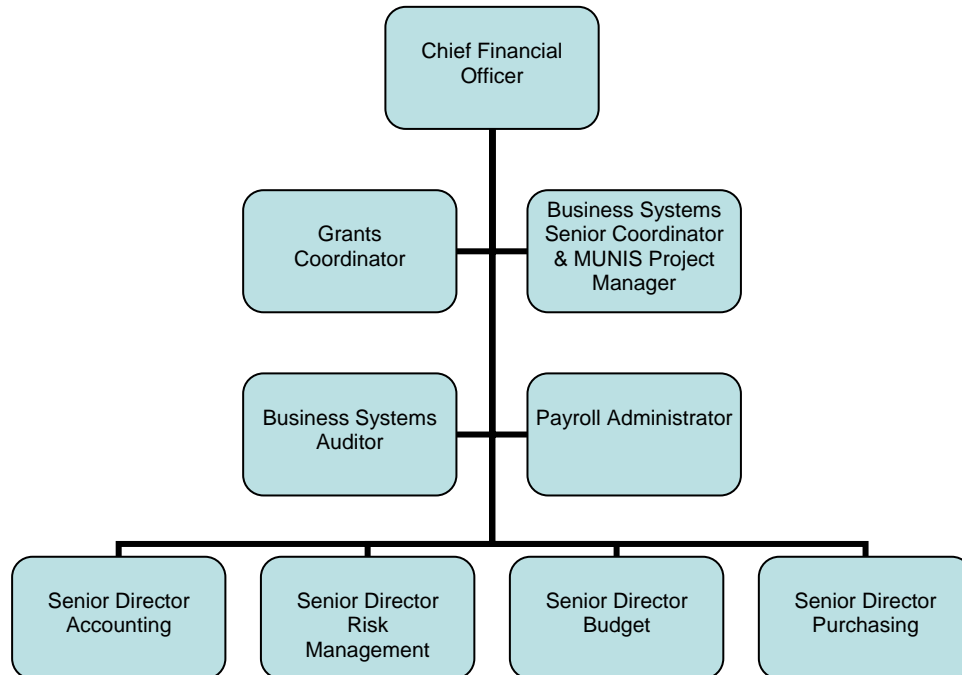
**EXHIBIT 2-3  
NORFOLK PUBLIC SCHOOLS AND PEER DIVISIONS  
COMPARISON OF LOCAL COMPOSITE INDEXES  
2008-10**

<b>SCHOOL DIVISION</b>	<b>2008-10</b>
<b>Norfolk Public Schools</b>	<b>.2589</b>
Hampton City	.2165
Newport News City	.2533
Portsmouth City	.2114
Roanoke City	.3422
<b>PEER DIVISION AVERAGE</b>	<b>.2559</b>

Source: Virginia Department of Education Web site, 2008.

The NPS CFO is responsible for the day-to-day management of the division’s finances and reports directly to the superintendent, who in turn reports to the local school board. As head of the division of business and finance, the CFO is responsible for four major divisions that are managed by senior directors of accounting, risk management, budget, and purchasing. In addition to four major divisions, the CFO also has a grants coordinator, a business system auditor, a business systems senior coordinator and MUNIS financial software project manager, and a payroll administrator who report to him. The organizational chart for the division of business and finance is presented in **Exhibit 2-4**.

**EXHIBIT 2-4  
ORGANIZATIONAL CHART  
DIVISION OF BUSINESS AND FINANCE  
2007-08**



Source: NPS, January 2008.

**Exhibit 2-5** reflects the results of the survey undertaken by MGT of NPS central office administrators, principals/assistant principals, and teachers pertaining to the major areas of budgeting, financial management and accounting, grants management, purchasing, and risk management. Central office administrators responded that some improvement was needed in budgeting, financial management and accounting, and grants management. Principals and assistant principals responded that all areas were adequate, and teachers indicated that budgeting needs some improvement.

**EXHIBIT 2-5  
NORFOLK PUBLIC SCHOOLS  
SURVEY RESULTS MAJOR FINANCIAL FUNCTIONS  
2007-08**

MAJOR FINANCIAL FUNCTIONS	%(NEEDS SOME IMPROVEMENT + NEEDS MAJOR IMPROVEMENT) <sup>1</sup>	/	%(ADEQUATE + OUTSTANDING) <sup>1</sup>
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
Budgeting	59/33	42/53	47/20
Financial management and accounting	54/38	24/70	28/30
Grants administration	46/44	31/54	21/32
Purchasing	40/55	24/69	20/35
Risk management	8/71	17/79	23/40

Source: MGT Survey, 2008.

<sup>1</sup> Percentage responding *needs some improvement* or *needs major improvement* / Percentage responding *adequate* or *outstanding*. The *neutral* and *don't know* responses are omitted.

**Exhibit 2-6** provides a summary of survey responses related to the division's financial management functions received from NPS staff. With the exception of central office administrators responding that they disagreed with the statement "School administrators are adequately trained in fiscal management techniques" and teachers responding that they disagree with the statement "The budgeting process effectively involves administrators and staff" all staff responded that they agree with the statements. This indicates that overall NPS staff have a high degree of confidence in NPS financial related functions.

**EXHIBIT 2-6  
NORFOLK PUBLIC SCHOOLS  
SURVEY RESULTS FINANCIAL FUNCTIONS  
2007-08**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
Funds are managed wisely to support education in this school division.	62/22	66/16	27/25
The budgeting process effectively involves administrators and staff.	54/33	66/17	18/31
School administrators are adequately trained in fiscal management techniques.	13/43	41/36	19/8
The purchasing department provides me with what I need.	52/28	62/10	29/20
The purchasing process is easy.	41/38	62/19	26/20

Source: MGT Survey, 2008.

<sup>1</sup> Percentage responding *agree* or *strongly agree* / Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

## **2.2 Budget Management**

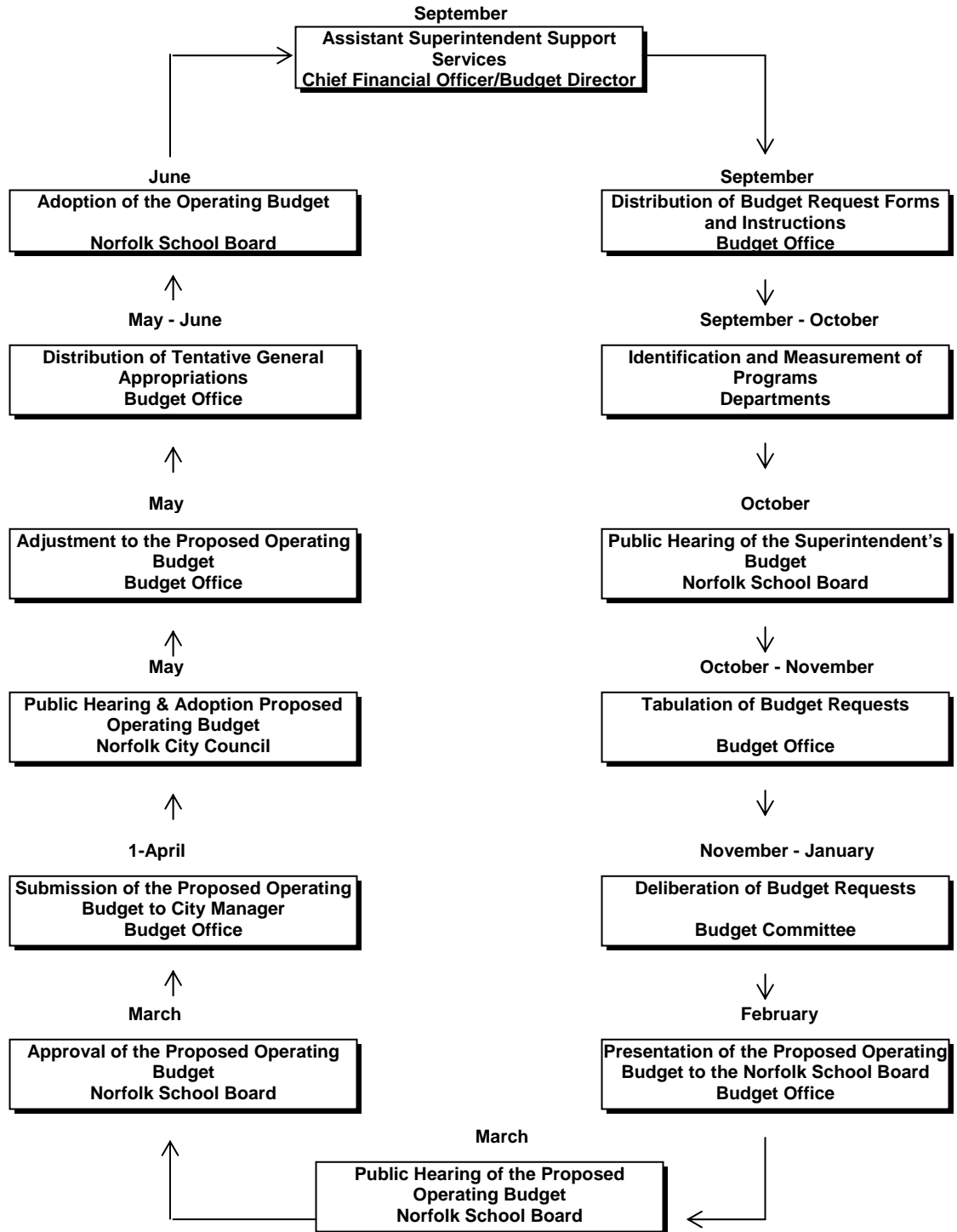
A school division's budget enables a division to adequately plan, maintain, and control its financial resources. School administrators, department heads, teachers, and community members should be involved in the budgeting process, as well as the central administration and school board. The budget should reflect the overall goals and objectives of the division's long-range strategic plan.

In the budget planning process, divisions should consider general educational goals, specific program goals, and alternatives for achieving program goals. Budget planning and evaluation should be a continuous process and should constitute a part of each month's activities. Ideally, the budget should:

- Present a comprehensive forecast of all the division's expenditures and revenues based on its specific educational needs and plans.
- Serve as an overall picture of the school program operation.
- Depict the division's educational plans with a definite statement of goals, policies, and curriculum plans.
- Establish spending plans that include a translation of the educational plans into dollars.
- Present finance plans that include proposed means and sources for securing adequate revenue to meet school program needs.

NPS's budget cycle begins in September when the budget office distributes budget forms and instructions. The division's budget cycle is shown in **Exhibit 2-7**.

**EXHIBIT 2-7  
NORFOLK PUBLIC SCHOOLS  
BUDGET CYCLE**



Source: NPS 2007-08 approved budget.

The division also publishes and follows a budget development calendar with specific due dates that identifies when actions must be completed in order to meet the submission date to the board for final approval. As shown in **Exhibit 2-8**, a number of opportunities for public input are provided at public hearings during the budget development process. **Exhibit 2-8** shows NPS’s budget development calendar for the 2007-08 budget.

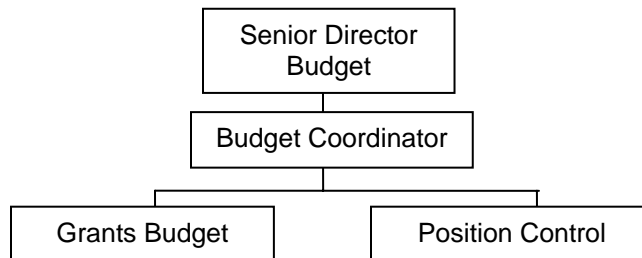
**EXHIBIT 2-8  
NORFOLK PUBLIC SCHOOLS  
BUDGET DEVELOPMENT CALENDAR  
FY 2008**

ACTION	DATE
Identification programs and various costs	September/ October 2006
Public Hearing to hear citizen request	October 10, 2006
Capital Improvement Budget Public Hearing	December 4, 2006
Submission of Superintendent’s Proposed Operating Budget to School Board	February 21, 2007
Public Hearing of Superintendent’s Proposed Operating Budget	March 05, 2007
Adoption of Proposed Operating Budget by School Board	March 21, 2007
Submission of Proposed Operating Budget to Norfolk City Manager	April 1, 2007
Presentation of City of Norfolk’s Proposed Operating and CIP Budgets to City Council	April 18, 2007
Public Hearing on City of Norfolk’s FY 2008 Proposed Operating and CIP Budgets	May 3, 2007
Adoption of City of Norfolk Annual Appropriation Ordinances for 2008 Operating and CIP Budgets	May 8, 2007
Submission of Approved Operating Budget to School Board	June 20, 2007

Source: NPS approved 2007-08 budget.

The NPS budget department is responsible for compiling the division’s budget document and for monitoring and managing the budget during the year. The senior director for budget is assisted by only three staff members. The budget coordinator primarily assists with managing the division’s operating budgets; the grants budget position primarily assists with managing grants budgets; and the position control position helps ensure that all staff employed by the division have been approved. **Exhibit 2-9** presents the organization of NPS’s budget department.

**EXHIBIT 2-9  
BUDGET DEPARTMENT  
ORGANIZATIONAL CHART**



Source: NPS Budget Department, January 2008.



**Exhibit 2-10** presents a summary of expenditures contained in the 2007-08 budget document. Between 2004 and 2008 the division's total expenditure operating budget increased by 21.4 percent. Expenditures for instructional services increased by 26.5 percent and central administration increased by 51.2 percent.

**EXHIBIT 2-10  
EXPENDITURE BUDGET COMPARISON  
2004 TO 2008**

DESCRIPTION	ACTUAL (AMOUNTS IN THOUSANDS)				APPROVED 2008 (AMOUNTS IN THOUSANDS)	2008 PERCENT OF BUDGET	PERCENT INCREASE 2004 TO 2008
	2004	2005	2006	2007			
Instructional Services	\$194,779	\$212,781	\$221,723	\$241,553	\$246,388	77.7%	26.5%
Central Administration	\$6,810	\$7,361	\$7,878	\$8,519	\$10,299	3.2%	51.2%
Student Attendance and Health Services	\$3,325	\$3,271	\$3,249	\$3,233	\$3,507	1.1%	5.5%
Pupil Transportation	\$12,368	\$10,570	\$9,651	\$10,444	\$11,690	3.7%	(5.5%)
Operations and Maintenance	\$27,571	\$28,953	\$31,084	\$33,676	\$33,923	10.7%	23.0%
Community Services	\$0	\$0	\$0	\$24	\$46	0.0%	n/a
Facilities Improvements	\$10,072	\$2,076	\$4,993	\$3,734	\$2,905	0.9%	(71.2%)
Information Technology	\$6,224	\$8,279	\$8,250	\$8,533	\$8,150	2.6%	30.9%
<b>TOTAL OPERATING BUDGETS</b>	<b>\$261,149</b>	<b>\$273,290</b>	<b>\$286,828</b>	<b>\$309,719</b>	<b>\$316,908</b>	<b>100.0%</b>	<b>21.4%</b>

Source: NPS approved 2007-08 budget.

The division's budget is a well organized and informative document that provides information in an easily understood format that includes the use of graphs and considerable narrative along with the numbers. Comparative data is needed for a budget document to be informative and the division's budget contains many opportunities for comparisons.

In addition to providing current and historical revenue and expenditure information, the NPS budget includes a three-year projection that provides the board, city, and the public with an indication of possible budget needs in the next three years. To make projections for the next three years, the division assumed a 2 percent growth rate for revenues which factors in an enrollment decline from year-to-year of 1 percent, city and other local revenue growth calculated at 3 percent, and federal funds that remain stable. Expenditures for staff retention and other inflationary costs were calculated using a 3.5 percent increase each year. Based on these assumptions, the division's projected expenditures will exceed projected revenues by \$3.8 million for 2008-09, \$7.8 million for 2009-10, and \$12.1 million in 2010-11 as shown in **Exhibit 2-11**.

**EXHIBIT 2-11  
NORFOLK PUBLIC SCHOOLS  
THREE-YEAR BUDGET PROJECTIONS  
2008-09 TO 2010-11**

DESCRIPTION	FISCAL YEAR		
	2008-09	2009-10	2010-11
<b>Revenues:</b>			
State funds	\$207,771,756	\$211,927,191	\$216,165,735
City funds	\$104,127,757	\$107,251,590	\$110,469,138
Federal funds	\$6,235,000	\$6,235,000	\$6,235,000
Other local funds	\$6,056,390	\$6,238,081	\$6,425,224
Total Revenues	\$324,190,903	\$331,651,862	\$339,295,097
<b>Expenditures:</b>			
Instructional Services	\$255,011,310	\$263,936,706	\$273,174,490
Central Administration	\$10,659,909	\$11,033,006	\$11,419,161
Student Attendance and Health Services	\$3,630,060	\$3,757,112	\$3,888,611
Pupil Transportation	\$12,098,651	\$12,522,104	\$12,960,378
Operations and Maintenance	\$35,110,399	\$36,339,263	\$37,611,137
Community Services	\$47,936	\$49,614	\$51,350
Informational Technology	\$8,434,816	\$8,730,035	\$9,035,586
Facility Improvements	\$3,006,388	\$3,111,612	\$3,220,518
Total Expenditures	\$327,999,469	\$339,479,451	\$351,361,231
<b>BUDGET IMBALANCE</b>	<b>(\$3,808,566)</b>	<b>(\$7,827,589)</b>	<b>(\$12,066,134)</b>

Source: NPS approved 2007-08 budget.

**FINDING**

The NPS budget document, prepared by the budget department, has received national recognition. The budget document received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for fiscal year 2004-05. The 2004-05 budget document also received the Meritorious Budget Award from the Association of School Business Officials International (ASBO) for excellence in preparation and issuance. Compilation of the budget document for 2005-06 was delayed due to actual expenditure data requiring additional time to ensure accuracy past the required submission date and thus the document was not eligible to receive the awards. Reports for 2006-07 and 2007-08 have both been submitted for review and the division is awaiting award notification.

ASBO and GFOA are two national organizations that promote excellence in the form, content and presentation of budget documents through budget award programs. The primary difference between the ASBO and the GFOA programs is that ASBO's program is specifically designed for school divisions, while GFOA's program is designed for any governmental entity. These programs establish a number of criteria for exemplary budget documents and provide certification awards to governmental entities whose budget documents meet the criteria.

**COMMENDATION 2-A:**

The division is commended for its budget document that qualified for awards presented by the Government Finance Officers Association and the Association of School Business Officials International.

**2.3 Purchasing**

An effective purchasing program provides divisions with quality materials, supplies, services, and equipment, in a timely manner at the lowest price. The purchasing process also includes activities involved in the procurement and evaluation of services.

Purchasing policies and operating procedures help ensure a division complies with the Virginia Model Procurement Act and local board requirements while performing purchasing functions in an efficient and timely manner. Policies should clearly establish purchasing authority, methods required for each type of purchase, provisions for conflicts of interest, and penalties for violating purchasing laws and policies. Purchasing procedures implement policies by documenting the steps taken by user divisions and purchasing staff when goods or services are procured.

**Exhibit 2-12** summarizes the basic provisions of the NPS purchasing procedures.

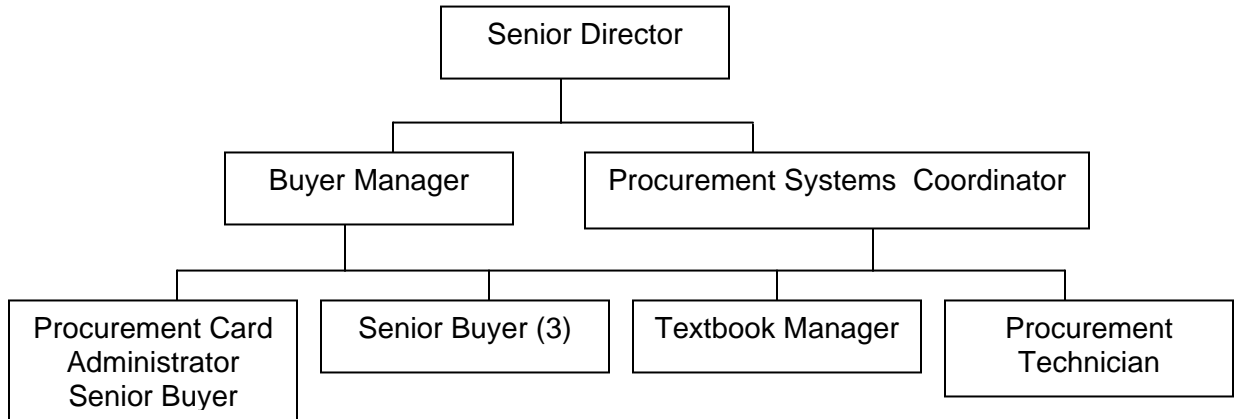
**EXHIBIT 2-12  
NPS PURCHASING PROCEDURES  
2006-07**

DOLLAR VALUE OF PURCHASE	PURCHASING PROCEDURE
Less than \$5,000	Single quote. Additional competition should be sought, however, when practicable and when the quotation is not considered fair and reasonable.
Between \$5,000 and \$30,000	Require soliciting a minimum of three valid sources.
Goods and non-professional purchases \$30,000 to \$50,000	Require soliciting a minimum of four valid sources.
Over \$50,000 for goods or non-professional services and over \$30,000 for professional services	Competitive sealed bidding or negotiations are required.

Source: NPS, Procurement Manual, January 2007.

**Exhibit 2-13** presents the organizational chart for the division's purchasing department.

**EXHIBIT 2-13  
PURCHASING DEPARTMENT  
ORGANIZATIONAL CHART  
2007-08**



Source: NPS Purchasing Department, 2008.

The senior director of purchasing provides management oversight for all division purchasing and contracting activities. The senior director is an experienced and innovative purchasing professional and is assisted by eight purchasing staff members. The department has a buying manager and a procurement systems coordinator who report to the senior director, three senior buyers, a textbook manager, and a procurement technician.

**FINDING**

NPS' purchasing department has proved to be a progressive and professional organization by receiving a number of national awards. The department has been awarded the Achievement of Excellence in Procurement by the National Purchasing Institute (NPI) for 2007, 2006, 2005, 2004, and 2003.

The National Purchasing Institute established the award program to recognize organizational excellence in public procurement. To earn the prestigious award an organization must demonstrate excellence by obtaining a high score based on standardized criteria. The criteria are designed to measure innovation, professionalism, productivity, e-procurement, and leadership attributes of the procurement organization.

For 1995 the purchasing department was also recognized for Outstanding Agency Accreditation Achievement awarded by the National Institute of Governmental Purchasing.

**COMMENDATION 2-B:**

**The division is commended for its progressive purchasing program.**

**FINDING**

NPS's purchasing manual is very well written, thoroughly covers purchasing procedures and is easily understood. The latest version of the manual is posted on the NPS intranet, under the purchasing and supply department. By providing concise and specific guidelines for administering the division's purchasing functions, there is little if any room for misunderstanding of who has authority for what types of purchases and what processes must be followed to obtain needed services or materials. The manual discusses the Virginia Public Procurement Act, school board policies and regulations, and provides detailed explanation of procedures. Flow charts of procedures and tables delineating various purchasing levels are used to provide employees involved in purchasing transactions to easily understand what actions they are authorized to take and how.

**COMMENDATION 2-C:**

**The division is commended for a purchasing manual that is precise, easily understood, and that contains specific purchasing guidelines for division staff to follow.**

**FINDING**

The purchasing department implemented an automated web-based textbook ordering system to assist schools with textbook ordering. The division also moved budgets for replacement of textbook to schools in order to enhance expenditure control.

When the division adopts a new textbook the ordering is performed by the purchasing department and the funding is provided through the central budget. After the adoption year schools are responsible for replacing textbooks that are lost or damaged and for additional books that are needed primarily due to increased enrollment in specific classes. To assist schools with their textbook ordering needs the purchasing department procured software called TextOrder. The software consolidates adopted textbooks by approved vendors enabling schools to easily requisition textbooks and educational materials from a single location. To further assist schools the purchasing department uploads schools' budgets for textbooks into TextOrder to facilitate budget management. Moving budgets for replacement textbooks to schools and requiring them to expend budgeted funds for which they are responsible instead of paying for replacement textbooks from a central budget has reduced the cost of replacement textbooks by an estimated \$100,000 to \$150,000 per year.

**COMMENDATION 2-D:**

**The purchasing department is commended for providing schools with Web-based textbook ordering.**

## **FINDING**

Although the division has provisions that address violation of purchasing authority and use of purchase cards (P-cards), there is no formal tracking of incidences to easily monitor violations.

Appendix D of NPS' Procurement Manual provides information on procurement ratification procedures and a form to use to document the transaction. The ratification procedure provides very good direction in three specific areas:

- **Background** – Individuals that violate their purchasing authority must have unauthorized purchases or commitments properly ratified. Unauthorized purchases include instances where unauthorized persons have directed a contractor to perform work or deliver items, or where a contractor has been asked to continue performance under an existing contract without adequate or no funding.
- **Consequences** – Unauthorized purchases and commitments may result in personal liability for the individual who made the commitment and his/her actions may be subject to disciplinary action.
- **Procedures** – The person making an unauthorized commitment shall submit written documentation using an Unauthorized Commitment and Procurement Ratification Approval Request which requires detailed explanation of his/her actions. The form then must be approved by the senior director for purchases between \$2,500 and \$5,000 and the superintendent for purchases over \$5,000.

The division's P-card program also identifies non-compliance issues for employees who have been issued P-cards. All purchases using P-cards must be approved and cardholders making purchases that are not approved are subject to a progressive disciplinary action up to having their card revoked.

Unauthorized Commitment and Procurement Ratification Approval Forms are attached to purchase order files maintained in the purchasing department. P-card non-compliance is continually monitored in the WORKS Payment Manager system until a purchase is fully compliant. When a purchase is determined to be non-compliant, there is no procedure to formally track it in a database or similar system.

Without a system that tracks purchasing related non-compliance issues, violators could commit repeated violations and progressive disciplinary action could go unimplemented unless a supervisory or purchasing professional remember previous violations. Allowing repeated violations without progressive disciplinary actions could have a tendency to create an environment where those involved believe repeated non-compliance will not invoke more severe actions.

## **RECOMMENDATION 2-1:**

**Formally track unauthorized procurements and P-card transactions to ensure progressive discipline is administered when needed.**

Developing a process to track purchases that do not follow policy will provide the division the information needed to enforce disciplinary actions in a progressive manner. Disciplinary actions that follow established progressive guidelines will help ensure that staff understand that consequences will be imposed for repeated offences.

**FISCAL IMPACT**

This recommendation can be implemented with existing resources, although it is estimated to take approximately 15 hours programming staff time.

**FINDING**

Although the TextOrder software provides schools with an efficient tool for ordering textbooks and managing their budgeted funds, it does not provide schools with an easy-to-use system for managing their inventory of textbooks and educational materials.

The primary objective when acquiring TextOrder was to automate textbook ordering, which TextOrder has accomplished. It was also the intent for the software to provide schools with an easy tool for tracking and managing inventory. Most schools have had difficulty using the inventory component of TextOrder and are using manual systems to manage their textbooks and education materials.

The purchasing department is well aware of the limited inventory component of TextOrder and has been analyzing other textbook ordering software. The department wants to ensure that other textbook ordering software can match TextOrder’s ordering capabilities, but also can provide a more effective and easier inventory management component.

Properly managing textbook inventories is a critical component to keeping textbook costs at a minimum. When divisions do not have good inventory counts on which to base needed purchases, unneeded textbooks are inadvertently ordered and budgeted funds expended unnecessarily. Also, inadequate inventories do not allow divisions to identify excess textbooks at a school that another school needs that would eliminate the need to order additional books.

**RECOMMENDATION 2-2:**

**Continue to analyze textbook ordering systems to identify options that will provide easy-to-use inventory tracking and management capabilities.**

**FISCAL IMPACT**

This recommendation can be implemented with existing resources. Depending upon options chosen, it could cost up to \$15,000 for software.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Purchase Textbook Ordering System	(\$15,000)	\$0	\$0	\$0	\$0

## **2.4 Purchase Cards**

Purchase cards (P-cards) are credit cards that are assigned to individual employees with per-transaction and monthly limits. The arrangements for P-cards are made with a banking institution and are centrally administered. Properly implemented P-card systems help school divisions reduce costs and streamline purchasing by eliminating point-of-sale for small purchases. Employees are able to make small purchases as needed, including online purchases, thereby allowing schools to take advantage of discounts.

The NPS purchase card program, initiated in August 2001, is provided through a contract with SunTrust BankCard. In conjunction with the P-card program, the division uses just-in-time purchasing which has eliminated the need for a supplies warehouse and a number of positions that previously supported the warehouse and purchasing activities related to its operations.

The division is well aware of problems that other entities have encountered with the use P-cards. Since a cardholder can make a purchase without approval from another division employee, the potential exists for unwise and unauthorized purchases. A number of measures have been taken by the division to help ensure that only authorized purchases are made. When an unauthorized purchase has occurred, it is identified immediately and the issue is addressed with the cardholder responsible. Procedures performed by the division that greatly enhance the program and help ensure cards are used only for authorized purchases include:

- Prior to being issued a division P-card, an employee must receive training and sign an employee agreement form that states they understand the program and that penalties will be imposed for violations for using the card inappropriately.
- A cardholder must formally approve all transactions made with their assigned card.
- A cardholder's supervisor must review and approve each transaction.
- Cardholders must enter specific information for each purchase made into the WORKS Payment Manager, the automated card management system, that must be reviewed and approved within 30 days; if not, the card is suspended. For first time offenders, the card is suspended until transactions have been submitted and approved by manager/reviewer/approver. Second time offenders must attend mandatory refresher training before the card is reinstated. A third time offender and his/her manager must attend refresher training. With a fourth occurrence the card is revoked indefinitely and requires additional approval prior to reinstatement of the card.
- The purchase card administrator uses a credit card management database to review and audit transactions. Listings of suspect transactions are produced that segregate them using a variety of criteria such as holiday and weekend purchases, potential split purchases, repetitive purchases to the same vendor by the same cardholder, type of merchant, commodity code of items purchased, random lists based on dollar amounts, and group making transaction.



- The senior auditor in the accounting department electronically reviews all purchases and assists in making corrections to coding data prior to transactions being posted in the financial management system.
- To help identify weaknesses or where further improvements might be needed, the division engaged the National Institute of Governmental Purchasing to conduct two comprehensive reviews of the program. The first audit was completed and final report was issued on January 26, 2005 and the second audit was completed on July 26, 2006. (See additional discussion below.)

## **FINDING**

NPS has a highly effective P-card program that reduced the large volume of division financial transactions that included purchase requisitions and vendor payments. Authorized employees make purchases with P-cards for small dollar purchases instead of using a purchase requisition. The combination of the P-card program and the use of just-in-time purchasing has proven to be very efficient and has enabled the division to eliminate one buyer position, four procurement clerks, one accounts payable clerk, and three warehouse/driver positions. A buyer position was initially assigned to be the purchase card administrator on a part-time basis; however, the position now spends the majority of time on the P-card program. Also, the division has added a business system auditor to strengthen the oversight of the P-card program and travel reimbursements. The program also provides the division with annual rebates, depending upon the net dollar amount of purchases made using P-cards. The rebate for calendar year 2005 was \$133,000, for calendar year 2006, \$166,000, and for calendar year 2007, the division received a rebate of \$228,000.

## **COMMENDATION 2-E:**

**The division is commended for their procurement card program that the National Institute of Governmental Purchasing has described as an excellent program with highly effective controls.**

## **FINDING**

To help identify weaknesses in its P-card program, or where further improvements might be needed, the division engaged the National Institute of Governmental Purchasing (NIGP) to conduct two comprehensive reviews of the program. The first audit was completed and final report issued on January 26, 2005, and the second audit was completed on July 26, 2006. The objective of the internal control review was to provide assurance that the goals and objectives for the program were being met; and that safeguards against fraudulent, improper, and abusive purchases are adequate. The last audit report dated July 26, 2006, stated "the overall finding is that NPS has an excellent program with highly effective controls that should serve as a model to other public agencies."

The July 26, 2006, NIGP report recommended strengthening the review of travel expenses incurred by NPS employees. To address this recommendation and to provide enhanced daily review of P-card transactions, the division hired a business system

auditor reporting directly to the CFO in October 2007. A report prepared by the business system auditor for the quarter ended December 31, 2007, indicates that improvements related to reviewing travel forms were actually needed and the division is improving the internal controls over travel reimbursements. **Exhibit 2-14** presents the exceptions identified in the report.

**EXHIBIT 2-14  
NORFOLK PUBLIC SCHOOLS  
SUMMARY OF TRAVEL CARD EXCEPTIONS  
2006-07**

ERROR	EXAMPLE	NUMBER OF ERRORS	PERCENT OF ERRORS
Missing documentation	Receipts, agendas	77	67%
Incomplete forms	No signatures, no budget codes	18	16%
Mileage/per diem	Excessive claims	20	17%

Source: NPS, End of Quarter Activity Report, January 2008.

In addition to the correction of travel reimbursement errors, \$2,595 was refunded to the division for duplicate travel reimbursement forms, excessive per diem, and other questionable transactions. The business system auditor has sent 206 emails questioning and requesting additional information on P-card purchases. The reviews initially resulted in 36 cards being suspended; all except one were reinstated, and it was cancelled.

**COMMENDATION 2-F:**

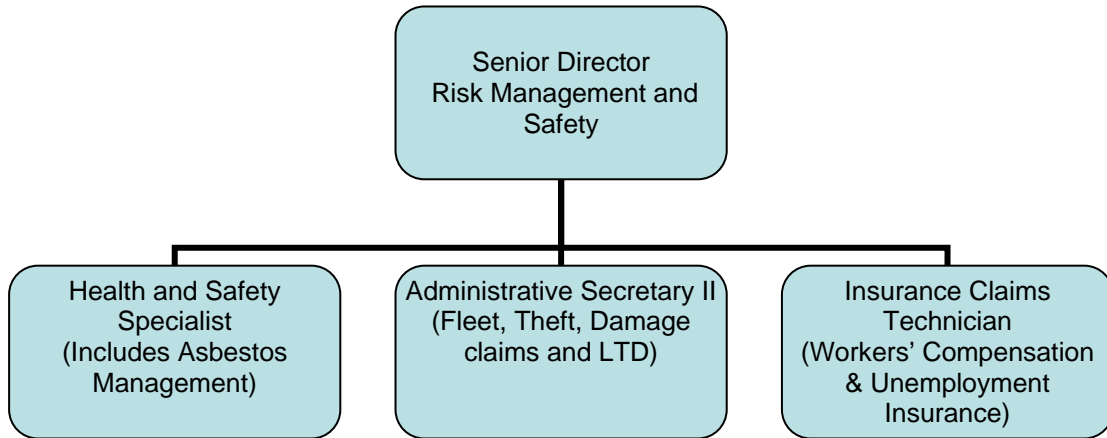
**The financial department is commended for hiring a business system auditor, for conducting audits of its P-card program, and for implementing recommendations contained in audit reports.**

**2.5 Risk and Safety**

An effective risk management program provides a safe environment for students and employees, minimizes workers' compensation claims and costs, controls costs by ensuring that the division is adequately protected against significant losses with the lowest possible insurance premiums, and provides sound and cost effective health insurance for division employees. In order to ensure the division is protected against significant losses, the division must have accurate insurable values for division property and be able to document all property owned by the division. Divisions assess hazards and implement programs to reduce those hazards in order to minimize claims and reduce premiums for workers' compensation.

The NPS risk management and safety department oversees risk management and loss control activities throughout the division. The department develops risk management, safety and health policies and procedures, and oversees the administration and review of worker's compensation and unemployment claims. The senior director for risk management and safety manages the division's risk management functions and has three employees that assist in supporting the functions. **Exhibit 2-15** presents the organization of the risk management and safety department.

**EXHIBIT 2-15  
ORGANIZATIONAL CHART  
RISK MANAGEMENT AND SAFETY DEPARTMENT  
2007-08**



Source: NPS Risk Management and Safety Department, January 2008.

The division is self-insured for worker's compensation and claims liability. Commercial insurance is purchased for excess levels of self-insurance and for specific other risks. In 2007 the division's insurance broker prepared a document that discussed all the insurance policies and coverages for which protection is provided. The report provided detailed explanations of insurance coverages that include:

- Property damage including boiler and machinery.
- Commercial automobile liability.
- Excess liability.
- Garage keeper's liability.
- Business travel accident insurance (superintendent and school board members only).
- Excess volunteer liability insurance.
- Student malpractice coverage for allied health professions.
- Athletic insurance – interscholastic sports.
- Catastrophic athletic injury insurance – VHSL.
- Student accident insurance – all students 2008.
- Crime – Norfolk school board/administration.
- Crime – school principals/office managers.
- Crime – child nutrition.

- National flood insurance program.

Self insurance claims and insurance premiums, and related expense payments are all reported as insurance costs in the division's general fund. The liability for claims are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. As of June 30, 2007, the division had \$1,612,585 in expected workers' compensation claims and \$100,000 for claims liability. Activity in the division's self insurance program for the years ended June 30, 2006, and June 30, 2007, is shown in **Exhibit 2-16**.

**EXHIBIT 2-16  
SELF INSURANCE PROGRAM ACTIVITY  
2007 AND 2008**

ACTIVITY	JUNE 30, 2007		JUNE 30, 2006	
	WORKERS' COMPENSATION	CLAIMS LIABILITY	WORKERS' COMPENSATION	CLAIMS LIABILITY
Balance, Beginning of Year	\$1,410,508	\$100,000	\$1,294,072	\$100,000
Claims and Other Changes	\$681,369	\$94,911	\$845,911	\$53,622
Employee Payments	(\$479,292)	(\$94,911)	(\$729,475)	(\$53,622)
Balance, End of Year	\$1,612,585	\$100,000	\$1,410,508	\$100,000

Source: NPS' Comprehensive Annual Financial Report, June 30, 2007.

The risk management and safety department closely tracks and monitors injuries sustained by division employees. Over the last five years the number of injuries to division employees averaged 210. **Exhibit 2-17** shows a summary of injuries by type of position for 2002-03 through 2006-07.

**EXHIBIT 2-17  
INJURIES TO EMPLOYEES  
2002-03 TO 2006-07**

EMPLOYEE TYPE	NUMBER OF INJURIES				
	2002-03	2003-04	2004-05	2005-06	2006-07
Administrators	9	7	4	8	6
Bus Drivers	20	14	13	20	11
Transportation (Non-bus Drivers)	2	6	0	0	1
Child Nutrition Staff	26	24	25	23	24
Classified	9	3	6	7	9
Custodians	15	19	24	30	27
Para/Teacher Assistant	19	31	24	32	40
Security	5	4	11	11	3
Skilled Craftsmen/School Plant	13	2	8	11	7
Teacher/Counselors	84	95	75	76	98
Warehouse	1	2	1	3	2
<b>TOTAL</b>	<b>203</b>	<b>207</b>	<b>191</b>	<b>221</b>	<b>228</b>

Source: NPS risk and safety department, January 2008.

## **FINDING**

To heighten safety awareness the risk management and safety department created and the superintendent implemented the superintendent's exemplary school safety award program. The program began in 2006-07 and required schools and departments to receive at least a 3.0 rating on annual safety inspections conducted by the safety and health specialist. Thirty-two awards were presented for inspections conducted during 2006-07. In an attempt to further strengthen safety awareness, schools are required to provide documentation that they effectively conducted safety committee meetings and self inspections in order to receive the superintendent's exemplary school safety award during 2007-08.

## **COMMENDATION 2-G:**

**The division is commended for establishing a superintendent's exemplary school safety award to heighten safety awareness.**

## **FINDING**

NPS does not have a division-level safety advisory committee to shape the strategic direction and plan for safety needs at schools and other facilities, or a formal requirement for school or department level safety committees. In the absence of formal requirements for school and department safety committees there is no assurance that safety is being addressed at every location. Also, without a division-level safety committee, safety planning is not coordinated throughout the division.

Although school safety committees are not formally required, the health and safety specialist sends a safety memo at the beginning of each school year. To receive a superintendent's safety award, a school must have established such a committee. The memo is primarily a reminder pertaining to fire drills, asbestos notification, safety committees, safety self-inspection forms, microwaves, and coffee pots. The memo specifically states that schools should establish safety committees and conduct regularly scheduled meetings. It also provides guidance as to suggested membership for a safety committee.

The health and safety specialist conducts annual safety inspections at all division facilities but does not have a central safety committee to assist in addressing division-wide issues. Although the health and safety specialist has been very proactive in promoting safety issues, centralized oversight of all aspects of safety including coordinating safety training needs of all division employees and monitoring the correction of deficiencies identified in safety inspection reports is lacking.

Division-level safety committees create a heightened awareness of school safety issues and promote occupational safety and health. Such committees can affect loss prevention by decreasing the frequency and severity of workplace accidents, injuries, occupational diseases and fatalities, and the associated cost of workers' compensation. These committees are normally comprised of school system personnel and community stakeholders.

**RECOMMENDATION 2-3:**

**Create a division-level safety advisory committee and a formal requirement for schools and departments to establish safety committees and hold meetings.**

A division-level safety advisory committee will communicate the school division's commitment to maintaining a safe learning environment. The committee will serve as the focal point for divisionwide safety programs, develop appropriate strategies, coordinate the efforts of central office departments as they relate to safety, and support the needs of school administrators in safety and security, and provide direction for individual school safety committees.

**FISCAL IMPACT**

Although this recommendation can be implemented with existing resources, it will take the senior director of risk management and safety and the safety director a minimal amount of time to organize a division-level safety committee and develop formal requirements for schools and departments to establish safety committees. Committee members will need to spend an estimated five hours each quarter planning for and attending meetings.

**FINDING**

The division's health and safety specialist conducts safety inspections of all division facilities on an annual basis and produces a report with deficiencies noted and suggested corrections, but there is no formal requirement to help ensure that the deficiencies are addressed. Safety inspections are performed to reduce the likelihood and severity of personal injury and eliminate preventable losses.

Safety inspection reports prior to 2007-08 were not provided to the chief operating officer providing management oversight to school plant operations (who normally is called upon to address many of the deficiencies). Inspections use standard formatted checklists to help ensure all appropriate areas are inspected. Reports have photos attached that provide a visual reference for many of the issues.

The cover letter sent with the inspection report requests the office manager or designated staff member for the facility inspected to initiate a service request for each item listed in the report identified as needing immediate attention. The cover letter also includes a request for plant maintenance to provide written feedback to risk management and the inspected facility regarding the status and/or completion of all serious deficiencies; however, there is not a formal requirement to do so.

For inspection reports to be effective a formal follow-up process is necessary that helps ensure that severe safety deficiencies noted in reports are addressed in a timely manner.

**RECOMMENDATION 2-4:**

**Develop a process requiring all serious safety inspection deficiencies to be addressed, and notification provided to the health and safety specialist when completed.**

**FISCAL IMPACT**

This recommendation can be implemented with existing resources, but will require the health and safety specialist an estimated ten hours to develop a process and about four hours each month reviewing responses. It will also take principals and department heads a minimal amount of time to prepare responses to safety inspection reports.

**FINDING**

The division's workers' compensation provision that allows injured workers to use and be paid for accrued leave for one-third of a day in addition to workers' compensation indemnity payments provides a disincentive to return to work. The provision actually enables injured workers to receive a higher net-pay than they would receive from their normal salary.

Workers' compensation payments to injured workers are based upon two-thirds of the employee's average weekly wage. The apparent intent of the division's provision to allow injured employees to use accrued leave for the other one-third of their wages is to maintain their salary at their weekly average. However, an injured worker's net take-home pay is actually more than when they are paid their regular wages because workers' compensation payments are non-taxable.

Effective workers' compensation programs provide incentives to return to work such as modified duty programs, but do not provide disincentives from returning to work.

**RECOMMENDATION 2-5:**

**Consider revising the workers' compensation provision which allows injured employees to use accrued leave.**

**FISCAL IMPACT**

This recommendation can be implemented with existing resources and should reduce workers' compensation costs by an indeterminable amount.

**2.6 Accounting and Payroll**

A division's accounting and payroll functions are critical for the maintenance of a solid financial foundation. It must maintain and operate effective financial management systems that meet generally accepted accounting principles and facilitate federal, state and Government Accounting Standards Board (GASB) reporting requirements. Accurate and timely financial reports are crucial to administration and board decision-making. Payroll must be accurate, as it represents the division's largest budgeted expenditure.

NPS uses MUNIS software for its automated financial system which was implemented in July 2005. Although the software provides the basic information needed to manage the division's finances, it does have limitations. The division continues to develop plans for making improvements.

The senior director of accounting reports directly to the CFO and manages the day-to-day activities of the accounting department including general accounting, accounts payable, accounts receivable, impact aid, financial reporting, audit of school activity funds, fixed asset accounting, and bank reconciliations. The division also audits school activity funds, compiles the annual comprehensive report, and coordinates the annual audit with the external auditor. The senior director of accounting is assisted by a staff of fifteen that includes:

- A senior coordinator.
- A senior auditor.
- A staff accountant.
- A grant accountant.
- An accounts payable supervisor.
- An inventory control specialist.
- Three accounts payable clerks.
- Five accounts technicians.
- A COE student.

The payroll department is managed by the payroll administrator who reports directly to the CFO, and is assisted by a benefits clerk, a lead payroll clerk, three payroll clerks, and a payroll assistant. The payroll department processes paychecks for approximately 6,000 full-time division employees every two weeks. For the calendar year ended December 31, 2007, the department issued 9,669 federal W-2 forms. New employees are added to the payroll system by the human resource department and the payroll department is responsible for calculations that result in the employee's net pay.

## **FINDING**

A primary responsibility of the NPS accounting department is to produce accurate and understandable financial documents. For financial reports to be useful the board, community, and all readers must have confidence that the financial data presented is accurate, and for the information to be useful, it must be easily understood.

The division's annual comprehensive financial report for the year ended June 30, 2006, received the GFOA's Certificate of Achievement for Excellence in Financial Reporting. This was the fourth consecutive year the division has achieved this award. In order to be awarded a Certificate of Achievement, a school division must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

The GFOA established its financial reporting award program in 1945 "to recognize and encourage excellence in financial reporting by state and local governments." To receive recognition from the GFOA, governments must submit comprehensive annual financial reports that meet requirements in the following areas:

- Reporting in conformity with generally accepted accounting principles.



- Compliance with finance-related legal and contractual provisions.
- Completeness and clarity of transmittal letter and statistical section.
- Use of standardized terminology and formatting conventions.
- Thorough disclosure and sufficient detail.
- Minimizing ambiguities and potential for misleading inferences.
- Cohesiveness and internal consistency.
- Implementation of prior year comments and suggestions for improvement.
- Reader appeal.

**COMMENDATION 2-H:**

**The division is commended for its comprehensive annual financial reports that have earned the division recognition for excellence for several years.**

**FINDING**

Although informative budget reports are presented to the board on a monthly basis, accounting reports including balance sheet and operating statements are not. The division's comprehensive financial report, including balance sheet and operating statements, is compiled annually after the end of a fiscal year and is presented to the board.

The GASB establishes reporting requirements for governmental agencies including school divisions. The GASB has issued three new financial reporting statements that will impact the division's financial reporting responsibilities and will impact the division's balance sheet and operating statements. The new reporting requirements include:

- GASB statement No. 45 entitled Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions will be effective for the division for the fiscal year ending June 30, 2008.
- GASB Statement No. 47 titled Accounting for Termination Benefits will be effective for the fiscal year ending June 30, 2008.
- GASB Statement No. 48 titled Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues will be effective for the fiscal year ending June 30, 2008.

Impacts of these new statements for divisions will be different depending on a division's internal programs and its approach to compiling the data.

**RECOMMENDATION 2-6:**

**Prepare interim financial reports that include balance sheet and operating statements for the board on at least a quarterly basis.**

Preparing interim reports throughout the year and presenting them to the board provides board members with timely information and allows them to understand the impacts of new reporting requirements before they appear in official year-end reports.

## **FISCAL IMPACT**

This recommendation can be implemented with existing resources. It is estimated that it will take the senior director of accounting an estimated twelve to fifteen hours each quarter to prepare reports for the board.

## **FINDING**

All employees of the division's financial department do not have written desk procedures to direct the performance of their daily duties. For internal controls to operate effectively all employees need a documented reference detailing how they are to perform their assigned duties. When staff are hired they are usually trained by their assigned supervisor, using verbal direction without written documents detailing future reference to reinforce the proper steps.

A step-by-step written document approved by management that describes how employees are expected to complete their assignments increases internal control by helping to ensure processes are performed correctly. Without written directions employees complete their duties based on verbal directions that may be dated. In addition, once time has passed since verbal directions were provided, employees often begin to perform their duties differently; employees often improvise and develop their own ways to perform a process. Processing transactions in an unapproved manner often leads to errors.

A desk procedures manual covers the activity steps in sufficient degree of detail that enables an individual using it for the first time to perform the steps with very little, if any, additional instruction. It is important to list specific forms used, computer screens accessed, fields on the screen in which information is entered, as well as identifying other positions that supply information for the procedure or to which it sends information. Frequently employees find the process is more understandable when a flowchart is included.

## **RECOMMENDATION 2-7:**

### **Develop desk procedures for all employees of the financial departments.**

Detailed desk procedures will help ensure that employees perform their duties in a manner that is approved by management. Desk procedure manuals will also provide a valuable resource when training new employees.

## **FISCAL IMPACT**

This recommendation can be implemented with existing resources. It will take each employee an estimated 20 hours to develop procedures and directors an estimated four hours to review and approve each set of procedures.

## **FINDING**

NPS manually reconciles its bank statements. This is a time-consuming process where accounting clerks must compare each check and deposit on the school system's financial records to those on bank statements. The school system does not take advantage of automated processes to assist in the reconciliation process.

The accounting department is aware of the need to automate its bank reconciliation process and has been exploring options to make improvements. Even without using automated processes, reconciliations are made on time, and any corrections or adjustments are normally made during the month following the month reconciled.

Many school systems receive an automated listing of checks that were paid and deposits made to their accounts from the bank in a format that can be loaded into the school system's financial system to assist with the bank reconciliation process.

## **RECOMMENDATION 2-8:**

**Continue to explore automating the bank account reconciliation process.**

Automating the process will reduce the amount of time it takes to reconcile the accounts and enable the division to reconcile bank accounts on time and improve internal controls.

## **FISCAL IMPACT**

This recommendation can be implemented with existing resources.

### **2.7 Activity Funds**

NPS has a fiduciary responsibility to properly administer student activity funds, which are comprised of school, club, or campus funds. According to the Regulations of the Board of Education, school activity funds are defined as, "All funds received from extracurricular school activities, such as entertainment, athletic contests, cafeteria, club dues, etc., and from any and all activities of the school involving personnel, students, or property..."

School boards are responsible for administering the regulations established by the State Board of Education. School activity fund revenues may be generated from a number of sources including athletics, concessions, publications, club activities, gifts, fund-raising drives, and other activities. Activity funds for NPS comprise amounts relating to various extracurricular school activities, programs, and groups existing in the schools for the benefit of the schools, the students, and the faculty. The principal of each school is responsible for managing the funds and maintaining the records.

Each school maintains financial records of its activity funds using Manatee automated software. Approximately \$8 million is received and disbursed through NPS activity funds during a school year. **Exhibit 2-18** shows the balances and total receipts and disbursements for all activity funds during the year ended June 30, 2007.

**EXHIBIT 2-18  
NPS ACTIVITY FUNDS  
YEAR ENDING JUNE 30, 2007**

<b>FACILITY</b>	<b>BEGINNING BALANCE JULY 1, 2006</b>	<b>ADDITIONS</b>	<b>DEDUCTIONS</b>	<b>ENDING BALANCE JUNE 30, 2007</b>
High Schools	\$982,415	\$3,450,641	\$3,660,712	\$772,345
Middle Schools	\$570,984	\$1,224,191	\$1,291,455	\$503,720
Elementary Schools	\$834,858	\$1,874,014	\$1,912,419	\$796,453
Auxiliary Education Facilities	\$1,001,361	\$948,880	\$1,344,391	\$605,850
<b>TOTAL</b>	<b>\$3,389,618</b>	<b>\$7,497,726</b>	<b>\$8,208,977</b>	<b>\$2,678,368</b>

Source: NPS Accounting Department, January 2008.

The senior auditor responsible for conducting annual audits of all school activity funds designed and uses a detailed audit program to guide audits. The audit program is very thorough and helps ensure all audit work is consistent and reviews all aspects of school activity funds' financial transactions. The main areas contained in the audit program include:

- Data collection.
- Control issues.
- Deficit account balances.
- Field trip accounts.
- Grants.
- Bank statements and reconciliations.
- Cash receipts.
- Adjustments and transfers.
- Returned checks.
- Cash disbursements.
- Procurement sample.
- Voided checks and skipped checks.
- Vending accounts.
- Faculty and hospitality.
- Investments.

Specific steps are prescribed for each of the main areas, describing what is to be reviewed. Audit reports discuss any issues found where transactions were not handled appropriately or when transactions are not adequately supported.

**FINDING**

Schools have not been provided with standard up-to-date written guidelines for the management of activity funds.

Each school uses the Manatee Automated Financial System for recording revenues and disbursements by account title and provides a monthly report that shows the beginning balance for each account, monthly revenues and expenditures, and the ending balance.

Procedures are provided to principals and school secretaries on how to process transactions in the automated system, but not standards on how to perform the manual processes associated with receiving cash, documenting disbursements, etc.

The NPS activity funds are audited each year by the senior auditor in the accounting department. The senior auditor prepares a report of each audit that identifies audit findings when deficiencies are noted and recommendations intended to improve management of the funds. Copies of audit reports go to the school principal, school office manager, executive director for the school, the accounting supervisor, and the CFO.

Schools with deficiencies noted in the audit of their school activity funds send a corrective action plan to the senior auditor. The senior auditor reviews the actions taken when conducting the next audit to ensure appropriate actions have been taken.

Although there is an operations manual on how to access and record financial transactions in the Manatee financial system, there is not a user manual that provides formal guidance to principals, teacher/sponsors or secretary/bookkeepers on the proper process to adequately document transactions, or what is acceptable for fund expenditures. The senior auditor provides training when requested but it is not a good substitute for a formal up-to-date manual that documents policy and the approved standard procedures that are to be consistently followed.

A number of school secretaries indicated that when they first began their job the training provided was all verbal and was usually provided by a seasoned school secretary from another school or from the individual who was leaving the school secretary position. When being trained they indicated that they attempted to take notes on how to perform the functions but many times the notes were insufficient and they had difficulties until, through trial and error, they eventually learned the processes. The secretaries also indicated that many times they learned they were not performing their duties in an acceptable manner only when they were audited and were written up in audit reports.

Without an activity fund manual that establishes policy and provides guidance on how to manage the funds, the division is at risk of not fulfilling its responsibility to properly administer student activity funds. Manuals normally include guidance on what is acceptable for the funds to be expended on, how transactions are to be documented, actions such as follow-up on outstanding checks, and how to provide backup to the systems; most of which have been discussed by the outside auditor in his management letter points.

**RECOMMENDATION 2-9:**

**Compile a user manual for school administrators to use in fulfilling their school activity fund fiduciary responsibilities.**

Developing a written operations manual for schools that clearly states how activity funds are to be administered will assist principals, secretary/bookkeepers, and sponsors to fulfill their responsibilities. The manual also will assist a staff person who is asked to fill-in when a secretary/bookkeeper or sponsor is absent for an extended period of time.

## **FISCAL IMPACT**

It is estimated that it will take the senior auditor and an experienced school secretary from each school level an estimated 30 to 40 hours to develop a user manual.

## **FINDING**

The accounting division's senior auditor performs audits of all school's student activity funds on an annual basis however the order of conducting the audits is not based on a risk analysis to ensure those that have the highest risk are audited at the beginning of the audit cycle.

The senior auditor conducts and prepares an audit report on every school activity fund during the 12-month period following the end of a fiscal year. The normal practice is to schedule and conduct audits of larger schools first and then schedule audits of other schools without using any particular parameters. While this provides audits of the schools that have the largest dollar amounts of funds at the earlier part of the audit cycle, it does not ensure that the school activity funds that may be at a higher risk are audited early in the year and corrections of problems made at the earliest time possible. It is possible for a school in the most need of an audit to not be audited until eleven or twelve months after the end of a fiscal year; if that school was audited early in the previous cycle, it is conceivable that twenty or more months could pass between audits.

Auditing is most effective when higher risk operations are identified and audited early in an audit cycle. Tracking problems and deficiencies identified in prior audits and rating the problems through a risk assessment increases the effectiveness of audit programs.

## **RECOMMENDATION 2-10:**

**Prepare and use a matrix of prior audit findings of school activity funds to assess risks and schedule audits of higher risk schools early in the audit cycle.**

## **FISCAL IMPACT**

It is estimated that it will take the senior auditor about 40 hours each year to implement this recommendation.

## **FINDING**

The accounting department's senior auditor performs special audits on request. The special audits are not tracked, nor is the time spent conducting the audits recorded.

Special audits include audits of child care at schools, audits of cash deposits where a department or school was having difficulty documenting that the correct amount of receipts had been deposited, and other internal control-related audits. The auditor indicated that from five to ten special audits are conducted on an annual basis, but the amount of time spent on the audits is not tracked to provide information on how much the special audits cost and what amount of time they take from the auditor's primary responsibilities.

To help ensure that a position is effectively used for cost effective purposes requires that time spent on duties other than primary responsibilities are tracked and periodically reported to management.

**RECOMMENDATION 2-11:**

**Track special audits, including the time and cost to perform them, and maintain a file of reports.**

Tracking special audits conducted will provide the division with information on the time and costs of conducting the audits and will also provide a quick reference for audits conducted.

**FISCAL IMPACT**

This recommendation can be implemented with existing resources and should only take the senior auditor a minimal amount of time to track special audits conducted and the amount of time spent.

**2.8 Fixed Assets**

An effective fixed asset management system accounts for division property accurately and safeguards it against theft and obsolescence. The most important reasons for keeping and maintaining accurate accounting records of fixed assets are:

- Furnishing taxpayers with information about their investments in the division for operations.
- Providing the basis for adequate insurance coverage.
- Allowing the division to assess the need for repair, maintenance, or replacement of assets.
- Establishing a system of accountability for custody of individual items.
- Determining future budgeting requirements.
- Identifying lost or stolen items so that insurance claims can be filed, additional controls instituted, and accounting records adjusted to reflect the losses.

The inventory control specialist in the accounting department oversees the division's assets. The assets recorded in the general fixed asset account group are mainly buildings, vehicles, and large pieces of equipment. These types of assets do not lend themselves, due to the nature and size of the asset, to misappropriation or theft. The division also maintains a list of all equipment with a value greater than \$500. Assets disposed of are removed from the general fixed asset account group and the asset listing at historical cost or the value recorded.

The division has two basic fixed asset classifications. One is for fixed assets over \$5,000 that are capitalized for annual reporting purposes. These items are capitalized and

depreciated to meet financial reporting requirements. The other inventory is for control purposes and includes items valued between \$500 and \$4,999. The fixed assets valued at over \$5,000 and included in the division's 2006-07 comprehensive annual financial report are presented in **Exhibit 2-19**.

**EXHIBIT 2-19  
NORFOLK PUBLIC SCHOOLS  
FIXED ASSETS FOR ANNUAL FINANCIAL REPORT PURPOSES  
2006-07**

DESCRIPTION	BALANCE JULY 1, 2006	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2007
<b>Capital assets, not being depreciated:</b>				
Land	\$487,500	\$0	\$0	\$487,500
Construction in progress	\$12,039,305	\$24,517,223	(\$5,168,197)	\$31,388,331
<b>Total capital assets not being depreciated</b>	<b>\$12,526,805</b>	<b>\$24,517,223</b>	<b>(\$5,168,197)</b>	<b>\$31,875,831</b>
<b>Other assets, being depreciated:</b>				
Buildings	\$5,194,094	\$0	\$0	\$5,194,094
Leasehold improvements	\$40,948,225	\$1,028,811	\$0	\$41,977,036
Equipment and vehicles	\$29,892,694	\$1,689,044	(\$2,123,955)	\$29,457,783
<b>Total other capital assets</b>	<b>\$76,035,013</b>	<b>\$2,717,855</b>	<b>(\$2,123,955)</b>	<b>\$76,628,913</b>
<b>Less accumulated depreciation for:</b>				
Buildings	(\$1,544,875)	(\$259,705)	\$0	(\$1,804,580)
Leasehold improvements	(\$17,582,330)	(\$4,035,589)	\$580,320	(\$21,037,599)
Equipment and vehicles	(\$18,937,253)	(\$2,041,816)	\$1,380,806	(\$19,598,263)
<b>Total accumulated depreciation</b>	<b>(\$38,064,458)</b>	<b>(\$6,337,110)</b>	<b>\$1,961,126</b>	<b>(\$42,440,442)</b>
<b>Total capital assets being depreciated, net</b>	<b>\$37,970,555</b>	<b>(\$3,619,255)</b>	<b>(\$162,829)</b>	<b>\$34,188,471</b>
<b>TOTAL CAPITAL ASSETS, NET</b>	<b>\$50,497,360</b>	<b>\$20,897,968</b>	<b>(\$5,331,026)</b>	<b>\$66,064,302</b>

Source: Norfolk Public Schools annual comprehensive financial report, 2006-07.

Annual physical inventories are conducted under the direction of the property control specialist. Inventory listings are provided to directors and principals that contain all fixed asset items maintained in the division's fixed asset system for which they are responsible. Instructions that accompany the inventory listings state that all items that are stolen, transferred to another location, or added must have an equipment form A-120 completed and returned with their completed inventory.

**FINDING**

NPS does not have sufficient formal fixed asset policies to guide the management of its investment in fixed assets. The division does have two similar formal policies, DNZ and DN, both titled "Disposal of Surplus Items" posted on its Web site that provide guidance in disposal of division property determined to be surplus. There are no other policies posted pertaining to fixed assets.



The inventory control specialist, who reports to the department's senior coordinator for accounting, manages the division's fixed assets with very little formal direction. Although the division has a computerized equipment inventory manual, a fixed asset operating manual, and an equipment inventory manual, it does not provide formal guidance to help insure that the division's investment in fixed assets is properly managed.

Fixed asset policies normally address many issues that pertain to an entity's investment in fixed assets. Policies include guidelines for all fixed assets and regularly address:

- Person(s) responsible for accounting for the school system's investment in fixed assets and the system that is to be used for the accounting.
- Responsibility and accountability for the property and equipment owned.
- Requiring annual physical inventories.
- Capitalization thresholds for property, equipment, land and infrastructure.
- Depreciation methods, salvage value, and a schedule of estimated useful lives.
- Determining capitalized improvements versus maintenance expenses.
- Reporting junked, stolen or missing property and what approvals are required to delete from the inventory.
- Receiving donated property.
- Transferring assets between school system schools and departments.

To protect its investment in fixed assets school divisions track their assets and have formal policies that provide direction on how the assets are to be managed. As items are acquired they are immediately added to the listing and when the school system disposes of an item through normal processes they are taken off the listing. When an item cannot be found the situation is examined and appropriate action taken. Normally all deletions are required to be approved by the school board.

Without a comprehensive set of policies to direct fixed asset management there is no assurance that the investment made in fixed assets is being managed as desired by the school board. Moreover, without policies that hold staff accountable for items lost or penalties for damage due to negligence, cost center managers have no incentive to properly protect the school system's investments.

**RECOMMENDATION 2-12:**

**Develop and implement a comprehensive fixed asset policy.**

A comprehensive fixed asset policy will help ensure that the school system's investment in fixed assets is being managed as desired by the school board. It will protect the school system's investments by assigning accountability and holding cost center managers responsible for the proper care and protection of assets.

## **FISCAL IMPACT**

Since most information already exists in department manuals it is estimated that it will only take the senior director of accounting and the inventory control specialist a minimal amount of time to develop formal policies for the board to approve.

## **FINDING**

The division practice for deleting missing items from the fixed asset inventory requires only a request from a school principal or department director and the inventory control specialist's approval. Approvals are not obtained from the superintendent or the board.

Items are deleted from a school or department fixed asset inventory if they are transferred to another location, stolen or missing, traded, obsolete, used for parts – termed surveyed – or destroyed. According to the NPS inventory manual, equipment form A-120 is to be used for adding, deleting, and changing items on the inventory. The inventory manual further states that school board property that is unaccounted for after any periodic audit shall be presumed to have been mishandled administratively or stolen and as such, will be designated on the school asset register as missing.

In addition, the manual states that no unaccountable item will be removed from the inventory record until the superintendent of schools or his designee has officially sanctioned it for removal from the fixed asset inventory and during end of year processing the total amount of unaccountable assets will be reported to the chief financial officer, superintendent of schools, and the school board. However, the review team was informed that the practice allows the inventory control specialist to remove items reported as missing based only on a principal or department director request. Annual reports of unaccountable items were not available.

Equipment form A-120 provides codes identifying the reason why an item is being deleted from the inventory listing. The form has a place for the principal/director's signature, but not one that requires further approval. The codes provided on the form for items deleted are:

- (1) Equipment transferred.
- (2) Equipment stolen.
- (3) Equipment traded.
- (4) Equipment surveyed.
- (5) Equipment destroyed.
- (6) Lease expired.

For fixed asset control systems to operate effectively, processes must be in place and followed. Although processes may have been developed and described in published manuals, they need to be monitored to ensure they are followed.

## **RECOMMENDATION 2-13:**

**Improve internal controls over fixed asset deletions by ensuring procedures described in the division's equipment inventory manual are followed.**

## **FISCAL IMPACT**

Finance department personnel should continuously monitor fixed asset deletions.

## **FINDING**

The division's P-card program has proved to be very efficient and enables schools and departments with the ability to obtain needed supplies and materials easily; however, the purchase of fixed assets using P-cards is difficult to track.

Purchases using P-cards are reviewed and monitored very closely to help ensure that only authorized items are purchased. Individual P-cards have a \$2,500 per transaction limit. The division's fixed asset manual indicates that fixed assets valued at over \$500 are to be added to the fixed asset system. Fixed asset items valued at over \$500 can be acquired using P-cards but there is not a process that specifically identifies fixed assets purchased. The inventory control specialist would have to review all P-card transactions to ensure that all fixed asset items are identified and placed on inventory listings. Principals and department heads are asked to notify the inventory control specialist when items that should be classified as fixed assets are purchased using P-cards so that the items can be added to the inventory and tracked, but there is not a process that ensures all are identified and added.

To ensure all fixed assets purchased using division funds are added to a fixed asset inventory, there must be a process that easily identifies the item as a fixed asset when purchased.

## **RECOMMENDATION 2-14:**

**Determine if a field can be added to the division's P-card system to identify fixed assets purchased or another viable solution to help ensure items are added to the fixed asset system.**

Including a specific code on P-card purchases, that identifies fixed asset purchases or another more viable solution, will enable the inventory control specialist to easily locate items that should be added to the inventory. This will help ensure that fixed asset items are added to the inventory so they can be properly controlled.

## **FISCAL IMPACT**

This recommendation can be implemented by the finance department staff in less than one day.

## **2.9 Internal and External Auditing**

School divisions conduct internal or external audits depending on management's needs and objectives. Internal and external audits both provide assurance to management and citizens that school division funds are spent appropriately, in compliance with the law. The external audit is financial in scope and intended to provide reasonable assurance that the division's financial statements fairly present the division's financial position,

operating results, and cash flow, in conformity with Generally Accepted Accounting Principles (GAAP) and other relevant criteria. Internal audits generally consider the adequacy of internal controls, compliance with relevant criteria (laws, regulations, policies, and procedures) and operating efficiency and effectiveness of programs.

The division contracts with an outside public accounting firm for the annual audit of its financial operations. All audit reports reviewed contained unqualified audit opinions. An unqualified audit opinion is one in which the auditor found no significant problems that would impact the accuracy of the financial statements. In other words, the division's annual financial report could be relied upon as being materially accurate. None of the reports identified any major material weaknesses.

The Institute of Internal Auditors (IIA) encourages governmental agencies to establish board audit committees independent of management. Audit committees normally exercise the responsibilities listed below:

- Develop a formal internal audit charter setting forth authority, duties, and responsibilities.
- Review audit plans and audit budgets.
- Review audit results and management's responses to audit findings and recommendations.
- Follow up on unresolved audit findings and recommendations.
- Oversee relations with external auditors.
- Review compliance with laws, regulations, and ethics.
- Assist the board in carrying out its responsibilities related to accounting policies, internal control, and financial reporting practices.
- Submit recommendations for hiring and firing the audit director to the board.

## **FINDING**

The division does not have a formal internal audit function. The division does, however, have two positions that are performing internal audit-related functions. A business system auditor that performs audits of P-card and travel transactions reports directly to the CFO and a senior auditor that primarily audits school activity funds reports to the director of accounting. In addition the division budgets funds for the board to contract for independent audits in areas they choose.

The division had an internal audit unit up until about seven years ago. The unit included a director who was assisted by two staff auditors. When the unit was dissolved, the division began budgeting \$50,000 a year so the school board could contract for independent audits in areas they chose. The 2007-08 budget contains the \$50,000 which like previous years has not been expended.

Internal auditing is an independent appraisal function that evaluates the efficiency and effectiveness of the division's operations and makes recommendations, based on its evaluations, to improve division processes, policies, and procedures. The internal auditor monitors division compliance with laws, regulations, and policies, and provides special reports and analyses to the board and administration.

A strong internal audit function can be a valuable management tool. Internal auditors become familiar with their organization's policies, procedures, personnel, and operating practices and can provide management with in-depth evaluations of operations and internal controls. Moreover, internal auditors provide insight into the reliability and integrity of information; review an organization's compliance with laws, rules, and regulations; and encourage the efficient and economical use of resources. The internal audit function also tests for compliance with laws, rules, regulations, policies and procedures; it also reviews the efficiency and effectiveness of division operations. The internal and external audit functions complement each other.

School division internal audit functions usually have a board-adopted charter explaining their general purpose and objectives, their authority and their responsibilities. This charter generally follows the Institute of Internal Auditors' *Standards for the Professional Practice of Internal Auditing* and *Code of Ethics*. The internal auditor generally is responsible for:

- Reviewing division operations to ensure efficient use of resources.
- Reviewing division safeguards to protect its assets.
- Reviewing the division's school activity funds.
- Conducting special reviews requested by the board or administration.
- Evaluating compliance with laws, rules, regulations, and policies.
- Planning and executing an internal audit schedule based on risk assessments.
- Acting as division liaison for the external auditor and coordinating division audit activities.

Many school divisions around the nation realize the importance of the internal audit function for improving financial operations and assisting with preventing financial difficulties and compliance problems. The Texas State Auditor's Office Report No. 3-010 recommends that all school divisions with annual operating expenditures in excess of \$20 million and with more than 5,000 students have an internal audit function. NPS's annual expenditures of more than \$370 million and over 32,000 students place the division well beyond the criteria whereby the Texas State Auditor recommends that a division have an internal auditor.

The board of a school division or an audit committee is the appropriate body for an internal auditor to functionally report to in order to comply with the professional internal audit standard dealing with independence. The internal auditor could be called upon to perform an audit directly related to the superintendent and might feel pressured, with or without cause. At the very least, the internal auditor's reporting responsibilities to the

superintendent could suggest a lack of independence to community members; division staff both outside and within the division; or the news media.

**RECOMMENDATION 2-15:**

**Establish a formal internal audit function by hiring an internal audit director who reports to the NPS School Board through the audit committee and transfer the business system auditor and the senior auditor to additionally staff the function.**

A formal audit function will provide the division with the resources to provide independent assessments of internal controls, programs and operations. Consolidating staff involved in internal audit related functions under a director who will develop annual audit schedules based on needs assessments will make efficient and effective use of staff. In addition, the internal auditor can coordinate the division’s external audit activities in conjunction with the audit committee.

**FISCAL IMPACT**

The estimated fiscal impact of this recommendation is based on establishing a salary for an internal audit director that is close to the salary provided to other senior directors. The salary of the internal audit director can be partially funded by the \$50,000 budgeted for internal audit services. For an internal audit director to be most effective the position should be commensurate with other management level positions. The annual cost to the division would be \$113,050 (\$85,000 salary x 33 percent benefit rate = \$113,050). The total cost of \$113,050 reduced by the \$50,000 budgeted will require an additional \$63,050. It is anticipated that the position would not be filled until September 2008, thus only ten months of cost is shown for the 2008-09 year ( $\$113,050 / 12 \times 10 = \$94,210$ ). The cost of a formal internal audit function is usually more than offset by savings generated through improved efficiencies and improving operations.

Recommendation	2008-09	2009-10	2010-11	2011-12	2012-13
Hire an Internal Audit Director	(\$44,410)	(\$63,050)	(\$63,050)	(\$63,050)	(\$63,050)

**3.0 EDUCATIONAL SERVICE  
DELIVERY**

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### **3.0 EDUCATIONAL SERVICE DELIVERY**

This chapter presents findings and recommendations relating to educational service delivery in Norfolk Public Schools (NPS). The major sections of the chapter are as follows:

- 3.1 Organizational Structure and Staffing
- 3.2 School Improvement, Student Achievement, and Special Programs

#### **CHAPTER SUMMARY**

NPS is the largest urban school division in the Commonwealth of Virginia. It educates a racially and economically diverse population of 35,136 students in 62 facilities. The educational philosophy of the division is based on the belief that all *children can achieve at high levels and that it is the responsibility of the staff to ensure that each child reaches his/her highest potential.*

NPS is committed to becoming a World-Class school division. The following were among the highlights documented in the *Norfolk City Public Schools Division Performance Report 2006-07*:

- *Elementary school Standards of Learning test pass rates exceeded state benchmarks for 10 of 11 subjects and demonstrate one-year gains in four subjects.*
- *Middle school Standards of Learning test pass rates exceeded state benchmarks for five out of nine subjects and demonstrate one-year gains in four of nine subjects.*
- *Standards of Learning end-of-course test pass rates exceeded state benchmarks for all 12 subjects and demonstrate one-year gains in five of 12 subjects.*
- *Forty-two of 49 schools achieved full accreditation from the state including all elementary and high schools and two of nine middle schools.*
- *PSAT participation continued a five-year increase for both sophomores and juniors.*
- *Advanced Placement course enrollments (+118) and exams taken (+170) continued to increase and the overall number of students obtaining a score of three or higher increased.*
- *All elementary, middle and high schools met attendance benchmarks for 2006-2007.*
- *Norfolk City Public Schools 2007 graduates received over \$16 million in college scholarships, a figure that represents a 38 percent increase over the past five years.*



**Exhibit 3-1** shows an overview of selected comparison divisions in Cluster 1 for the 2005-06 school year. NPS had the largest number of schools as well as the highest total student enrollment and percentage of students receiving free and reduced-price lunch.

**EXHIBIT 3-1  
OVERVIEW OF NPS AND SELECTED COMPARISON DIVISIONS IN CLUSTER 1  
2005-06 SCHOOL YEAR**

SCHOOL DIVISION	NUMBER OF SCHOOLS*	TOTAL STUDENT ENROLLMENT	FREE AND REDUCED LUNCH	TOTAL INSTRUCTIONAL STAFF
<b>Norfolk</b>	<b>52</b>	<b>36,054</b>	<b>58.39%</b>	<b>4,034.00</b>
Newport News	47	33,139	49.68%	2,966.17
Hampton	35	22,799	42.39%	2,656.55
Roanoke	29	13,286	61.39%	1,567.23
Portsmouth	21	15,872	52.76%	2,018.49
<b>DIVISION AVERAGE</b>	<b>37</b>	<b>24,230</b>	<b>52.92%</b>	<b>2,648.49</b>

Source: Virginia Department of Education Web site, 2006.

\*The number of schools comes from the Division Report Card.

**Exhibit 3-2** provides a breakdown of 2005-06 student enrollment by ethnicity in NPS and the comparison divisions. As shown, NPS had:

- A higher percentage of Asian and Black students than the comparison average.
- A lower percentage of American Indian/Alaska Native, Hispanic, and White students than the comparison average.

**EXHIBIT 3-2  
STUDENT ENROLLMENT BY ETHNICITY  
NPS AND COMPARISON DIVISIONS IN CLUSTER 1  
2005-06 SCHOOL YEAR**

SCHOOL DIVISION	AM. INDIAN/ALASKA NATIVE	ASIAN	BLACK	HISPANIC	WHITE	HAWAIIAN/PACIFIC ISLANDER	UNKNOWN	TOTAL
<b>Norfolk</b>	<b>0.2%</b>	<b>2.2%</b>	<b>69.7%</b>	<b>3.3%</b>	<b>24.6%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>36,054</b>
Newport News	0.6%	2.6%	57.4%	5.5%	32.9%	0.0%	1.0%	33,139
Hampton	0.3%	1.9%	62.1%	2.9%	32.8%	0.0%	0.0%	22,799
Roanoke	0.1%	2.1%	48.0%	4.0%	45.8%	0.0%	0.0%	13,286
Portsmouth	0.1%	0.5%	72.2%	1.7%	25.2%	0.2%	0.0%	15,872
<b>DIVISION AVERAGE</b>	<b>0.3%</b>	<b>1.9%</b>	<b>61.9%</b>	<b>3.5%</b>	<b>32.3%</b>	<b>0.0%</b>	<b>0.2%</b>	<b>24,230</b>

Source: Virginia Department of Education Web site, 2007.

**Exhibit 3-3** shows Virginia 2005-06 SOL Assessment Data for NPS and the comparison divisions. As can be seen, NPS has a slightly higher percentage of students who passed both the math and English assessments than the comparison average.

**EXHIBIT 3-3  
VIRGINIA STANDARDS OF LEARNING ASSESSMENT DATA  
NPS AND COMPARISON DIVISIONS IN CLUSTER 1  
2005-06 SCHOOL YEAR**

SCHOOL DIVISION	TOTAL # OF STUDENTS	MATH 2005-06			ENGLISH 2005-06		
		% PASSED	% TESTED	% NOT TESTED	% PASSED	% TESTED	% NOT TESTED
<b>Norfolk</b>	<b>36,054</b>	<b>68</b>	<b>98</b>	<b>2</b>	<b>78</b>	<b>99</b>	<b>1</b>
Newport News	33,139	69	99	1	78	99	1
Hampton	22,799	68	99	1	79	99	1
Roanoke	13,286	65	99	1	72	99	1
Portsmouth	15,872	67	98	2	76	99	1
<b>DIVISION AVERAGE</b>	<b>24,230</b>	<b>67.4</b>	<b>98.6</b>	<b>1.4</b>	<b>76.6</b>	<b>99</b>	<b>1</b>

Source: Virginia Department of Education Division Report Card, 2007.

**Exhibit 3-4** provides an example of positive responses to the MGT survey regarding curriculum and instruction. The majority of central office administrators, principals/assistant principals, and teachers who responded to the survey believed that NPS had its emphasis increased on learning; provided adequate instructional materials and supplies; offered a challenging curriculum; made appropriate use of benchmark tests; and provided a high-quality education.

**EXHIBIT 3-4  
MGT SURVEY RESULTS  
EXAMPLES OF POSITIVE RESPONSES  
CURRICULUM AND INSTRUCTION  
COMPARISON OF RESPONSES WITHIN THE DIVISION**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
The emphasis on learning in this school division has increased in recent years.	82/5	90/4	69/12
Our schools have the materials and supplies necessary for instruction in basic skills programs such as writing and mathematics.	73/5	83/9	57/27
The curriculum is broad and challenging for most students.	60/0	85/11	69/13
Teachers in our schools know the material they teach.	62/0	84/2	83/5
Our division provides curriculum guides for all grades and subject areas.	62/0	94/5	88/3
Our division uses the results of benchmark tests to monitor student performance and identify performance gaps.	89/0	98/1	89/1
Our division provides a high-quality education that meets or exceeds state and federal mandates.	79/3	86/5	61/14

Source: MGT Survey, 2008.

<sup>1</sup>Percentage responding *agree* or *strongly agree*/percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses have been omitted.

Key commendations within this chapter include the following:

- The division is commended for developing and implementing a comprehensive accountability and strategic planning process that demonstrates its commitment to becoming a World-Class school division (**Commendation 3-A**).
- The division is commended for developing comprehensive school accountability plans that include documentation of student achievement, research-based instructional strategies, professional development, assessment of plan implementation, and intended student outcomes (**Commendation 3-C**).

Key recommendations within this chapter include the following:

- Reorganize the division of academic affairs to better align similar job functions, avoid duplication of work responsibilities, and increase emphasis on general education curriculum and instruction for all students (**Recommendation 3-1**).
- Increase the emphasis on middle school instructional strategies and professional development to improve achievement of all students and meet Adequate Yearly Progress (AYP) as required by No Child Left Behind (NCLB) (**Recommendation 3-2**).
- Create a comprehensive approach to provide nontraditional education for students who are at risk of failing or dropping out of school (**Recommendation 3-3**).

### **3.1 Organizational Structure and Staffing**

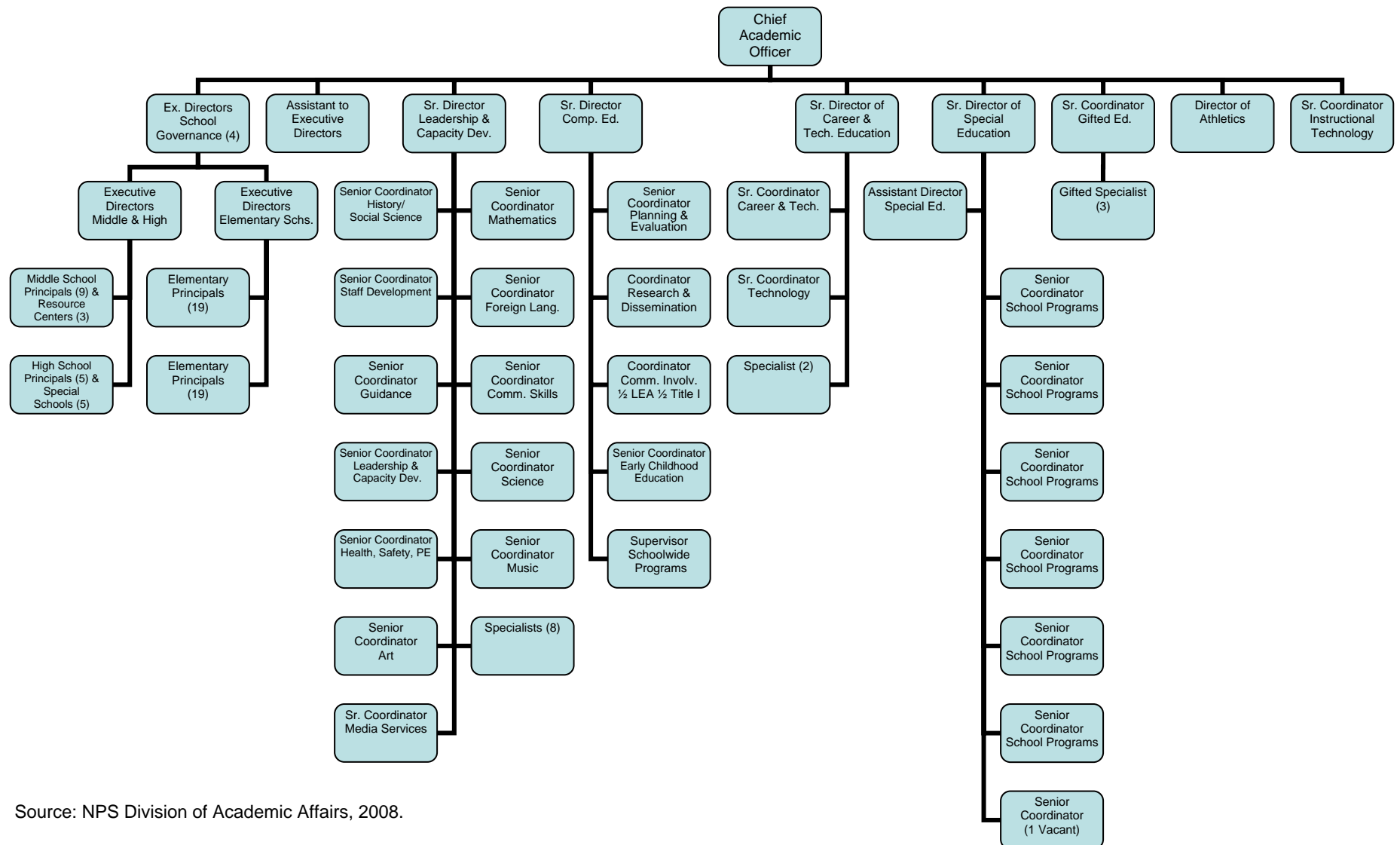
NPS is committed to using its resources, including personnel, to provide students with high-quality instruction and ancillary services. This section of the report reviews the organizational structure of the division of academic affairs and its staffing functions.

#### **FINDING**

The NPS Division of Academic Affairs lacks organizational structure and staffing functions that efficiently and financially support the curriculum and instruction of students.

**Exhibit 3-5** shows the organizational structure of the NPS Division of Academic Affairs. The executive directors for school governance are discussed in **Chapter 1.0, Division Administration**.

**EXHIBIT 3-5  
ORGANIZATIONAL STRUCTURE  
DIVISION OF ACADEMIC AFFAIRS  
NORFOLK PUBLIC SCHOOLS  
2007-08**



Source: NPS Division of Academic Affairs, 2008.

Additional staff not shown on the organizational chart in **Exhibit 3-5** include:

- Department of compensatory education.
  - One parent involvement specialist.
  - One office manager/administrative secretary II.
  - One budget technician.
  - Four administrative secretaries.
- Department of special education.
  - Eleven teacher specialists.
  - Four itinerant teachers.
  - Four instructional behavioral specialists.
  - One transition specialist.
  - Ten clerical staff.
- Department of leadership and capacity development.
  - Eleven teacher specialists.
  - Eight and one-half clerical staff.

As shown in **Exhibit 3-5**, the chief academic officer has 12 direct reports including:

- Four executive directors of school governance.
- One assistant to executive directors.
- One senior director of leadership and capacity development.
- One senior director of compensatory education.
- One senior director of career and technical education.
- One director of special education.
- One senior coordinator of gifted education.
- One director of athletics.
- One senior coordinator of instructional technology.

In comparison, Roanoke City Public Schools has six direct academic reports to the Chief Academic Officer, and Newport News Public Schools has seven direct academic reports to the assistant superintendent of academic services. Based on interviews and these peer comparisons, NPS has too many direct reports to the chief academic officer, which decreases the efficiency of the division of academic affairs in internal communications as well as external communications and support to schools.

The division of academic affairs could provide support to schools more efficiently if similar functions were more closely aligned. Communications could be improved and greater focus could be placed on NPS's mission and goals. The division of academic affairs could also realize cost savings by merging similar departmental functions, avoiding duplicated functions, and decreasing overstaffing in specific areas. Finally, the division of academic affairs could create a greater focus on curriculum development and alignment with Virginia SOL, as well as provide greater curricular and instructional support of schools, if increased staff were allocated with direct focus on general education curriculum and instruction for all students. For example:

- Athletics closely aligns with similar functions in the division of school operations, department of operations management. The functions in the department of operations management serve to coordinate divisionwide

services, such as maintenance, facilities, transportation, food services, print shop management, and supplies management. Similarly, the function of the senior director of athletics is to oversee divisionwide athletics programs. Further, unlike other division functions, the senior director functions do not have any direct relationship to academic affairs.

- Instructional technology closely aligns with similar functions in the division of information technology. This division is responsible for developing strategic and tactical technology plans to ensure alignment of information technology with the mission of NPS. The division of information technology implements these plans to support both instructional and administrative technology requirements. In addition, it trains teachers and administrators on the integration of technology into curricula. The functions of the senior coordinator of instructional technology, currently located in the division of academic affairs, more closely align with the functions of the division of information technology.

Gifted education closely aligns with subject area coordination within the department of leadership and capacity development. A closer alignment of gifted education with other subject area coordination (such as mathematics, English/language arts, science, social studies, the arts, and foreign language) could enhance differentiation of instruction for students in the gifted education program. Greater emphasis could be placed on extension of existing curricula and instruction in general education, as well as acceleration of instruction for students who are participating in gifted education. A close alignment of gifted education and other subject areas could benefit all students through collaborative instruction and teacher training.

The Virginia Department of Education has identified the *2007-08 Top 10 Critical Shortage Teaching Endorsement Areas in Virginia* as follows:

- Special education
- Elementary education
- Mathematics
- Middle grades
- Career and technical education
- Foreign languages
- Health and physical education
- English
- English as a second language
- School counseling

NPS maintains 23 teachers on special assignment who are not assigned to classrooms, even though there is a critical shortage of classroom teachers.

**Exhibit 3-6** shows the administrative and clerical staff of the department of special education in NPS and peer divisions. As shown, NPS and all comparison divisions have a director position. NPS and Hampton City Schools also have an assistant director position. NPS exceeds the comparison divisions and the division average in the number of supervisor/coordinator positions. What most sets NPS apart from its peer divisions is its number of teacher specialists or teachers on special assignment. NPS has 23 such positions, followed by Hampton City Schools with five teacher specialist positions. Compared to peer divisions, NPS also shows a significantly higher number of clerical

staff in the special education department. Realignment of administrative duties and clerical responsibilities within the department of special education could increase efficiency and yield cost savings.

**EXHIBIT 3-6  
NPS AND PEER SCHOOL DIVISIONS  
SPECIAL EDUCATION ADMINISTRATIVE AND CLERICAL STAFF  
2007-08 SCHOOL YEAR**

SCHOOL DIVISION	NUMBER OF DIRECTORS	NUMBER OF ASSISTANT DIRECTORS	NUMBER OF SUPERVISORS/ COORDINATORS	NUMBER OF TEACHERS ON SPECIAL ASSIGNMENT/ SPECIALISTS	NUMBER OF CLERICAL STAFF
Norfolk	1	1	7	23	10
Newport News	1	0	6	0	3
Hampton	1	1	5	5	5
Roanoke	1	0	6	0	2
<b>DIVISION AVERAGE</b>	<b>1</b>	<b>.5</b>	<b>6</b>	<b>7</b>	<b>5</b>

Source: NPS and comparison school division data, 2008.

**Exhibit 3-7** shows the administrative and clerical staff of the department of compensatory education in NPS and peer divisions. As shown, NPS exceeds comparison divisions in the number of supervisor/coordinator positions, as well as clerical positions. Realignment of administrative duties and clerical responsibilities within the department of compensatory education could increase efficiency and yield cost savings.

**EXHIBIT 3-7  
NPS AND PEER SCHOOL DIVISIONS  
COMPENSATORY EDUCATION/TITLE I  
2007-08 SCHOOL YEAR**

SCHOOL DIVISION	NUMBER OF DIRECTORS	NUMBER OF SUPERVISORS/ COORDINATORS/ SPECIALISTS	NUMBER OF TEACHERS ON SPECIAL ASSIGNMENT	NUMBER OF CLERICAL STAFF
Norfolk	1	6	3	6
Newport News	1	3	0	3
Roanoke	0	1	0	1
<b>DIVISION AVERAGE</b>	<b>.67</b>	<b>3.3</b>	<b>1</b>	<b>3.3</b>

Source: NPS and comparison school division data, 2008.

The NPS Departments of Special Education and Compensatory Education have similar monitoring and compliance functions as required by NCLB and the Individuals with Disabilities Education Act (IDEA). For state and federal monitoring purposes, the departments of special education and compensatory education could be more efficient and realize a cost savings to the division if they merged to form one department for state and federal programs. One senior director position could then be eliminated.

Federal legislation further requires that all students show AYP in the general education curriculum. Curriculum development and instruction of students served in special education or compensatory education programs directly align with the department of leadership and capacity development. The staffs in the department of leadership and capacity development serve as the experts in curriculum development and staff development for administrators and teachers. Subject area senior coordinators can efficiently oversee curricular efforts in Title I schools, differentiated instruction, and accommodations for students with disabilities or other students with diverse learning needs.

The department of compensatory education duplicates the research and dissemination efforts of the department of strategic evaluation, assessment, and support, which has demonstrated exemplary evaluation of NPS programs and student achievement. Similar efforts within the department of compensatory assessment and support are not necessary. Compensatory education research and dissemination efforts could be conducted within the department of strategic evaluation, assessment, and support with existing staff, allowing the division to realize cost savings and eliminate the position of coordinator of research and dissemination.

The community involvement initiatives of the department of compensatory education are better aligned with school initiatives. Community involvement could be more efficiently coordinated at the individual school level, thus promoting community and parent participation in local school and community educational enhancement activities, as specified in School Performance Plans. With schools assuming the responsibility for community involvement initiatives, the coordinator of community involvement position could be eliminated, yielding cost savings for the division.

The senior coordinators within the department of leadership and capacity development facilitate curriculum development and revision, as well as provide direct support and staff development to schools in their respective subject areas for K-12. For example, the senior coordinator of communications skills is directly responsible for English, language arts, reading, and writing instruction for K-12 in 52 schools. Given a student population of 35,162, the job duties of curriculum and instruction far exceed what one subject area senior coordinator can accomplish. Greater emphasis and specific focus could be placed on subject area curriculum and instruction if additional staff were available at the elementary and secondary levels. Further, with additional staff in general education curriculum development and implementation, greater emphasis could be placed on differentiated instruction and appropriate accommodations for diverse learners, such as those with disabilities, or English language learners.

Two positions in the department of leadership and capacity development are responsible for staff development, namely one senior coordinator for staff development who oversees the teacher induction program and another senior coordinator who oversees data team training and support for teachers and administrators of general and special education. If there were more subject area coordinators and teacher specialists in the department of leadership and capacity development, staff development responsibilities could be assumed by subject area coordinators and teachers specialist. Subject area coordinators currently assume primary responsibility for staff development and delivery for schools and divisionwide.



The school guidance, school social work, psychological services, alternative education, student support teams, and behavioral support units provide ancillary services and support to students outside the realm of traditional academic instruction. Currently, school guidance is located in the department of leadership and capacity development; school social work, psychological services, response to intervention, student support teams, and behavioral supports are located in the department of special education; and alternative education is located in the division of operations, department of facilities. Greater emphasis and better utilization of staff could be realized by aligning the functions of these offices within one department. Collaborative planning, program development, and student interventions could be maximized by collocating all student support staff together, thereby creating a strong emphasis on consistent, research-based interventions for students who are at risk of school failure for various reasons.

The current organizational structure of the NPS Division of Academic Affairs demonstrates duplication of functions and job responsibilities, as well as overstaffing in some areas. In addition, the review team found a need for increased emphasis in other areas. Athletics, instructional technology, gifted education, and guidance programs could be better aligned with programs of similar functions. There are too many administrative and clerical positions and teacher specialists in the departments of special education and compensatory education, but deficits in administrative support for general education subject area curriculum and instruction. Greater emphasis should be placed on the general education curriculum and instruction, with increased development of differentiation and accommodations for diverse learners.

**RECOMMENDATION 3-1:**

**Reorganize the division of academic affairs to better align similar job functions, avoid duplication of work responsibilities, and increase emphasis on general education curriculum and instruction for all students.**

NPS should reorganize the division of academic affairs as shown in **Exhibit 3-8**. The proposed reorganization should include:

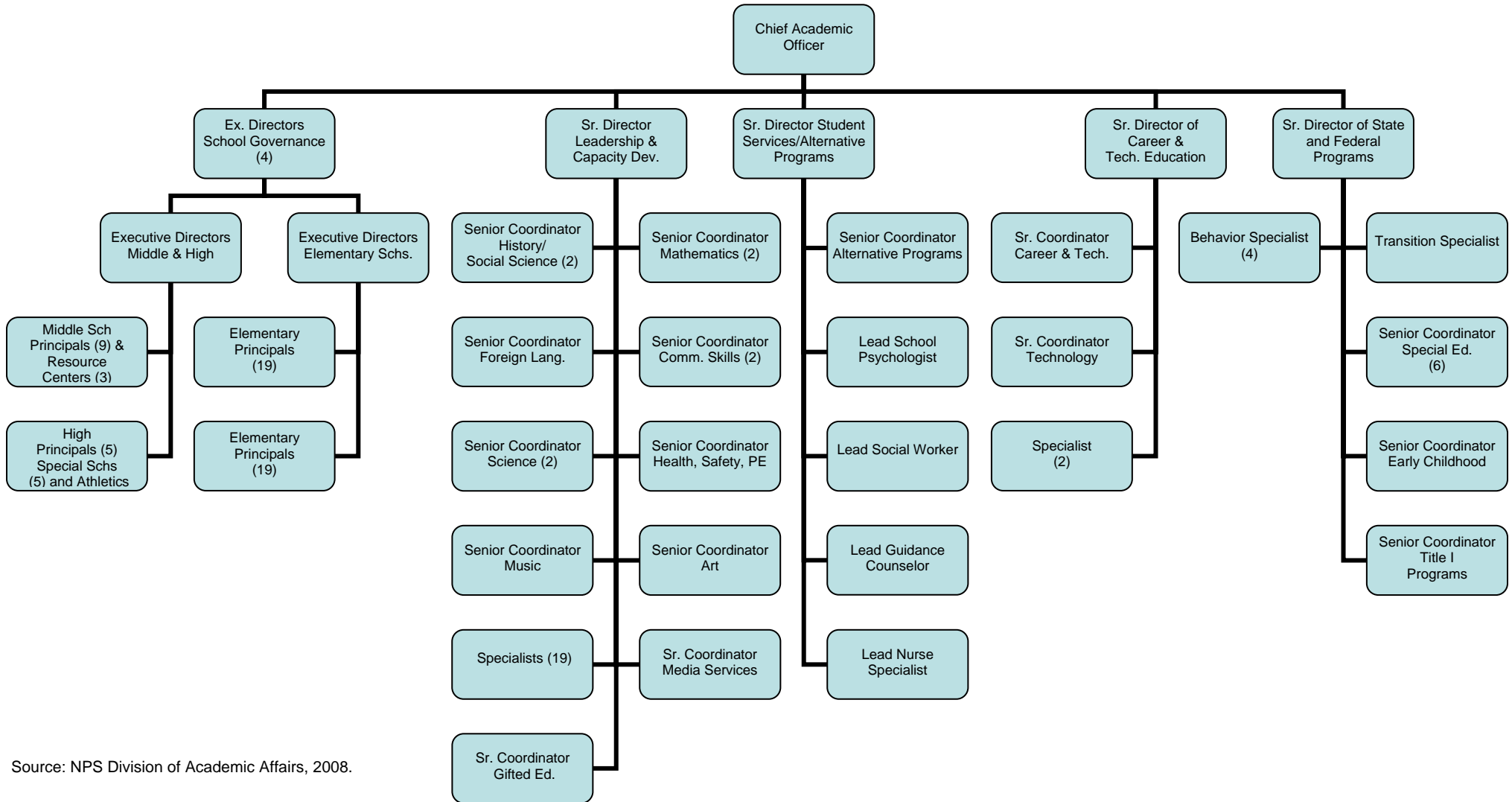
- Transferring the senior director of athletics to the executive director of middle and high schools.
- Transferring the senior coordinator of instructional technology to the division of information technology.
- Transferring the senior coordinator of gifted education to the department of leadership and capacity development.
- Eliminating one assistant to the executive director position.
- Eliminating the assistant director of special education services position.
- Eliminating one senior coordinator of special education services position.
- Transferring eight special education teacher specialists to the department of leadership and capacity development to work in conjunction with general education core subject teacher specialists (reading, mathematics, science,

social studies) in providing support to schools in differentiation and accommodations of general education curriculum for students with disabilities.

- Eliminating seven special education teacher specialist/itinerant teacher positions.
- Maintaining four behavior specialists and one transition specialist in the proposed department of state and federal programs.
- Eliminating six special education clerical positions.
- Maintaining six special education senior coordinators to oversee monitoring and compliance in all schools, regional programs, public/private day and residential programs, related services, and early childhood programs.
- Eliminating one compensatory education senior director position.
- Eliminating one compensatory education coordinator of research and dissemination position.
- Eliminating one compensatory education coordinator of community involvement position.
- Eliminating four compensatory education administrative secretary positions.
- Eliminating one leadership and capacity development senior coordinator position.
- Eliminating one staff development senior coordinator position.
- Eliminating three leadership and capacity development teacher specialist positions.
- Maintaining one elementary and one secondary teacher specialist in core academic areas of reading/language arts, mathematics, science, and social studies for a total of eight general education teacher specialists.
- Creating one elementary senior coordinator position for reading/language arts.
- Creating one elementary senior coordinator position for mathematics.
- Creating one elementary senior coordinator position for science.
- Creating one elementary senior coordinator position for social studies.
- Reassigning behavioral specialists to the proposed department of student services.
- Creating four clerical positions in the proposed department of student services.

NPS should continue to assess its need for teachers on special assignment as principals continue to assume instructional leadership in their schools.

**EXHIBIT 3-8  
PROPOSED ORGANIZATIONAL STRUCTURE  
DIVISION OF ACADEMIC AFFAIRS  
NORFOLK PUBLIC SCHOOLS  
2007-08**



Source: NPS Division of Academic Affairs, 2008.

## **FISCAL IMPACT**

Full implementation of this recommendation should result in an estimated annual savings of \$1,847,340. The breakdown is as follows:

- Elimination of one assistant director of special education services position at \$119,700 (\$90,000 salary and \$29,700 benefits at 33%).
- Elimination of one assistant to the executive director position at \$123,700 (\$93,000 salary and \$30,700 benefits at 33%).
- Elimination of one senior coordinator of special education services position at \$106,400 (\$80,000 salary and \$26,400 benefits at 33%).
- Elimination of seven special education teacher specialist and itinerant teacher positions at \$87,780 each (\$66,000 salary and \$21,780 benefits at 33%), for a total savings of \$614,460.
- Elimination of six special education clerical positions at \$42,560 each (\$32,000 salary and \$10,560 benefits of 33%), for a total savings of \$255,360.
- Elimination of one senior director of compensatory education position at \$146,300 (\$110,000 salary and \$36,300 benefits of 33%).
- Elimination of one coordinator of research and dissemination for compensatory education position at \$98,420 (\$74,000 salary and \$24,420 benefits at 33%).
- Elimination of one coordinator of community involvement for compensatory education position at \$86,450 (\$65,000 salary and \$21,450 benefits at 33%).
- Elimination of four administrative secretary positions at \$53,200 each (\$40,000 salary and \$13,200 benefits at 33%), for a total savings of \$212,800.
- Elimination of one senior coordinator of staff development for leadership and capacity development position at \$107,730 (\$81,000 salary and \$26,730 benefits at 33%).
- Elimination of one senior coordinator of leadership and capacity development position at \$82,460 (\$62,000 salary and \$20,460 benefits at 33%).
- Elimination of three teacher specialist for leadership and capacity positions at \$70,490 each (\$53,000 salary and \$17,490 benefits at 33%), for a total savings of \$211,470.
- Creation of four senior elementary coordinator positions for reading/language arts, mathematics, science, and social studies at \$82,460 each (\$62,000 salary and \$20,460 benefits at 33%), for a total cost of \$329,840.

**Educational Service Delivery**

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Eliminate One Assistant Director Position, Special Education	\$119,700	\$119,700	\$119,700	\$119,700	\$119,700
Eliminate Assistant to Executive Director Position	\$123,700	\$123,700	\$123,700	\$123,700	\$123,700
Eliminate One Senior Coordinator Position, Special Education	\$106,400	\$106,400	\$106,400	\$106,400	\$106,400
Eliminate Seven Teacher Specialist Positions, Special Education	\$614,460	\$614,460	\$614,460	\$614,460	\$614,460
Eliminate Six Clerical Positions, Special Education	\$255,360	\$255,360	\$255,360	\$255,360	\$255,360
Eliminate One Senior Director Position, Compensatory Education	\$146,300	\$146,300	\$146,300	\$146,300	\$146,300
Eliminate One Coordinator Position, Compensatory Education (Research and Dissemination)	\$98,420	\$98,420	\$98,420	\$98,420	\$98,420
Eliminate One Coordinator Position, Compensatory Education (Community Involvement)	\$86,450	\$86,450	\$86,450	\$86,450	\$86,450
Eliminate Four Administrative Secretary Positions, Compensatory Education	\$212,800	\$212,800	\$212,800	\$212,800	\$212,800
Eliminate One Senior Coordinator Position, Staff Development	\$107,730	\$107,730	\$107,730	\$107,730	\$107,730
Eliminate One Senior Coordinator Position, Leadership and Capacity	\$82,460	\$82,460	\$82,460	\$82,460	\$82,460
Eliminate Three Teacher Specialist Positions, Leadership and Capacity	\$211,470	\$211,470	\$211,470	\$211,470	\$211,470
Create Four Senior Coordinator Positions, Elementary Core Subjects	(\$329,840)	(\$329,840)	(\$329,840)	(\$329,840)	(\$329,840)
<b>Total Savings</b>	<b>\$1,835,110</b>	<b>\$1,835,110</b>	<b>\$1,835,110</b>	<b>\$1,835,110</b>	<b>\$1,835,110</b>

### **3.2 School Improvement, Student Achievement, and Special Programs**

NPS has a variety of programs to meet the needs of students. Programs within the schools include those for students with disabilities, English language learners, Title I, and gifted education. Other facilities house alternative programs for students who have not been successful in the general education setting or for those students who choose to pursue trade or technical education. The division offers full-day kindergarten in all elementary schools. Pre-kindergarten programs are offered at three early childhood centers and most elementary schools for three- and four-year-old children.

#### **FINDING**

NPS has a comprehensive accountability and strategic planning process and is committed to becoming a World-Class school division by 2010.

As summarized in the *Division Performance Report 2006-07*, the NPS accountability system is based on a three-tiered approach:

- ***Tier I*** indicators include state and division-level indicators including the Virginia Standards of Learning tests, SAT and Advanced Placement test results, attendance, graduation and dropout rates, and student discipline data.
- ***Tier II*** indicators include school and central office goals to set goals for continuous improvement and to measure and report progress. There are three indicators of student achievement, one indicator for safe and disciplined learning environments, and one indicator for parent involvement.
- ***Tier III*** is a narrative portion of the accountability system. Tier III narratives allow the schools and departments to report on special programs, projects, and strategies that may be unique.

NPS began a partnership with the Panasonic Foundation in 2001 to accomplish World-Class school division status by 2010. Panasonic Foundation provides assistance to school districts in raising the achievement of all students. The Foundation's consultants work with the division to build capacity at the system level. Consultants work with the board, senior leadership, and the community. The foundation also sponsors the Leadership Associate Program (LAP) to further develop the leadership capacity of division teams. LAP Institutes are held three times during the school year and provide opportunities for intensive staff development and progress monitoring.

Four targets have been created to define a World-Class school division:

- All students possess the habits of powerful literacy.
- All achievement gaps are eliminated while increasing achievement for all.
- All schools meet and exceed local, state, national, and international benchmarks.

- All students are prepared to access productive options and opportunities upon graduation.

NPS has developed standards to help measure progress toward reaching the four targets as well as to facilitate achievement of those standards.

Since the inception of the accountability and strategic planning process, NPS has demonstrated a five-year pass rate improvement in 19 of 26 subjects. The largest improvements have been in fifth grade mathematics, fifth grade science, eighth grade writing, third grade history and social science, and Virginia and United States history.

There is a trend of increased PSAT test taking by freshmen. Taking the PSAT prior to the SAT is correlated with substantially higher SAT scores. Over the past five years, the division's SAT participation rate has varied between 60 percent and 66 percent.

There is a continuation of five-year trends of increased numbers of AP course enrollments, test takers, and tests taken consistent with state, regional, and national trends. The percentage gain in Norfolk AP test taking exceeded both state and national percent increases in 2005-06 and 2006-07.

In 2000-01, only two schools in NPS were fully accredited. There are currently 42 accredited schools in the division, which represents an increase of 40 accredited schools over an eight-year period.

NPS students exhibit high rates of attendance, and in 2006-07 all three levels of schools attained performance benchmarks.

Since the inception of the comprehensive accountability and strategic planning process, NPS has demonstrated continued progress in school improvement and student achievement. The process demonstrates exemplary practices for establishing corporate partnerships and tiered indicators to measure progress toward World-Class school division status.

### **COMMENDATION 3-A:**

**The division is commended for developing and implementing a comprehensive accountability and strategic planning process that demonstrates its commitment to becoming a World-Class school division.**

### **FINDING**

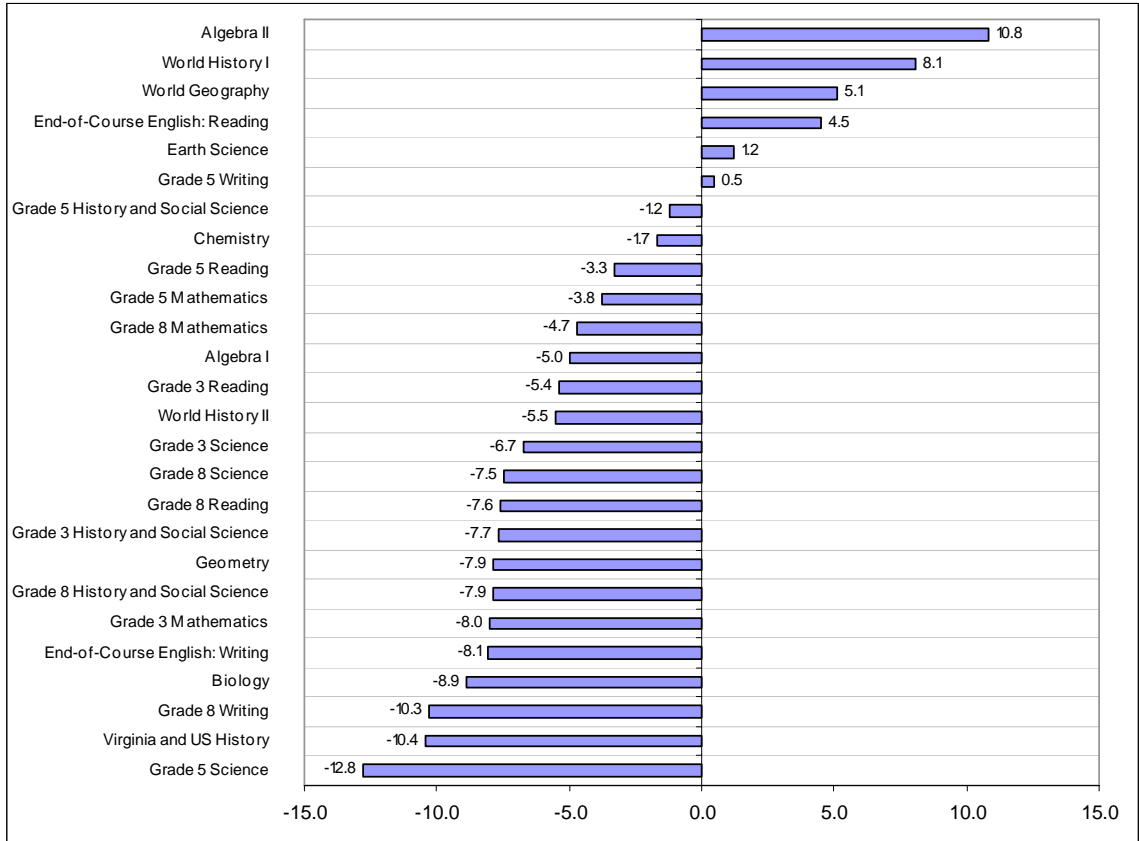
NPS has been successful in narrowing the achievement gap between African-American and Caucasian students.

Closing the achievement gap between African-American and Caucasian students is a major focus of NPS's school improvement initiatives. The largest achievement gaps were for sixth grade mathematics, earth science, and seventh grade mathematics.

**Exhibit 3-9** shows the SOL achievement gap change for 2002-03 to 2006-07. The largest achievement gap reductions were for fifth grade science, where the performance

gap narrowed by 12.8 percentage points; Virginia and United States history, where the performance gap narrowed by 10.4 percentage points; and eighth grade writing, where the performance gap narrowed by 10.3 percentage points.

**EXHIBIT 3-9  
NORFOLK PUBLIC SCHOOLS  
STANDARDS OF LEARNING ACHIEVEMENT GAP CHANGE  
2002-03 THROUGH 2006-07 SCHOOL YEARS**



Source: Norfolk City Public Schools Division Performance Report 2006-07.

The division's commitment to improving student performance and closing the achievement gap is evident. Five-year achievement gaps narrowed in 20 out of 26 SOL tests. The division was awarded the 2005 Broad Prize for Urban Education for its efforts.

**COMMENDATION 3-B:**

**The division is commended for its success in narrowing the achievement gap between African American and Caucasian students as a major focus of its school improvement efforts.**

**FINDING**

NPS has developed comprehensive school accountability plans, yet only one of nine middle schools met AYP, as required by No Child Left Behind.



MGT reviewed a sampling of school accountability plans and found them to be comprehensive and well written overall. The school accountability plans serve as *the schools' road maps for continued success*. In addition, they:

- Are supported by student achievement data.
- Document research-based instructional strategies.
- Focus on the continuous growth of student achievement.
- Help to ensure a safe, secure, and disciplined environment.
- Demonstrate that parents, business, and community members are actively engaged in the educational process.

Through follow-up interviews and feedback from NPS administration, MGT confirmed that:

- Instructional strategies cited in the middle school accountability plans are based on research by Marzano, Reeves, and other respected leaders in educational research.
- The professional development sections of the accountability plans show a strong emphasis on data team training, data-driven decision making, and data team meetings.
- All middle schools have data teams trained by nationally certified trainers.
- All middle schools have extensive student achievement data to analyze and on which to base decisions.
- All middle schools have been trained in creating quality common formative assessments to track student performance every two to three weeks as teachers proceed through the curriculum.
- In math, the middle school teachers have created divisionwide common formative three-week assessments. The purpose of this work was to help all middle school math teachers increase the rigor of their school-based assessments.

NPS administration recognizes that middle schools are achieving at targeted levels, but strongly document that data analysis, data teams, and data-driven decision making are currently strong components of school improvement.

**Exhibit 3-10** is an excerpt from an exemplary middle school improvement plan. As shown, the student achievement data document the need for improved student performance. Associated Tier 2 indicators are documented, are instructional strategies, related professional development, assessment of the implementation of the instructional strategies, and measurable student outcomes.

**EXHIBIT 3-10  
NORFOLK PUBLIC SCHOOLS  
SCHOOL ACCOUNTABILITY PLAN  
ENGLISH: WRITING  
2007-08 SCHOOL YEAR**

IDENTIFIED NEED	TIER 2 INDICATOR	INSTRUCTIONAL STRATEGIES	RELATED PROFESSIONAL DEVELOPMENT	HOW WILL WE ASSESS IMPLEMENTATION?	WHAT WILL WE WORK FOR AS FAR AS STUDENT RESULTS?																																																																																										
<p>English: Writing SOL Pass Rates:</p> <table border="1" data-bbox="142 610 424 724"> <tr><th colspan="2">Overall</th></tr> <tr><td>07</td><td>75.9</td></tr> <tr><td>06</td><td>91.3</td></tr> <tr><td>05</td><td>77.5</td></tr> </table> <table border="1" data-bbox="142 753 424 867"> <tr><th colspan="3">SPED Gap</th></tr> <tr><td>07</td><td>35.4</td><td>83.7</td></tr> <tr><td>06</td><td>68.7</td><td>96.5</td></tr> <tr><td>05</td><td>51.3</td><td>81.3</td></tr> </table> <table border="1" data-bbox="142 896 424 1042"> <tr><th colspan="3">Race/Ethnicity Gap</th></tr> <tr><td></td><th>B</th><th>W</th></tr> <tr><td>07</td><td>70.6</td><td>78.4</td></tr> <tr><td>06</td><td>87.7</td><td>94.6</td></tr> <tr><td>05</td><td>67.3</td><td>84.9</td></tr> </table> <table border="1" data-bbox="142 1071 424 1218"> <tr><th colspan="3">Gender Gap</th></tr> <tr><td></td><th>Boys</th><th>Girls</th></tr> <tr><td>07</td><td>66.9</td><td>85.7</td></tr> <tr><td>06</td><td>88.6</td><td>94.1</td></tr> <tr><td>05</td><td>70.8</td><td>83.4</td></tr> </table>	Overall		07	75.9	06	91.3	05	77.5	SPED Gap			07	35.4	83.7	06	68.7	96.5	05	51.3	81.3	Race/Ethnicity Gap				B	W	07	70.6	78.4	06	87.7	94.6	05	67.3	84.9	Gender Gap				Boys	Girls	07	66.9	85.7	06	88.6	94.1	05	70.8	83.4	<p>Increase the percentage of students demonstrating proficiency on the district benchmark assessments to 60% proficiency.</p> <p>Increase the percentage of students demonstrating proficiency on the collaboratively developed tri-weekly assessments as determined by baseline data.</p>	<p>Students will justify responses on formative assessments.</p> <p>Teachers will utilize effective questioning techniques for all assessments, formal and informal.</p> <p>Students will utilize graphic organizers in interactive notebooks.</p> <p>Students will chart academic progress and set goals in interactive notebooks.</p> <p>Students will participate in writing across the curriculum by utilizing the Thomas Model (Northside's pre-writing tool) to support the development of five-paragraph essays.</p>	<p>Data team support.</p> <p>Justification training and support.</p> <p>Effective questioning training and support.</p> <p>Interactive Notebook training (related specifically to graphic organizers and goal setting for students.)</p> <p>Writing Across the Curriculum Training and support.</p>	<p>Formal and informal observations with a focus on student justification, questioning strategies, and graphic organizers by the principal, assistant principal, department chairs, and support personnel.</p> <p>Interactive Notebook Rubric data.</p> <p>Writing Across the Curriculum data.</p> <p>Monitor lesson plans (Monthly IRG checks, weekly submissions, and department chair feedback to teachers).</p>	<p>English: Writing</p> <table border="1" data-bbox="1722 571 1955 773"> <tr><th colspan="2">Benchmark to World-Class Overall</th></tr> <tr><td>05</td><td>77.5</td></tr> <tr><td>06</td><td>91.3</td></tr> <tr><td>07</td><td>75.9</td></tr> <tr><td>08</td><td>84.0</td></tr> </table> <table border="1" data-bbox="1722 786 1955 987"> <tr><th colspan="2">Benchmark to World-Class SPED Gap</th></tr> <tr><td>05</td><td>30.0</td></tr> <tr><td>06</td><td>27.8</td></tr> <tr><td>07</td><td>48.3</td></tr> <tr><td>08</td><td>32.0</td></tr> </table> <table border="1" data-bbox="1722 1000 1955 1201"> <tr><th colspan="2">Benchmark to World-Class Race/Ethnicity Gap</th></tr> <tr><td>05</td><td>17.6</td></tr> <tr><td>06</td><td>6.9</td></tr> <tr><td>07</td><td>7.8</td></tr> <tr><td>08</td><td>5.2</td></tr> </table> <table border="1" data-bbox="1722 1214 1955 1416"> <tr><th colspan="2">Benchmark to World-Class Gender Gap</th></tr> <tr><td>05</td><td>12.6</td></tr> <tr><td>06</td><td>5.5</td></tr> <tr><td>07</td><td>18.8</td></tr> <tr><td>08</td><td>12.6</td></tr> </table>	Benchmark to World-Class Overall		05	77.5	06	91.3	07	75.9	08	84.0	Benchmark to World-Class SPED Gap		05	30.0	06	27.8	07	48.3	08	32.0	Benchmark to World-Class Race/Ethnicity Gap		05	17.6	06	6.9	07	7.8	08	5.2	Benchmark to World-Class Gender Gap		05	12.6	06	5.5	07	18.8	08	12.6
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Source: Norfolk Public Schools, Northside Middle School, 2007.

The department of leadership and capacity development (LCD) has worked with middle school principals to develop instructional leadership, including training on:

- Data analysis.
- Data teams.
- Data-driven decision making.
- Common formative assessments.

LCD staff routinely attend data team meetings, assist principals in data analysis, attend planning sessions with teachers using data, and share their data analysis with principals and teachers. In addition, each month all middle school administrators conduct lesson studies on instructional supervision. Instructional leadership is the cornerstone of these meetings.

**Exhibit 3-11** shows the No Child Left Behind AYP for 2004-05 through 2006-07. There was a consistent decrease in the number of middle schools who met AYP from 2004-05 to 2006-07. While NPS's school accountability plans are comprehensive and adequately address the continuous growth of student achievement, the data suggest insufficient implementation of the middle school accountability plans, including integration of research-based instructional strategies and/or related staff development.

**EXHIBIT 3-11  
NORFOLK PUBLIC SCHOOLS MEETING  
NO CHILD LEFT BEHIND ADEQUATE YEARLY PROGRESS  
2004-05 THROUGH 2006-07**

<b>GRADE LEVEL</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
High Schools	5/5	5/5	4/5
Middle Schools	5/9	3/9	1/9
Elementary Schools	32/35	35/35	34/35
Title I Schools	18/18	35/35	34/35
<b>All Schools</b>	<b>42/49</b>	<b>43/49</b>	<b>39/49</b>

Source: Norfolk Public Schools, Department of Strategic Evaluation, Assessment, and Support.

As school administrators and teachers become more proficient with data analysis and disaggregation, greater emphasis can be placed on implementation of instructional strategies and related professional development. In addition, greater emphasis can be placed on the development and administration of common formative three-week assessments in all core academic subjects. Finally, a closer alignment of resources and teacher support within LCD, special education, and compensatory education can further enhance the emphasis on implementation of research-based instructional strategies and interim assessments of all students, as well as re-teaching.

**COMMENDATION 3-C:**

**NPS is commended for developing comprehensive school accountability plans that include documentation of student achievement, research-based instructional strategies, professional development, assessment of plan implementation, and intended student outcomes.**

**RECOMMENDATION 3-2:**

**Increase the emphasis on middle school instructional strategies and professional development to improve achievement of all students and meet Adequate Yearly Progress, as required by No Child Left Behind.**

NPS should increase its emphasis on middle school instructional strategies and professional development to improve achievement of all students and achieve AYP as required by NCLB. The departments of leadership and capacity development, compensatory education, and special education should collaborate with middle school principals in the areas of instructional leadership, research-based learning strategies, and ongoing progress monitoring of specific subgroups of underachieving students. The division of academic affairs should continue to take a leadership role in providing an instructional leadership academy for school administrators and offer onsite support and technical assistance to schools that do not demonstrate AYP.

**FISCAL IMPACT**

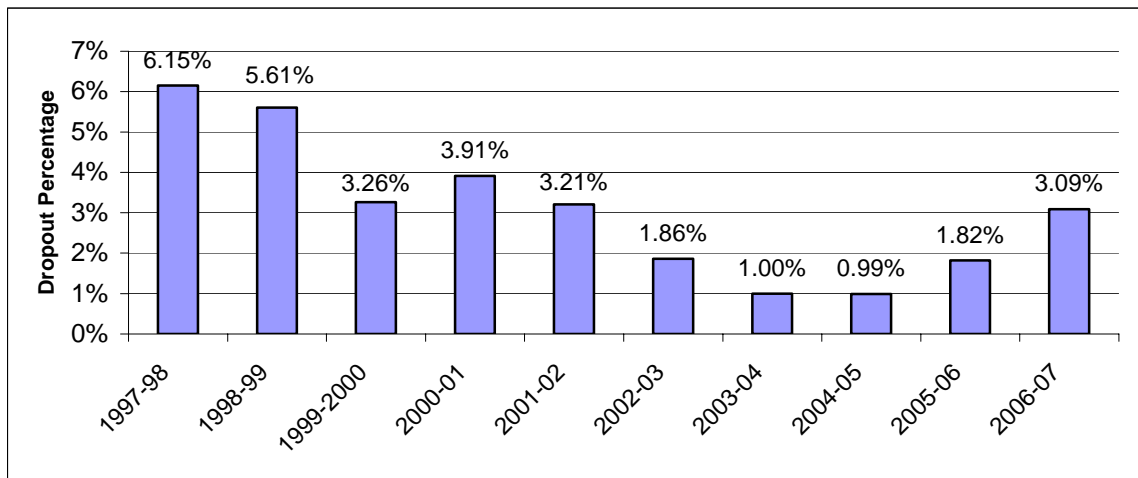
The middle school accountability plans include staff development initiatives and time lines. They should include budgets for implementation of the initiatives. Funding sources considered should include general revenue, Title I, Title II, and IDEA.

**FINDING**

NPS lacks a comprehensive approach to educating students who require a nontraditional education.

**Exhibit 3-12** shows the dropout rates for NPS from 1997-98 through 2006-07. As indicated, the dropout rate increased to 3.09 percent in 2006-07 from 1.82 percent in 2005-06 and .99 percent in 2004-05.

**EXHIBIT 3-12  
NORFOLK PUBLIC SCHOOLS  
DROPOUT RATES  
1997-98 THROUGH 2006-07 SCHOOL YEARS**



Source: Norfolk Public Schools, Department of Strategic Evaluation, Assessment, and Support, 2008.

NPS provides alternative education services for students who are at risk of failing or dropping out of school, but as the number of students requiring nontraditional education increases, the division will lack a sufficient continuum of alternative options. There are efforts under way to enhance existing alternative education programs within the school division to ensure quality learning experiences for these students. Currently, NPS offers alternative programming at four different sites: Madison Alternative Program, Coronado School, Tidewater Regional Alternative Education Program, and the Southeastern Education Cooperative Education Program at Tucker. Enrollment at Madison Alternative Program is projected to increase by 30 percent during 2008-09.

The division's vision for alternative education is based on the philosophy of providing a high-quality continuum of services for students who are in need of nontraditional options; these options. The students' needs, however, will soon exceed the current capacities of the division's comprehensive high schools. Within the continuum of alternative education, the division plans to provide learning opportunities for students who may be facing one or more of the following situations:

- Suspension on a long-term basis.
- Pregnancy.
- GED preparation.
- Academic credits recovery.

Within five years, it is expected that relevant career and technical education will be offered as well.

The review team supports this effort as a comprehensive approach to providing nontraditional education to students who are at risk of failing or dropping out of school.

**RECOMMENDATION 3-3:**

**Create a comprehensive approach to providing nontraditional education for students who are at risk of failing or dropping out of school.**

NPS clearly documents the need to expand alternative education for students who are at risk of school failure. The current programs cannot continue to serve the growing population of nontraditional students. The division should develop entry/exit criteria for alternative programs, establish curricular options to include performance-based instruction, technology-enriched facilities, and credit recovery.

**FISCAL IMPACT**

Creating a comprehensive approach can be accomplished with existing resources from staff in the division of academic affairs and facilities services. NPS will be conducting a facility study to determine specific needs for locating all alternative programs at one site. The study will also include financial requirements for expanding alternative programs with collocation at a single site. A fiscal impact for the facility site cannot be determined at this time.

**4.0 PERSONNEL AND HUMAN  
RESOURCES  
MANAGEMENT**

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## 4.0 PERSONNEL AND HUMAN RESOURCES MANAGEMENT

This chapter presents the review of the Norfolk Public Schools (NPS) human resources department. This chapter contains findings and recommendations in the following sections:

- 4.1 Organization and Management
- 4.2 Recruitment, Hiring, and Retention
- 4.3 Professional Development and Employee Evaluation
- 4.4 Classification, Compensation, and Benefits

The findings are based on a review of a wide variety of documentation including policy and procedures handbooks, personnel records, departmental financial data, survey information, and the Web sites for the NPS Human Resources Department, human resources departments of peer school divisions, and the Virginia Department of Education (VDOE). In addition, interviews with human resources staff and other key personnel allowed the review team to gain insight into the operational routines of the human resources department, acknowledge commendations, and note recommendations regarding its policies and practices.

### CHAPTER SUMMARY

The NPS Human Resources Department is responsible for the processes that are planned and implemented to establish an effective system of personnel and human resources management that are important to achieving the goals and objectives of the school division. The human resources department continues to seek more efficient ways to perform human resource functions that prove beneficial to division employees.

The human resources department currently follows numerous commendable practices that meet or exceed either industry standards or acknowledged best practices. Key commendations include:

- The human resources department is commended for developing comprehensive and well organized operating procedures manual on its day-to-day functions and for establishing multiple methods of communicating policies and procedures to Norfolk Public Schools employees (**Commendation 4-B**).
- The human resources department is commended for analyzing data related to its recruiting strategies and for conducting ongoing assessment of its recruitment program (**Commendation 4-C**).
- The human resources department is commended for seeking feedback from individuals separating from employment (**Commendation 4-F**).

Key recommendations include:

- Convert the space adjacent to wellness coordinator into human resources office space (**Recommendation 4-1**).



- Increase the budget for recruitment activities to keep pace with needed expenditures to the extent that budget constraints allow (**Recommendation 4-4**).
- Require new hires to share the cost of fingerprinting and criminal background checks and/or drug testing (**Recommendation 4-6**).
- Utilize different methodology for exit surveys to assure employees of anonymity in their responses (**Recommendation 4-8**).
- Continue to analyze salaries offered to teachers and make adjustments based on available funding (**Recommendation 4-12**).
- Increase the stipend for National Board Certification to a more competitive level (**Recommendation 4-13**).

#### **4.1 Organization and Management**

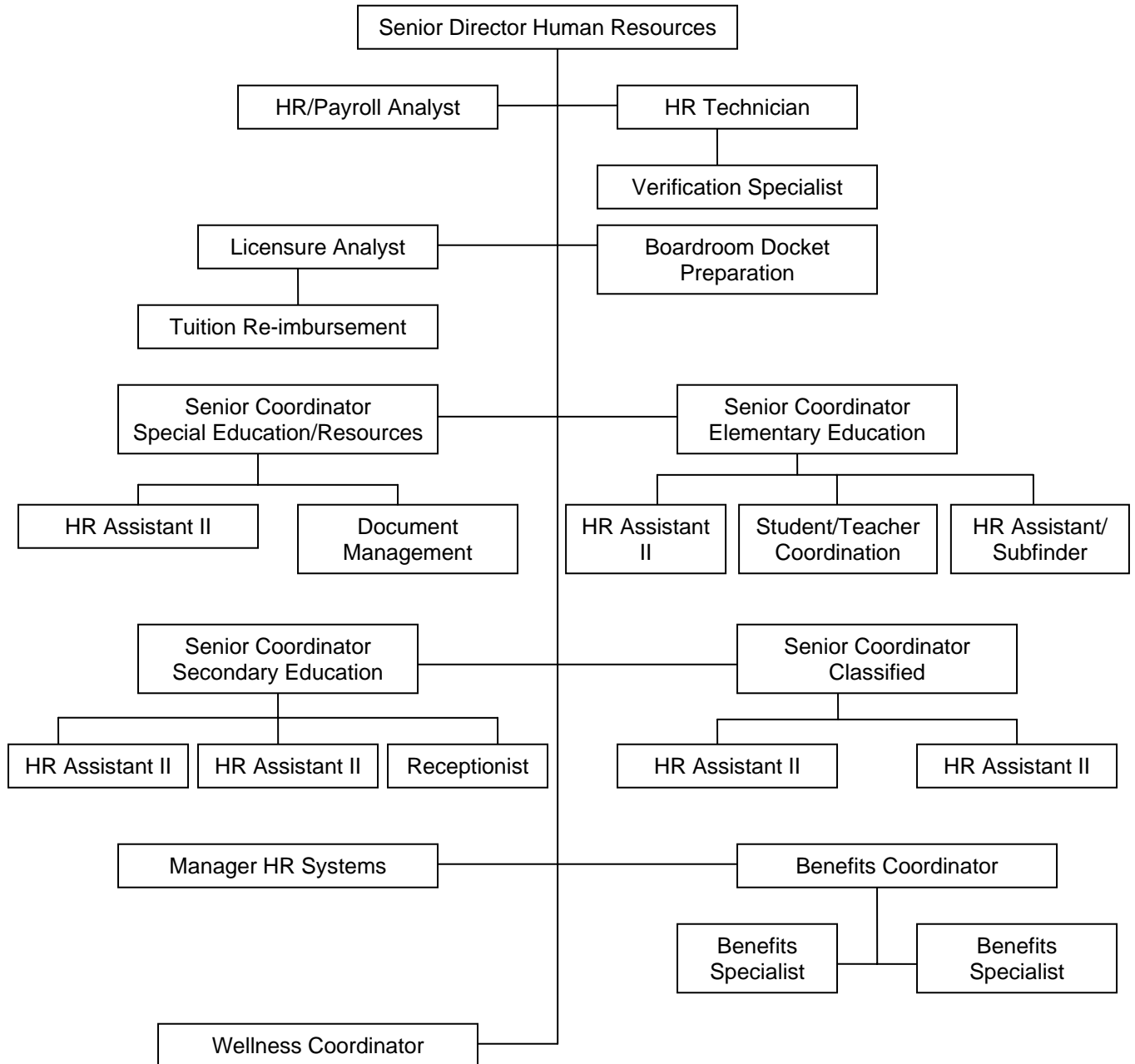
The human resources department provides key functions for NPS. Its staff consists of coordinators who work as generalists, serving designated areas of the division as the first point of contact for all related human resource issues. Although staff members in the department carry specific responsibilities, they are cross-trained to allow continuation of services outside their primary functional area, if necessary. All administrative personnel in the human resources department hold endorsement in administration and supervision, and two of the senior coordinators have Senior Professional in Human Resources (SPHR) certification. Persons holding this certification have demonstrated knowledge of United States federal laws, regulations, and practices; mastered the increasingly complex human resource body of knowledge; and accepted the professional challenge to stay abreast of new developments in the human resources field.

Processes performed by the human resources department are designed to align the human resources function with relevant laws and policy and include the following:

- Job analysis and position description.
- Resource planning, including inventory of needs and market assessment.
- Recruiting personnel.
- Selecting, hiring, and processing administrators, teachers, and support staff.
- Placing and transferring staff.
- Supervising the compensation and benefits program.
- Managing and monitoring employee evaluation process.
- Managing and updating employee records.
- Maintaining a stable work force.
- Overseeing employee relations and grievance procedures.
- Monitoring and processing licenses.
- Processing personnel action forms.

The current organizational structure of the human resources department is shown in **Exhibit 4-1**.

**EXHIBIT 4-1  
NORFOLK PUBLIC SCHOOLS  
HUMAN RESOURCES DEPARTMENT**



Source: NPS Department of Human Resources, 2008.

As shown in the exhibit, the senior director human resources supervises a staff of five coordinators, as well as technicians and assigned clerical staff. The staff members and their respective responsibilities are listed below.

**Senior Coordinator** – These positions coordinate human resources services for their respective area instructional or classified positions. The coordinators provide services for special education/resources, elementary education, secondary education, and classified

employees. They serve as generalists, providing such services as recruitment; screening and selection of new employees; orientation; health and benefits counseling; labor relations; interpretation of policies, practices, and procedures; resolution of employee-related issues; and human resources–related staff development.

**Benefits Coordinator** – This position provides oversight of the major employee benefit areas and is responsible for ensuring benefits are coordinated and in place in an accurate and timely manner for over 4,500 employees. The coordinator provides general supervision to two benefits clerks.

**Human Resources Systems Manager** – With the senior director human resources, this position is responsible for designing and implementing various human resources systems. The human resources systems manager serves as a liaison between human resources and other departments, researching and reviewing the MUNIS system human resources functions to determine what efficiencies are possible with available modules.

**Wellness Coordinator** – The wellness coordinator facilitates wellness activities throughout NPS and serves as the point of contact for the Norfolk Consortium, through which additional wellness activities are provided to promote employee health.

**Classified Staff** – The human resources department is supported by a classified staff of 15 (including one vacancy) who perform functions that include boardroom docket preparation, licensure management, tuition reimbursement, document management, student-teacher coordination, and support to the senior directors and coordinators.

The review team conducted electronic surveys of NPS central office administrators, principals/assistant principals, and teachers, seeking their perceptions of all aspects of divisional operations. With regard to human resources, these groups were asked to rate salary levels, employee recognition, recruitment and staffing, evaluation and professional growth, incentives for professional advancement, and clarity in knowing whom to contact for human resources matters. Although the response level was statistically significant only among teachers, there was a consistent perception of salaries across all categories, with 60 percent of central office administrators, 62 percent of principals/assistant principals, and 59 percent of teachers disagreeing or strongly disagreeing with the statement that salary levels are competitive. In contrast, the most favorable responses dealt with professional development and professional growth planning. Eighty-four percent of central office administrators, 88 percent of principals/assistant principals, and 79 percent of teachers responded favorably to the former and 78, 83, and 79 percent respectively to the latter. Perceptions of staffing and recruitment were mixed, with the majority of all categories responding positively to recruitment in general, but with 57 percent of teachers reporting that the division lacks an effective process for staffing areas of teacher shortage. The majority of respondents in all categories indicated that the division offers incentives for professional advancement and that they know whom to contact for assistance in human resources matters. Regarding the statement that the division has an effective recognition program, 43 percent of central office administrators agreed and 33 percent disagreed; 64 percent of principals/assistant principals agreed and 21 percent disagreed. Teacher responses were balanced, with 34 percent of the respondents agreeing and 37 percent disagreeing.

**FINDING**

The human resources staff is housed in different areas of the administrative offices building, which impacts the efficiency and productivity of the operation. The benefits coordinator and two benefits specialists were originally part of the payroll staff. Although they are now assigned to the human resources department, their work area remains in the payroll office. In addition, the job descriptions still show these individuals as being supervised by the payroll manager.

**RECOMMENDATION 4-1:**

**Convert the office space adjacent to the wellness coordinator into human resources office space.**

This space is currently occupied by grants personnel who actually report to the budget office. Exchanging their physical locations would enhance the efficiency of both the budget office and the human resources department.

**FISCAL IMPACT**

Creating office space for the benefits coordinator and the two benefits specialists would require renovation of the area adjacent to the office occupied by the wellness coordinator. The renovation would require removal of walls and carpet, and removal of existing phone and data receptacles. New installations would include partitions and door(s) to provide satisfactory office space. According to the senior director human resources, the estimated cost for this project is approximately \$17,000.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Convert Office Space for Human Resources	(\$17,000)	\$0	\$0	\$0	\$0

**4.1.1 Employee Records**

All employers must implement a system for retention and storage of employee records. Acceptable human resources practice requires that all employee records be kept in locked cabinets in a secure area, with access allowed only to individuals who have a business-related need for the information. When determining where to store employee records, employers need to keep in mind that various laws dictate that employers must keep certain documents confidential and be able to produce specific documents on demand for inspection by employees or government agencies.

**FINDING**

According to section 2-7 of the department’s operational procedures manual and based upon visual review, separate files are maintained for the following records:

- Medical information.
- Equal Employment Opportunity (EOE) data.
- Immigration forms.

- Safety training records.
- Confidential legal opinions.
- Family Medical Leave Act (FMLA) records.
- Child Protective Services reports.
- Drug and/or alcohol test results.
- Fingerprint and criminal records results.
- I-9s (immigration forms).
- Confidential investigation files.

Personnel records for active employees are stored in an electronic system (Lektriever) and contain relevant and legally appropriate data. Data such as medical information, voluntary Equal Employment Opportunity Commission (EEOC) data, Americans with Disabilities Act (ADA) data, and grievance reports are maintained in separate files and secured in a separate location. A checkout system is in place to track files that are removed for review. Contents of personnel files and procedures for access to them are discussed in the human resources procedures manual, section 2-15. This section also includes a list of personnel who are granted access based on the type of file, including personnel, medical payroll, and I-9 files. Records have been scanned and indexed in the database, which will facilitate the next stages of MUNIS implementation.

**COMMENDATION 4-A:**

**The human resources department maintains separate files for medical records and other sensitive and confidential information apart from the employee master files.**

**FINDING**

Although the personnel files should contain only relevant and legally appropriate data in accordance with acceptable human resources practices, the department's operational manual does not provide guidelines as to how contents are organized in the personnel folders. Although there is a checklist to identify legally appropriate contents, the records are not organized in a systematic manner. According to the senior director human resources, contents of the personnel files were scanned and indexed recently in order to make employee information available electronically. This process is ongoing as new information is received. During the process of scanning and indexing employee records, paper files were not returned to their respective folders in their original order. Although separate files are not required by law for I-9 records, the human resources department maintains separate files for I-9s; however, in at least one case, this documentation was found in an employee's personnel file.

**RECOMMENDATION 4-2:**

**Review and reinforce with appropriate staff the procedures related to the storage of immigration forms (I-9s).**

It is to the human resources department's advantage to ensure that these documents are filed separately as these documents could be required for inspection by an investigating agency. If the I-9s are maintained in the employee's master file, the investigating agency will be given access to the entire personnel file.

**FISCAL IMPACT**

This recommendation could be accomplished with existing human resources staff in approximately eight to ten hours.

**FINDING**

A large number of personnel files are stored in boxes due to lack of sufficient storage space. Inactive classified personnel files are currently located in a storage area in the human resources office suite. Licensure files are held in the licensure analyst's office. In neither case are the documents secured properly to prevent damage. To address this issue, the human resources department will be implementing an electronic document cabinet (EDC) with the capacity to accommodate all its records. All incumbent files have been scanned and indexed, and additional documents are scanned and indexed as they are received.

While the human resources department is heading in the right direction, the EDC needs to be fully implemented.

**RECOMMENDATION 4-3:**

**Install an upgraded electronic storage system to accommodate active personnel files and transfer licensure records and unsecured inactive files to metal cabinets made available through this process.**

Installation of a new filing system will provide for more secure storage of the large volume of documents maintained by the human resources department. In addition, the ongoing scanning and indexing that are part of this process will ultimately increase efficiency by preventing loss and making retrieval of documents more manageable. The department is currently using an electronic document cabinet (EDC) to scan in paper files. A new filing system will enable the department to electronically file all active and inactive employees and can be expanded to eventually cover electronic filings throughout the district.

**FISCAL IMPACT**

The cost of a new electronic filing system to serve the needs of the human resources department is \$24,000 the first year (installation and maintenance), and \$2,400 for annual maintenance thereafter.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
New Electronic Filing System	(\$24,000)	(\$2,400)	(\$2,400)	(\$2,400)	(\$2,400)

**4.1.2 Policies and Procedures**

Employees need to be kept informed about NPS policies and procedures and have a source for accessing such information. In addition to access to policies and procedures maintained on the school division's Web site, all employees are given handbooks that represent a summary of the laws and regulations at the federal, state, and local levels.

The human resources department reviews and updates information in the handbooks and reprints them for employees every two to three years. A separate handbook is given to substitute teachers outlining their duties and responsibilities. All handbooks include the provision that updates can be found in the policies and procedures manual maintained on the school division's Web site. The handbook serves as an easy reference guide on such topics as goals and objectives, employment requirements, compensation, benefits, general leave, sick leave, and human resources policies and regulations. In addition, the human resources department provides a handbook for principals that is a quick reference tool for human resources procedures and provides all administrators with a consistent approach to handling human resources-related matters. Principals are urged to contact the human resources department for additional information and guidance.

Operational manuals are key to ensuring consistent application of standard practices within departments. A comprehensive operating procedures manual standardizes the processes performed by staff members within the human resources department.

The director of human resources attends operational meetings in the schools, and the human resources staff rotates its regular meetings from school to school to gain insight into each school's human resources issues. In addition, senior coordinators visit all new employees to gain firsthand feedback from them, answer questions, and provide support.

## **FINDING**

The human resources department's operating procedures manual clearly defines the processes for the various human resources functions.

To assist staff members with long-term planning, an annual calendar is included in the manual, listing tasks to be performed by month. This manual is updated as processes and procedures change, which ensures consistency of application among staff in their performance of the various tasks. The notebook format makes it easy to update in order to provide the most current and reliable information. In addition, the operating procedures manual facilitates cross-training.

## **COMMENDATION 4-B:**

**The human resources department is commended for developing comprehensive and well organized operating procedures manual on its day-to-day functions and for establishing multiple methods of communicating policies and procedures to Norfolk Public Schools employees.**

## **4.2 Recruitment, Hiring, and Retention**

In its accountability plan for 2007-08, the human resources department identified the need to increase the number of highly qualified teachers, analyze the competitive nature of teacher salaries within the region, and increase the retention rate of teachers. These goals are aligned with its mission "to create and maintain a safe and stimulating teaching

and learning environment while recruiting, developing, and retaining a committed workforce.”

A position control system is in place and is maintained by the division of business and finance. A specific number of positions are allocated based on the local budget. Each position is assigned a position control number, and to ensure position control, only those positions that are declared vacancies by the division of business and finance can be filled. **Exhibit 4-2** lists approved positions by category for the 2007-08 school year. Requests for additional positions have to go through a prescribed approval process to assess the need for the position and availability of funds. A few complications have arisen when personnel action requests are submitted for separation of employment, such as retirement, and a replacement is employed. For example, when an individual has been hired to fill the position on the date the vacancy becomes official, a personnel action request is submitted to the division of business and finance before the date the position becomes available. There are no provisions for carrying two employees in the same position control number. If the human resources department defers completing a personnel action request (PAR) and placing the new hire in the system, the probability for error increases.

**EXHIBIT 4-2  
NORFOLK CITY PUBLIC SCHOOL EMPLOYEES BY CATEGORY  
2007-08**

<b>DESCRIPTION</b>	<b>BUDGETED 2008 FTE</b>	<b>ACTUAL 2008 FTE</b>	<b>DIFFERENCE 2008 FTE</b>
Administration	56.00	55.00	1.00
Superintendent	1.00	1.00	0.00
Chief of Staff/Executive Directors	6.00	5.00	1.00
Teachers (contract)	2,906.00	2,867.10	38.90
Principals	53.00	53.00	0.00
Assistant Principals	55.00	56.00	(1.00)
Other Professionals	95.00	98.00	(3.00)
Nurses	1.00	1.00	0.00
Psychologists	20.00	18.00	2.00
Paraprofessionals	79.00	74.00	5.00
Security Officers	53.00	53.00	0.00
Clerical Staff'	264.20	252.00	12.20
Teacher Assistants	534.00	512.00	22.00
Trades Persons	104.00	99.00	5.00
Bus and Truck Drivers	273.00	259.00	14.00
Laborers	8.00	8.00	0.00
Custodians and Service Persons	304.00	298.00	6.00
<b>Total</b>	<b>4,808.20</b>	<b>4,671.10</b>	<b>137.10</b>

Source: Norfolk Public Schools, Human Resources Department, November 2007.

**4.2.1 Recruitment**

Recruitment is a competitive practice, more so with the implications of the No Child Left Behind Act of 2001 (NCLB), which requires that all teachers in core federal areas and all teacher assistants to be highly qualified in Title I schools. **Exhibit 4-3** shows the number



of teachers and their status with regard to NCLB. The number of highly qualified teachers with provisional licenses constantly changes due to teachers completing licensure requirements throughout the school year. In 2003-04, the percentage of highly qualified core content and special education teachers in the classroom was 89 percent. The percentage of teachers that were highly qualified in 2004-05 (94 percent) declined to 94 percent in 2005-06, coinciding with the addition of special education teachers to the requirement in 2005-06. Since 2003-04, the number of highly qualified teachers has increased by 5 percent from 89 percent to 94 percent for 2006-07. The human resources department has a goal to increase the percentage of highly qualified teachers by 3 percent to 97 percent by the end of the 2007-08 school year.

In Virginia, teachers can be highly qualified while holding a provisional teaching license. Some instances include teachers who hold a valid out-of-state teaching license and have had three or more successful years of teaching in their endorsement area. These teachers may be lacking a course in education or some other subject, such as Virginia History, that is required by the Commonwealth. Of the 453 teachers employed in the 2005-06 school year, 203 were from out of state. Other provisional license holders who are highly qualified have taken the required test, Praxis II, and are teaching in their area of endorsement but need additional coursework to become fully certified.

**EXHIBIT 4-3  
HIGHLY QUALIFIED TEACHERS  
NORFOLK PUBLIC SCHOOLS  
2005-06 TO 2007-08**

<b>YEAR</b>	<b># TEACHERS</b>	<b># FULLY CERTIFIED</b>	<b># PROVISIONAL</b>	<b># HIGHLY QUALIFIED WITH PROVISIONAL</b>
2005-06	3,014	2,662	352	170
2006-08	3,041	2,717	324	168
2007-08	3,140	2,739	401	160

Source: Norfolk Public Schools, Human Resources Department, December 2007.

The human resources department faces additional challenges when seeking endorsed teachers in key shortage areas. Based on data reports from school divisions in the Supply and Demand Survey for School Personnel as of October 1, 2006, the VDOE identified the 2007-08 critical shortage areas in the Commonwealth. The methodology for identifying these shortage areas was based on the number of vacancies for which a school division receives three or fewer candidates for a position. Following an aggregation of the total number of unfilled positions in elementary education, special education, foreign language, career and technical educational, and middle schools grades 6-8, the top ten critical shortage teaching endorsement assignments for 2007-08 are:

- Special education (speech and language disorders, learning disabilities, emotional disturbance, early childhood special education, visual impairment, hearing improvement, severe disabilities).
- Elementary school education, PK-6.
- Mathematics.

- Middle school education, 6-8.
- Career and technical education.
- Foreign language (Spanish, PK-12; French, PK-12).
- Health and Physical Education PK-12.
- English, 6-12.
- English as a Second Language PK-12.
- School counselor, PK-12.

NPS experiences its most significant shortages in mathematics and special education. Although the department's recruitment plan and schedule has grown in response to the challenges in seeking highly qualified teachers, the budgeted amount has remained constant for the past three years (**Exhibit 4-4**). In 2006 and 2007, the expenditures for recruitment exceeded allocations. The recruitment allocations have been unchanged since 2006.

**EXHIBIT 4-4  
FOUR-YEAR COMPARISON – RECRUITMENT BUDGET  
2006-2008**

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Original Allocation	\$22,500	\$27,000	\$27,000	\$27,000
Actual Expenditures		\$36,966	\$31,691	

Source: Norfolk Public Schools, Human Resources Department, 2008.

**FINDING**

The NPS has committed fiscal and personnel resources to the recruitment program. Despite insufficient funding, the human resources department conducts an extensive and demanding recruitment schedule for 2007-08, and a comprehensive analysis of recruitment. The analysis consists of a review of recruitment sites, and correlating them with corresponding successful hires in order to target those colleges, universities, and job fairs that have a larger number of potential candidates.

Recruitment strategies employed include:

- Visiting sites in geographic areas where jobs are limited.
- Targeting colleges, universities, and state job fairs with large numbers of education majors and hard-to-fill specialty areas as recruitment sites.
- Establishing relationships with university career services personnel for referrals.

- Visiting Historically Black Colleges and Universities (HBCUs) with education majors.
- Recruiting foreign nationals for hard-to-fill areas.
- Posting online and print advertisements.
- Holding NPS division job fairs.
- Accessing Web sites such as “Teacher-Teacher.”

The human resources department’s recruitment plan includes a number of incentives as recruitment tools, with additional incentives proposed for 2008-09. Some of the incentives that have been utilized include:

- \$2,000 signing bonuses for teachers of mathematics, school psychologists, and speech pathologists.
- A three-year teacher induction program unique to the region.
- Flash drives for all new hires.
- Laptop computers for early hires.
- New teacher recognition banquet for early hires.
- Payment of pre-employment fees.

**COMMENDATION 4-C:**

**The human resources department is commended for analyzing data related to its recruiting strategies and for conducting ongoing assessment of its recruitment program.**

**FINDING**

The human resources department needs to continue to assess its needs in the area of recruitment and request a budget increase. Failure to take this action will handicap the division in meeting teacher recruitment goals.

The current success rate in securing promising applicants from the various activities in its plan supports the review team’s findings that recruitment efforts are effective and should be expanded to meet projected needs for additional teaching personnel, particularly in high-need areas such as special education, mathematics, and the sciences.

**RECOMMENDATION 4-4:**

**Increase the budget for recruitment activities to keep pace with needed expenditures to the extent that budget constraints allow.**

Implementation of this recommendation should result in the recruitment of more teachers to fill vacant positions. It is crucial to school improvement efforts to have qualified personnel employed and working with students at the beginning of the school year. Additionally, effective early recruitment should reduce the need to use substitute teachers to cover classes until qualified teachers are employed. Continued assessment of recruiting needs and potential modifications to recruiting activities should allow the department to justify an increase in recruitment allocations.

**FISCAL IMPACT**

Increasing the recruitment budget to the average of actual expenditures in 2006 and 2007 (\$34,328) for 2008-09 could increase current budget by \$7,328 or 27 percent. Increasing funding for 2009-10 to the level of expenditures in 2006 (\$36,966) would require an additional increase of \$2,638 or 7.68 percent. The fiscal impact for 2010 through 2013 cannot be determined until recruitment needs are assessed for those years.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Increase Recruitment Budget	(\$7,328)	(\$2,638)	\$0	\$0	\$0

**FINDING**

The human resources department has not done an effective job of communicating the support that is available to paraprofessionals/teacher assistants.

Currently, of the 534 teacher assistants, 120 are not highly qualified. Consequently, a number of paraprofessionals in non-Title I schools could not serve in a Title I school if needed.

All teacher assistants in Title I schools are highly qualified according to the requirements set forth in NCLB. Although teacher assistants in non-Title I schools are exempt from this requirement, the human resources department provides support for them to become qualified. Paraprofessionals can attain highly qualified status by passing the paraeducator exam, completing 48 semester hours of coursework, or having an associate degree. The human resources department has a budget of \$10,000 to provide books at a cost of \$25 and testing fees of \$40 for the paraeducator exam. In the MGT survey, some comments revealed a lack of knowledge among paraprofessionals/teacher assistants regarding the support available to them in becoming highly qualified. The human resources department has set a goal that all paraprofessionals/teacher assistants will become highly qualified within two years.

**RECOMMENDATION 4-5:**

**Ensure that all paraprofessionals are informed of support available to help them gain highly qualified status.**

Based on responses to the MGT survey, some teacher assistants are not aware that support is available to become highly qualified. Implementation of this recommendation should result in taking steps to encourage the non-Title I schools' paraprofessionals/teacher assistants to avail themselves of the resources which will help the human resources department achieve its goal of having all teacher assistants highly qualified within two years.

## **FISCAL IMPACT**

Implementation of this recommendation does not require additional funding and can be accomplished with existing staff and resources.

### ***4.2.2 Hiring***

Selecting the right person for the right job is a basic responsibility of effective human resources administration. Interviewing, screening and evaluation, and selection decisions are important parts of the hiring process. Human resources administrators review teacher employment applications, which include transcripts, summative or student-teacher evaluations, PRAXIS scores, and a writing sample. In addition, the appropriate human resources administrator conducts an onsite interview utilizing the Interactive Computer Interview System. Appropriate subject area coordinators are involved if the applicant's major is in a specialty, resource, or content area. From this process, qualified applicants are identified to become part of a pool of candidates. When vacancies occur, candidates from the qualified pool are sent to school sites for interviews. Site administrators make recommendations, and then consensus is reached with human resources personnel and the subject area coordinators.

The screening process includes fingerprinting for all new hires and pre-employment tests for drug and alcohol use for all full-time employees and coaches. Regarding fingerprinting, the Code of Virginia, 22.1-296.2 states that "*School boards of Virginia in the employment of full-time or part-time, permanent or temporary personnel must require an applicant for hire to submit to fingerprinting and to provide personal descriptive information for the purpose of obtaining criminal history.*" The cost for fingerprints processing and the criminal records check is \$37 per new hire. According to the Code of Virginia, 22.1-296.2, "*The school board may (i) pay for all or a portion of the cost of fingerprinting or criminal records check or (ii) in its discretion, require the applicant to pay for all or a portion of the cost of such fingerprinting or criminal records check.*"

Regarding drug and alcohol testing, the federal Omnibus Transportation Employee Testing Act of 1991 mandates pre-employment, reasonable suspicion, post-accident, random, and follow-up/return to duty testing of employees in various positions requiring the possession of a commercial drivers license (CDL) and defined as safety-sensitive. The NPS extended the provision related to pre-employment to all full-time employees and coaches and included in its policies and regulations a statement that "All applicants, upon receiving a conditional offer of full-time employment, will be required to undergo and pass a drug test prior to receiving their final appointment." In addition, all positions whose work involves the operation of an NPS vehicle or vehicular equipment and all positions whose work involves hazardous or potentially hazardous functions will be required to undergo and pass a drug and alcohol test upon receiving a conditional offer of employment. Offers of employment are made contingent upon passing the drug test. The school division pays \$40 per test.

## **FINDING**

The NPS is the only school division in the region that requires pre-employment testing for drugs and alcohol for employees not covered under federal law. In 1997, NPS instituted a pre-employment condition related to the drug-free workplace that extends beyond those of its peer school divisions. The position of the school division as stated by the senior director of human resources is that the pre-employment testing as a condition of employment helps to identify potential areas of abuse, reinforces the concept of a drug-free work place and ensures proper role models for children.

The school division bears the full cost of pre-employment tests for fingerprinting and drug and alcohol use and considers them a recruitment tool, whereas other school divisions, such as Virginia Beach and Suffolk Public Schools, require the prospective employee to assume the costs for the fingerprinting and criminal records check. The fees of \$37.00 for fingerprinting and \$40.00 for drug and alcohol screening represent operating expenses that could be shared with the prospective employee.

Since it is not a Commonwealth requirement that divisions incur the cost of fingerprinting and drug testing, the annual savings to NPS in sharing costs of fingerprinting and/or drug and alcohol testing would help to defray costs in other financial need areas. For example, the savings suggested by this recommendation could help offset the cost of renovations proposed in **Recommendation 4-1**.

## **COMMENDATION 4-D:**

**Norfolk Public Schools is commended for displaying a strong commitment to a drug-free workplace by extending the requirement for drug and alcohol testing for newly hired full-time employees and coaches.**

## **RECOMMENDATION 4-6:**

**Require new hires to share the cost of fingerprinting and criminal background checks and/or drug testing.**

For the period of July 1 to December 31, 2007, 1,548 instructional and non-instructional hires were required to submit to fingerprinting and background checks at a cost of \$37.00 per person. That number does not include substitutes and other temporary personnel. Two of the peer school divisions pass on all or some of this cost to the prospective employee. Virginia Beach pays for fingerprinting and background checks for transportation, custodial, and school nutrition employees, but all other new hires must assume the cost themselves. In Suffolk Public Schools, all new hires have to pay the fee for fingerprinting. If new hires in NPS shared one-half of the cost of fingerprinting and criminal background checks, the division would save at least \$28,638.00 (1,548 X \$18.50) annually or \$143,190.00 over a five-year period.

The cost for drug testing is \$40.00 per person. All of NPS' peer school divisions pay for pre-employment drug and alcohol testing and require testing only for persons covered under the Omnibus Transportation Employee Testing Act. NPS is the only school division that requires all full-time employees and coaches to submit to pre-employment drug and alcohol testing. During the first six months of FY 2008, 1,548 full-time employees and coaches were tested. Based on that number, if each new hire paid one-

half of the cost of drug testing, the savings to the division would be a minimum of \$30,960.00 (1,548 X \$20.00) annually, or \$154,800.00 over a five-year period.

**FISCAL IMPACT**

With a total fee of \$77.00 for fingerprinting/criminal checks and drug and alcohol testing, the division has spent a minimum of \$199,196.00 during the first six months of FY 2008. This total is based on the 1,548 new hires who were required to submit to these tests between July 1 and December 31, 2007. A savings of at least \$59,598.00 annually could be realized by sharing one-half of the cost with new hires. Since these figures represent new hires for one-half of the fiscal year, they are conservative estimates.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Require New Hires to Pay \$18.50 for Fingerprinting and Criminal Records Checks	\$28,638	\$28,638	\$28,638	\$28,638	\$28,638
Require New Hires to Pay \$20.00 for Drug Testing	\$30,960	\$30,960	\$30,960	\$30,960	\$30,960
<b>Total Savings</b>	<b>\$59,598</b>	<b>\$59,598</b>	<b>\$59,598</b>	<b>\$59,598</b>	<b>\$59,598</b>

**FINDING**

The human resources department screens teacher applicants throughout the year to develop a pool of candidates to fill vacancies. The hiring process ensures collaboration among human resources administrators, subject area coordinators, principals, and the appropriate administrators in school governance. The appropriate executive director of governance is consulted as needed. For consistency, all human resources administrators adhere to a structured interview process through the use of the Interactive Computer Interview System.

**COMMENDATION 4-E:**

**The human resources department is commended for using a structured interview process.**

**FINDING**

The NPS job application process is paper-based. Currently, prospective employees must download application forms and either mail or take them in person to the human resources department. According to the human resources department staff, the next stage in the MUNIS implementation is an applicant tracking system, scheduled for completion within the current school year. When implemented, prospective employees will be able to submit applications for employment and attach relevant documents.

**RECOMMENDATION 4-7:**

**Develop and implement the proposed applicant tracking system.**

The application tracking system should include functions that allow school administrators to access applicant files in order to select qualified interviewees. There should be an interface with licensure data, which currently is maintained separately from the primary employee database. Once the workflow of the applicant tracking system is set up so that information goes to the right person, the hiring process will be expedited and the amount of paperwork processed by the human resources department staff reduced.

**FISCAL IMPACT**

The implementation of this recommendation will require fiscal resources that have already been allocated. Staff members are already in place, with the human resources systems manager serving as a liaison with the MUNIS group.

**4.2.3 Retention**

Teacher recruitment programs will not solve the staffing problems if the issue of teacher retention is not addressed. According to a 2006 report issued by the United States Department of Education, 9.3 percent of public school teachers nationwide leave before they complete their first year and nearly 30 percent leave within five years of entry. The cost for teacher turnover is considerable in terms of both financial loss and the impact on student learning. Hiring and placing new teachers, incur human resources and induction costs. Losing a well-educated and talented teacher also creates a disruption to the learning process. According to the human resources department's section of the *Central Office Accountability Plan, 2007-08*, 5 percent of teachers leave the district within the first year of experience while 10 to 15 percent leave the district within two to four years of experience. Overall, NPS loses 10 percent of teaching staff annually, including retirees. The three-year teacher induction program offered by NPS is credited for helping to increase the retention rate among first-year teachers.

**FINDING**

In an effort to determine the reasons that employees leave NPS, the division asks employees who are separating from employment to complete an exit survey. Exit surveys have been administered annually for at least the last three years. Following the exit interview, exiting employees are requested to complete the survey form and return it to the senior coordinator or assistant. All completed surveys are maintained in a separate folder and sent to the human resources department with strategic evaluation, assessment, and support to be tallied. Exit survey information from 2005 was based on data collected from January 1-June 30. The response rate for 2005 was 50 percent of the total number of teachers who resigned during that time period. In 2006, less than one-third of all "exiters" completed surveys with nearly three-quarters of them choosing not to complete the survey. In the teacher group, however, there was a completion rate of 44 percent. The current practice is to collect and analyze data based on the calendar year. Analysis for 2007 is ongoing. The exit surveys include the following categories with questions under each:

- Reason for Leaving (more than one reason could be checked).



- Salary/Benefits.
- Supervision/Administration.
- Work Environment.
- Teaching Situation.

Employees could respond to questions in each section as “excellent” and “good,” “fair,” or “poor.” Data from the 2004-05 survey show teachers rating NPS high on combined salary and benefit factors with 64 to 78 percent giving a positive response; however, the rate of response must be considered in this conclusion, as only 50 percent of teachers completed the survey. In 2005-06, teachers represented 78 percent of employees completing the exit survey: analysis of those data showed responses varying from 64 percent to 78 percent positive in the salary/benefits section; from 51 percent to 67 percent positive in the supervision/administration section; consideration of employee suggestions had the lowest responses, while fair and impartial treatment, opportunity for growth, and evaluation of instruction had the highest responses; in the work environment section, responses varied from 53 percent to 67 percent positive; communication from supervisor/administrator and cooperation of parents had the lowest responses, while cooperation of fellow workers had the highest responses by a substantial margin; for questions in the teaching situation section, responses varied from 40 percent positive to 64 percent positive; discipline characteristics and parental cooperation had the lowest responses, while class size, supervision and evaluation, and principal/teacher relationship had the highest responses.

**COMMENDATION 4-F:**

**The department is commended for seeking feedback from individuals separating from employment.**

**RECOMMENDATION 4-8:**

**Utilize different methodology for exit surveys to assure employees of anonymity in their responses.**

Representatives from a teacher association suggested that teachers feel apprehensive about completing the survey in the human resources department office, and are fearful that their responses might hinder their continuing career choices. Using an online electronic system that each employee is requested to complete before the check-out process would encourage a greater level of participation and foster more forthcoming and candid responses.

**FISCAL IMPACT**

Implementation of this recommendation will require time of existing human resources staff. Qualified staff is in place to develop the electronic program and this project can be incorporated in the planned upgrades to the department technology initiatives. The program can be created in-house and should take no more than 30 days to implement.

## **FINDING**

The NPS has a teacher induction program that is unique to the region. It addresses the needs of teachers with zero experience as well as second- and third-year teachers new to NPS. As described in the NPS brochure, the program for first-year teachers, BEST (Beginning Educator Support Team), is a comprehensive, research-based teacher induction program for teachers with zero years of experience. The program for second-year teachers and experienced teachers new to NPS is COMP (Classroom Organization and Management Program), which is a proactive program of classroom management. For third-year teachers and experienced teachers new to NPS, TESA (Teacher Expectations and Student Achievement) offers effective strategies to both improve student achievement and help students achieve personal success. These programs are unique to the region. They have particular significance for novice teachers and those new to the division, whose turnover rates are highest.

## **COMMENDATION 4-G:**

**As a retention tool, Norfolk Public Schools provides an effective mentoring program that helps new teachers improve in both methodology and professional responsibility, and ultimately has a positive effect on student learning.**

### **4.3 Professional Development and Employee Evaluation**

#### **4.3.1 Professional Development**

Training and development are important to serving the school division's primary goal: enhancing and achieving quality teaching and learning for students. School board policy emphasizes this as it states that "The goal of the professional development program is to provide better learning experiences in the classroom which result in a positive effect on student performance and attitude." Viable and meaningful programs should be offered that enable school employees to work cooperatively toward achieving the division's goals and their own goals of professional development.

## **FINDING**

The NPS offers extensive opportunities for training and development, both for its licensed and its classified employees. According to current policy, each employee in NPS will engage in a minimum number of professional development hours annually. The number of hours required for all personnel is:

- Administrative: 18 hours.
- Certificated Instructional: 12 hours.
- Support: 9 hours.
- Substitute Teachers: To be determined by assignment.

The policy further states that a current system-wide listing of professional development opportunities will be contained in the online computer system, specifically, "Directory of Company News," to enable schools and district-level departments to network and share resources for continuous professional development of employees. However, different

departments coordinate the activities with no central coordination or location for access to information regarding current offerings. Currently, the leadership and capacity development department provides oversight of professional development for licensed employees, whereas training for classified employees is coordinated through the chief operations officer and the senior human resources coordinator. Specialized site-based and classification-based training activities are provided after determining the needs of that particular employee group. In addition to targeted in-services, a divisionwide in-service event is held in the fall for all employees, with activities designed for all classifications, as a way for employees to meet the minimum hours of staff development.

Financial support is also available to both licensed and classified employees for coursework in the employee's general field or to improve job skills. Licensed/certificated personnel may be reimbursed for the cost of tuition for a total of six semester hours per school year at an amount not to exceed the prevailing rates at Old Dominion University or Norfolk State University. Classified personnel may be reimbursed for the cost of tuition for a total of six semester hours per school year at an amount not to exceed the prevailing rates at Old Dominion University or Norfolk State University. One must have been employed for two full contract years to qualify for reimbursement for a course taken at a two-year institution; and four full contract years to qualify for reimbursement for a course taken at a four-year institution.

**COMMENDATION 4-H:**

**Norfolk Public Schools is commended for the emphasis and support it gives to staff development and training for all employees, both licensed/certificated and classified.**

**FINDING**

Although NPS employees participate in many development activities, there needs to be an all-inclusive source to communicate the division's mandatory and voluntary offerings. The Web site could provide updated information and training on relevant topics to enhance job performance. This would assist employees, in collaboration with their supervisor, in selecting opportunities relevant to their position and to their professional development. Tracking and self-serve components could be added as upgrades once the site is established.

**RECOMMENDATION 4-9:**

**Develop an inclusive divisionwide staff development plan and a clearinghouse for training and development opportunities.**

Establish a link on the division's Web site where employees can be directed to a catalogue of divisionwide and departmental staff development classes. This can be accomplished through the combined efforts of the leadership and capacity development department and human resources department. Under the guidance of the senior directors, the senior coordinators could develop a master plan for implementation.

## **FISCAL IMPACT**

Necessary staff is in place to develop and implement this project. The coordinators will require additional meeting time to create a plan. It is estimated that the plan can be developed within a two- to three-week period. The clearinghouse process requires an ongoing time commitment and cannot be quantified until the plan is developed.

### **4.3.2 Performance Evaluation**

Routine performance evaluations are beneficial in ensuring that every employee is performing to the standards set within the job description. They are valuable management tools that should be utilized for all job positions to ensure that individual job performance is well documented, and that all employees receive objectively structured feedback and adequate training in their job performance.

## **FINDING**

Performance appraisal handbooks and instruments were revised by committees in 2007 for central office administrators and in 2006 for principals, assistant principals, and teachers. The appraisal handbook, which includes the evaluation instrument for classified employees, is in the process of being revised and will be completed by the end of the 2007-08 school year.

All handbooks and appraisals follow the same design model, encompassing a summative strand and a professional development strand. The summative instrument contains domains, which outline the essential qualities displayed by effective teachers, principals, assistant principals, and central office administrators in their respective evaluation forms. Each domain is divided into three sections: exceeds standards, meets standards, and falls below standards, with observable behaviors listed in each section. A rubric accompanies each rating to serve as a guide to understanding the level of performance expected. The revision of the classified evaluation instrument will replicate this instrument design.

The handbooks provide time lines, the evaluation instrument, an individualized plan/record for professional development, and a description of the evaluation process.

### **RECOMMENDATION 4-10:**

**Continue the process to complete the revisions on the classified appraisal handbook and evaluation form by the end of the 2007-08 school year.**

Appropriate department heads should be involved in the revision to make certain that the domains are aligned with the school division's goals and objectives and key aspects of job assignments.

## **FISCAL IMPACT**

There is no additional fiscal impact as the project is ongoing and near completion.

#### **4.4 Classification, Compensation, and Benefits**

##### **4.4.1 Classification**

Lockton Companies, LLC, conducted several surveys related to compensation and benefits for NPS employees. These include the *2007 Teachers Survey Report – A Comprehensive View of Compensation and Benefits – November 14, 2007*, and the *2007 Pay and Classification Plan – Non-Instructional Compensation Study – December 27, 2007*. The last classification and compensation study for non-instructional staff was completed during the 1995-96 school year.

#### **FINDING**

The study for non-instructional compensation by Lockton Companies, LLC, utilized a job evaluation system that combined the internal value of positions with the external market value. The goal of the study was to establish a compensation system that maintained both market competitiveness and internal value of the organization. The methodology consisted of employee interviews and completion of job analysis questionnaires that included internal value factors selected for NPS. These factors include education, work experience, type of skill and/or licensing/certification, registration, leadership/supervisory responsibilities, personal/organizational contacts, work complexity/budget responsibility, independent judgment/problem-solving, and environmental/sensory factors. Ninety-eight benchmark positions were selected from the administrative and classified pay scales, representing all levels of the organization. Prior to and during this study, job descriptions for non-instructional personnel were reviewed and updated as needed. According to section 2-8 of the human resources department's operational manual, job descriptions should be reviewed every three years, normally in conjunction with the evaluation of the pay structure.

Although the two-year implementation will make noninstructional salaries market-competitive, actual placement on the appropriate salary scale for a new hire has been raised as an issue by at least one department in the school division. The human resources department has a standard procedure that gives credit for relevant experience when determining the appropriate placement.

The Lockton study revealed that the non-instructional classification and salary plan needs to be restructured to ensure market competitiveness and internal equity. Based on the data and subsequent interviews with managers, the consultants presented recommendations for implementation.

#### **COMMENDATION 4-I:**

**Norfolk Public Schools is commended for recognizing the need to review the classification and compensation plan for noninstructional employees and approving a plan to be phased in over a three-year period.**

**FINDING**

Some NPS staff interviewed believe that salaries are determined without appropriate consideration of relevant certification and experience, and that these should have a role in negotiating the salaries of new employees. This concern was the result of an instance where a prospective employee with specialized certification did not accept the salary offer. The classification and compensation study of 2007 set pay ranges for all non-instructional positions and although the range was market-competitive, the placement on the salary scale was not acceptable to the candidate. Unfortunately, it is not uncommon for a candidate to turn down a position based on salary; however, if such a pattern continues for specific positions, there would be sufficient rationale for an additional review of the position's salary relative to the market.

**RECOMMENDATION 4-11:**

**The human resources department should track and keep records of hard-to-fill positions in specialized areas.**

In collaboration with the appropriate division chief, the human resources department can identify positions that have high demand and shortage of candidates. A market analysis of average salaries paid for those positions should produce a methodology for attracting candidates in the identified classifications and in other shortage areas. The human resources department should establish a time line for review of such positions on at least a bi-annual basis.

**FISCAL IMPACT**

This recommendation does not have a fiscal impact at this time until the human resources department conducts an analysis of need and demand.

**4.4.2 Compensation**

The Lockton study of teachers' salaries surveyed 13 school divisions, which was subsequently reduced by NPS to seven peer divisions for comparison. For this review, MGT used the same school peer divisions for salary and benefits comparison, which are listed in **Exhibit 4-5**. Also shown is the 2007 end-of-year student membership for each of the districts.

**EXHIBIT 4-5  
PEER SCHOOL DIVISIONS AND END-OF-YEAR MEMBERSHIP  
2007**

<b>SCHOOL DIVISION</b>	<b>END-OF-YEAR MEMBERSHIP 2007</b>
<b>Norfolk Public Schools</b>	<b>32,516</b>
Chesapeake Public Schools	39,295
Gloucester Public Schools	5,899
Hampton Public Schools	21,733
Newport News Public Schools	29,368
Portsmouth Public Schools	14,588
Suffolk Public Schools	13,529
Virginia Beach Public Schools	70,920

Source: Virginia Department of Education, November 2007.

**FINDING**

According to the MGT survey, a large number of licensed employees feel that the current salary scale is not market-competitive. There was a statistically significant level of response in the teacher group, with 59 percent disagreeing with the statement, "Salary levels in this school district are competitive." In addition, 67 percent of teachers disagreed with the statement, "My salary level is adequate for my level of work and experience." This feedback was further confirmed by the Lockton compensation study of teachers' salaries and benefits, which identified the disparity in beginning salaries among the peer group. Lockton group provided several proposals for teacher salary scale adjustments to the Teacher Pay Study Committee which consists of the executive director of operations, the senior director human resources, budget, the president of NFT and EAN, and teacher representatives. This committee will forward a recommendation to the superintendent of schools. The 2007-08 salary schedule follows in **Exhibit 4-6**.

**EXHIBIT 4-6  
SALARY SCHEDULE  
BACHELORS, MASTERS AND DOCTORAL DEGREES  
NORFOLK PUBLIC SCHOOLS  
2007-08 SCHOOL YEAR**

<b>STEP/ YEARS EXPERIENCE</b>	<b>BACHELORS DEGREE (Grade 03)</b>	<b>MASTERS DEGREE (Grade 05)</b>	<b>MASTERS PLUS 30 HOURS (Grade 06)</b>	<b>DOCTORAL DEGREE (Grade 07)</b>
0	\$ 35,027	\$ 37,986	\$ 39,552	\$ 41,269
1	\$ 36,077	\$ 39,036	\$ 40,602	\$ 42,319
2	\$ 37,158	\$ 40,117	\$ 41,683	\$ 43,400
3	\$ 38,269	\$ 41,228	\$ 42,794	\$ 44,511
4	\$ 39,420	\$ 42,380	\$ 43,945	\$ 45,662
5	\$ 40,602	\$ 43,561	\$ 45,127	\$ 46,844
6	\$ 41,814	\$ 44,773	\$ 46,339	\$ 48,056
7	\$ 43,076	\$ 46,036	\$ 47,601	\$ 49,318
8	\$ 44,369	\$ 47,329	\$ 48,894	\$ 50,611
9	\$ 45,692	\$ 48,652	\$ 50,217	\$ 51,934
10	\$ 47,066	\$ 50,025	\$ 51,591	\$ 53,308
11	\$ 48,480	\$ 51,439	\$ 53,005	\$ 54,722
12	\$ 49,934	\$ 52,894	\$ 54,459	\$ 56,176
13	\$ 51,429	\$ 54,388	\$ 55,954	\$ 57,671
14	\$ 52,974	\$ 55,934	\$ 57,499	\$ 59,216
15	\$ 54,560	\$ 57,519	\$ 59,085	\$ 60,802
16	\$ 56,196	\$ 59,156	\$ 60,721	\$ 62,438
17	\$ 57,883	\$ 60,842	\$ 62,408	\$ 64,125
18	\$ 59,619	\$ 62,667	\$ 64,280	\$ 66,049

Source: Norfolk Public Schools, Human Resources Department, 2008.

At step 10, NPS ranks among the top ten salaries in the Commonwealth on both the bachelor's degree and master's degree scale. The division also ranks favorably in total earnings. At the entry level, however, NPS falls behind, not only at the state level, but also among its peer group. As seen in **Exhibits 4-7** and **4-8**, the division lags behind all peer divisions in the first two steps on both the bachelors and masters degree scales. There is some variance among the eight school divisions until step 10 on the bachelors degree scale and step 9 on the master's degree scale where NPS's salaries exceed those of all schools in its competitive market.



**EXHIBIT 4-7  
BACHELORS DEGREE SALARY SCALE COMPARISON  
2007-08**

STEP/ YEARS EXPERIENCE	NORFOLK	CHESAPEAKE	GLOUCESTER	HAMPTON	NEWPORT NEWS	PORTSMOUTH	SUFFOLK	VIRGINIA BEACH
0	\$ 35,027	\$ 38,540	\$ 36,388	\$ 38,000	\$ 37,350	\$ 38,012	\$ 37,600	\$ 38,026
1	\$ 36,077	\$ 39,118	\$ 36,388	\$ 38,168	\$ 37,600	\$ 38,636	\$ 37,600	\$ 38,900
2	\$ 37,158	\$ 39,705	\$ 37,116	\$ 38,392	\$ 37,981	\$ 39,277	\$ 37,600	\$ 39,773
3	\$ 38,269	\$ 40,300	\$ 37,116	\$ 38,709	\$ 38,361	\$ 39,918	\$ 37,801	\$ 40,647
4	\$ 39,420	\$ 41,006	\$ 37,858	\$ 38,709	\$ 38,745	\$ 40,594	\$ 38,155	\$ 41,521
5	\$ 40,602	\$ 41,826	\$ 37,858	\$ 39,020	\$ 39,132	\$ 41,253	\$ 38,979	\$ 42,395
6	\$ 41,814	\$ 42,662	\$ 38,615	\$ 39,799	\$ 39,719	\$ 41,946	\$ 39,805	\$ 43,268
7	\$ 43,076	\$ 43,516	\$ 38,615	\$ 40,595	\$ 40,315	\$ 42,640	\$ 40,631	\$ 44,143
8	\$ 44,369	\$ 44,386	\$ 39,387	\$ 40,595	\$ 40,919	\$ 43,350	\$ 41,458	\$ 45,017
9	\$ 45,692	\$ 45,274	\$ 39,387	\$ 41,407	\$ 41,533	\$ 44,061	\$ 42,458	\$ 45,891
10	\$ 47,066	\$ 46,179	\$ 40,175	\$ 42,236	\$ 42,156	\$ 44,806	\$ 43,461	\$ 46,764
11	\$ 48,480	\$ 47,103	\$ 40,175	\$ 42,236	\$ 42,789	\$ 45,552	\$ 44,462	\$ 47,638
12	\$ 49,934	\$ 48,045	\$ 40,979	\$ 43,082	\$ 43,430	\$ 46,297	\$ 45,463	\$ 48,512
13	\$ 51,429	\$ 49,006	\$ 40,979	\$ 43,082	\$ 44,082	\$ 47,077	\$ 46,646	\$ 49,386
14	\$ 52,974	\$ 49,986	\$ 41,799	\$ 43,944	\$ 44,743	\$ 47,857	\$ 47,822	\$ 50,259
15	\$ 54,560	\$ 50,985	\$ 42,635	\$ 43,944	\$ 45,414	\$ 48,637	\$ 47,822	\$ 51,134
16	\$ 56,196	*\$ 50,985	\$ 43,488	\$ 44,824	\$ 46,095	\$ 49,452	\$ 50,181	\$ 52,008
17	\$ 57,883	\$ 52,005	\$ 44,358	\$ 44,824	\$ 46,787	\$ 50,266	\$ 50,181	\$ 52,881
18	\$ 59,619	*\$ 52,005	\$ 45,245	\$ 45,719	\$ 47,489	\$ 50,266	\$ 51,502	\$ 53,755
19	\$ 59,619	\$ 53,045	\$ 46,150	\$ 46,632	\$ 48,201	\$ 51,116	\$ 52,830	\$ 54,629
20	\$ 59,619	*\$ 53,045	\$ 47,073	\$ 48,518	\$ 48,924	\$ 51,116	\$ 52,830	\$ 55,503
21	\$ 59,619	\$ 54,106	\$ 48,014	\$ 49,486	\$ 49,658	\$ 51,116	\$ 52,830	\$ 56,376
22	\$ 59,619	\$ 55,188	\$ 48,974	\$ 50,477	\$ 50,403	\$ 51,948	\$ 54,157	\$ 57,251
23	\$ 59,619	\$ 56,292	\$ 49,953	\$ 50,477	\$ 51,159	\$ 51,948	\$ 54,157	\$ 58,125
24	\$ 59,619	\$ 57,418	\$ 50,592	\$ 50,477	\$ 51,926	\$ 51,948	\$ 56,811	\$ 58,999
25	\$ 59,619	*\$ 57,418	\$ 51,971	\$ 50,477	\$ 52,705	\$ 52,814	\$ 58,135	\$ 59,872
26	\$ 59,619	\$ 58,566		\$ 51,484	\$ 53,496	\$ 52,814		\$ 60,746
27	\$ 59,619	*\$ 58,566		\$ 51,484	\$ 54,298	\$ 52,814		\$ 61,620
28	\$ 59,619	**		\$ 52,513	\$ 55,113	\$ 53,698		\$ 62,494
29	\$ 59,619			\$ 53,565	\$ 55,939	\$ 53,698		\$ 63,368
30	\$ 59,619			\$ 53,565	\$ 56,778	\$ 54,582		\$ 64,242
31				\$ 54,638	\$ 57,630	\$ 54,582		
32				\$ 54,638		\$ 55,501		
33				\$ 55,729		\$ 55,501		
				\$ 56,842		\$ 56,240		
				\$ 57,982		\$ 57,356		
34				\$ 59,140		\$ 58,309		
35						\$ 58,309		
						\$ 59,262		
						\$ 59,262		
36						\$ 60,250		
						+\$ 67,000		
						\$ 71,066		

Source: Peer school divisions' Web sites, 2007.

\*\$589 experience supplement added to base salary for the 2007-08 school year.

\*\*Teachers with 28 or more years of experience receive a 3.25% increase for 2007-08 school year.

+ Teachers on this step remain for five years before moving to the next step.

**EXHIBIT 4-8  
MASTERS DEGREE SALARY SCALE COMPARISON  
2007-08**

STEP/YEARS EXPERIENCE	NORFOLK	CHESAPEAKE REFLECTS \$3200 SUPPLEMENT	GLOUCESTER	HAMPTON REFLECTS \$2,600 SUPPLEMENT	NEWPORT NEWS	PORTSMOUTH REFLECTS \$2,500 SUPPLEMENT	SUFFOLK	VIRGINIA BEACH REFLECTS \$2,500 SUPPLEMENT
0	\$37,986	\$ 41,740	\$ 39,788	\$ 40,600	\$ 39,965	\$ 40,512	\$ 40,300	\$ 40,526
1	\$ 39,036	\$ 42,318	\$ 39,788	\$ 40,768	\$ 40,232	\$ 41,136	\$ 40,300	\$ 41,400
2	\$ 40,117	\$ 42,905	\$ 40,516	\$ 40,992	\$ 40,640	\$ 41,777	\$ 40,300	\$ 42,273
3	\$ 41,228	\$ 43,500	\$ 40,516	\$ 41,309	\$ 41,046	\$ 42,418	\$ 40,501	\$ 43,147
4	\$ 42,380	\$ 44,206	\$ 41,258	\$ 41,309	\$ 41,457	\$ 43,094	\$ 40,855	\$ 44,021
5	\$ 43,561	\$ 45,026	\$ 41,258	\$ 41,620	\$ 41,871	\$ 43,753	\$ 41,679	\$ 44,895
6	\$ 44,773	\$ 45,862	\$ 42,015	\$ 42,399	\$ 42,499	\$ 44,446	\$ 42,505	\$ 45,768
7	\$ 46,036	\$ 46,716	\$ 42,015	\$ 43,195	\$ 43,137	\$ 45,140	\$ 43,331	\$ 46,643
8	\$ 47,329	\$ 47,586	\$ 42,787	\$ 43,195	\$ 43,784	\$ 45,850	\$ 44,158	\$ 47,517
9	\$ 48,652	\$ 48,474	\$ 42,787	\$ 44,007	\$ 44,441	\$ 46,561	\$ 45,158	\$ 48,391
10	\$ 50,025	\$ 49,379	\$ 43,575	\$ 44,836	\$ 45,107	\$ 47,306	\$ 46,161	\$ 49,264
11	\$ 51,439	\$ 50,303	\$ 43,575	\$ 44,836	\$ 45,784	\$ 48,052	\$ 47,162	\$ 50,138
12	\$ 52,894	\$ 51,245	\$ 44,379	\$ 45,682	\$ 46,471	\$ 48,797	\$ 48,163	\$ 51,012
13	\$ 54,388	\$ 52,206	\$ 44,379	\$ 45,682	\$ 47,168	\$ 49,577	\$ 49,346	\$ 51,886
14	\$ 55,934	\$ 53,186	\$ 45,199	\$ 46,544	\$ 47,875	\$ 50,357	\$ 50,522	\$ 52,759
15	\$ 57,519	\$ 54,185	\$ 46,035	\$ 46,544	\$ 48,593	\$ 51,137	\$ 50,522	\$ 53,634
16	\$ 59,156	\$ 54,185	\$ 46,888	\$ 47,424	\$ 49,322	\$ 51,952	\$ 52,881	\$ 54,508
17	\$ 60,842	\$ 55,205	\$ 47,758	\$ 47,424	\$ 50,062	\$ 52,766	\$ 52,881	\$ 55,381
18	\$ 62,667	\$ 55,205	\$ 48,645	\$ 48,319	\$ 50,813	\$ 52,766	\$ 54,202	\$ 56,255
19		\$ 56,245	\$ 49,550	\$ 49,237	\$ 51,575	\$ 53,616	\$ 55,530	\$ 57,129
20		\$ 56,245	\$ 50,473	\$ 51,118	\$ 52,349	\$ 53,616	\$ 55,530	\$ 58,003
21		\$ 57,306	\$ 51,414	\$ 52,086	\$ 53,134	\$ 53,616	\$ 55,530	\$ 58,876
22		\$ 58,388	\$ 52,374	\$ 53,077	\$ 53,931	\$ 54,448	\$ 56,857	\$ 59,751
23		\$ 59,492	\$ 53,353	\$ 53,077	\$ 54,740	\$ 54,448	\$ 56,857	\$ 60,625
24		\$ 60,618	\$ 54,352	\$ 53,077	\$ 55,561	\$ 54,448	\$ 58,184	\$ 61,499
25		\$ 60,618	\$ 55,371	\$ 53,077	\$ 56,394	\$ 55,314	\$ 59,511	\$ 62,372
26		\$ 61,766		\$ 54,084	\$ 57,240	\$ 55,314	\$ 60,835	\$ 63,246
27		\$ 61,766		\$ 54,084	\$ 58,099	\$ 55,314		\$ 64,120
28		3.5% incr.		\$ 55,113	\$ 58,970	\$ 56,198		\$ 64,994
29				\$ 56,165	\$ 59,855	\$ 58,198		\$ 65,868
30				\$ 56,165	\$ 60,753	\$ 57,082		\$ 66,742
31				\$ 57,238	\$ 61,664	\$ 57,082		
32				\$ 57,238		\$ 58,101		
33				\$ 58,329		\$ 58,101		
				\$ 59,442		\$ 58,920		
				\$ 60,582		\$ 59,856		
34 -35				\$ 61,740		\$ 60,809		
						\$ 61,862		
36+						\$ 62,750		
						+\$ 70,100		

Source: Peer school divisions' Web sites, 2007.

+ Teachers on this step remain for five years before moving to the next step.

According to the Virginia Department of Education 2007-08 Salary Survey – Teachers, the statewide actual average teacher salary exceeded the average teacher salary of six of the eight schools in the comparison group. The NPS' actual average salary of \$44,165 in 2006 was \$3,055 below the average for the state. In 2007, the variance was greater, with Norfolk Public Schools falling \$3,786 below the statewide average. The statewide budgeted percentage increase from 2006 to 2007 was 2.99 percent, whereas NPS' budgeted average teacher salary reflects a percentage increase of 0.38. The statewide actual average teacher salary for FY 2006 and FY 2007, and the salary budgeted for FY 2008 are detailed in **Exhibit 4-9**. **Exhibit 4-10** shows how NPS fared against its competitive market in actual average salaries and percentage increases for the last three fiscal years.

**EXHIBIT 4-9  
VIRGINIA DEPARTMENT OF EDUCATION  
STATEWIDE AVERAGE TEACHER SALARIES**

	<b>STATEWIDE</b>
FY 2006 Actual Average Teacher Salary	\$47,220
FY 2007 Actual Average Teacher Salary	\$49,164
Average Percentage Increase FY 2006 to FY 2007	4.12%
Budgeted Percentage Increase FY 2007 to FY 2008	2.99%

Source: Virginia Department of Education, November 2007.

**EXHIBIT 4-10  
ACTUAL AVERAGE TEACHER SALARIES AND PERCENT INCREASES BY  
SCHOOL DIVISION  
2006-07 AND 2007-08**

<b>NAME</b>	<b>FY 2006 ACTUAL AVERAGE TEACHER SALARY</b>	<b>FY 2007 ACTUAL AVERAGE TEACHER SALARY</b>	<b>FY 2006 TO FY 2007 PERCENT INCREASE</b>	<b>FY 2008 BUDGETED AVERAGE TEACHER SALARY</b>	<b>FY 2007 TO FY 2008 PERCENT INCREASE</b>
Chesapeake Public Schools	\$ 49,005	\$ 51,348	4.78%	\$ 51,429	0.16%
Gloucester Public Schools	\$ 42,925	\$ 44,543	3.77%	\$ 46,315	3.98%
Hampton Public Schools	\$ 37,507	\$ 37,594	0.23%	\$ 39,214	4.31%
Newport News Public Schools	\$ 43,812	\$ 44,735	2.11%	\$ 46,688	4.81%
<b>Norfolk Public Schools</b>	<b>\$ 44,165</b>	<b>\$ 45,288</b>	<b>2.54%</b>	<b>\$ 45,459</b>	<b>0.38%</b>
Portsmouth Public Schools	\$ 32,903	\$ 34,924	6.14%	\$ 53,486	53.15%
Suffolk City Schools	\$ 44,844	\$ 47,447	5.81%	\$ 48,225	1.64%
Virginia Beach Public Schools	\$ 47,928	\$ 51,102	6.62%	\$ 53,059	3.83%

Source: Virginia Department of Education, November 2007.

**Exhibit 4-11** shows how NPS compares to its peer school divisions at minimum, five-year, ten-year, 15-year, 20-year, 25-year, and 30-year benchmarks. Six of the other school divisions increased to the first step of the bachelors degree scale by 2 percent to 4.48 percent, increasing the disparity among entry-level salaries between NPS and those school divisions. Only Suffolk experienced a lower percentage increase, yet its starting salary for teachers still exceeded that of NPS by \$2,573.

**EXHIBIT 4-11  
BACHELORS BENCHMARK COMPARISON DATA**

Yrs	Norfolk		Chesapeake		Gloucester		Hampton		Newport News		Portsmouth		Suffolk		Virginia Beach	
	FY07	FY08	FY07	FY08	FY07	FY08	FY07	FY08	FY07	FY08	FY07	FY08	FY07	FY08	FY07	FY08
0	34,680	35,027	37,350	38,540	35,500	36,388	36,700	38,000	35,750	37,350	36,729	37,350	37,300	37,600	37,280	38,026
	1.00%		3.19%		2.50%		3.54%		4.48%		3.49%		0.80%		2.00%	
5	40,200	40,602	40,474	41,826	36,934	37,858	38,269	39,020	37,828	39,132	39,745	41,253	38,689	38,979	41,564	42,395
	1.00%		3.34%		2.50%		1.96%		3.45%		3.80%		0.75%		2.00%	
10	45,420	47,066	44,907	46,179	39,195	40,175	40,612	42,236	40,751	42,158	43,351	44,807	43,137	43,461	45,847	46,764
	3.62%		2.83%		2.50%		4.00%		3.45%		3.36%		0.75%		2.00%	
15	49,440	51,429	49,297	50,985	40,779	42,635	43,100	43,944	43,900	45,414	46,696	48,637	47,822	48,637	50,131	51,134
	4.02%		3.42%		4.55%		1.96%		3.45%		4.16%		(1.68%)		2.00%	
20	50,920	52,974	51,786	53,634	47,073	45,025	47,583	48,518	47,293	48,924	48,585	51,116	51,119	52,830	54,415	55,503
	4.03%		3.57%		4.55%		1.96%		3.45%		5.21%		3.35%		2.00%	
25	57,310	59,619	56,735	58,007	49,713	51,971	49,504	50,477	50,948	52,705	50,544	52,815	56,388	56,811	58,698	59,871
	4.03%		2.24%		4.54%		1.97%		3.45%		4.49%		0.75%		2.00%	
30	56,619	59,029	59,831	59,,813	51,204	n/a	52,537	53,565	54,886	56,778	52,589	54,583	57,702	58,135	62,982	64,242
	1.00%		(0.03%)				1.96%		3.45%		3.79%		0.75%		2.00%	

Source: 2007-08 Salary Schedules for Teachers, Volume I: Benchmarks and Rankings, Virginia Education Association, January 2008.

Likewise, on the master's degree scale, as shown in **Exhibit 4-12**, Norfolk and Suffolk Public Schools both increased the first step by 1 percent, while the percentages ranged from 1.88 percent in Virginia Beach to 4.47 percent in Newport News. At the 15-, 20-, and 25-year benchmark, NPS shows at least a 4 percent increase, which either compares favorably to or exceeds the increases in the other school divisions.

**EXHIBIT 4-12  
MASTERS BENCHMARK COMPARISON DATA  
2006-07 AND 2007-08**

Yrs	Norfolk		Chesapeake		Gloucester		Hampton		Newport News		Portsmouth		Suffolk		Virginia Beach	
	FY07	FY08	FY07	FY08	FY07	FY08	FY07	FY08	FY07	FY08	FY07	FY08	FY07	FY08	FY07	FY08
0	37,610	37,986	40,550	41,740	38,900	39,788	39,300	40,600	38,253	39,965	39,229	40,512	39,900	40,300	39,780	40,526
	1.0%		2.93%		2.28%		3.31%		4.47%		3.27%		1.0%		1.88%	
5	43,130	43,561	43,674	45,026	40,334	41,258	40,869	41,620	40,476	41,871	42,245	43,753	41,289	41,679	44,064	44,895
	1.0%		3.10%		2.29%		1.84%		3.45%		3.57%		0.94%		1.89%	
10	48,170	50,225	48,107	49,379	42,595	43,575	43,212	44,836	43,604	45,107	45,851	47,307	45,737	46,161	48,347	49,264
	3.85%		2.64%		2.30%		3.76%		3.45%		3.17%		0.93%		1.90%	
15	52,370	54,388	52,497	54,185	44,179	46,035	45,700	46,544	46,973	48,593	49,196	51,137	51,237	50,522	52,631	53,634
	3.85%		3.22%		4.20%		1.85%		3.45%		3.95%		(1.40%)		1.91%	
20	53,850	55,934	54,986	56,834	48,425	50,473	50,183	51,118	50,604	52,349	51,085	53,616	53,719	55,530	56,915	58,003
	3.87%		3.36%		4.23%		1.86%		3.45%		4.95%		3.37%		1.91%	
25	60,240	62,667	59,935	61,207	53,113	55,371	52,104	53,077	54,515	56,394	53,044	55,315	58,988	59,511	61,198	62,372
	4.03%		2.12%		4.25%		1.87%		3.45%		4.28%		0.89%		1.92%	
30	62,047	62,667	63,031	63,013	54,706	n/a	55,137	56,165	58,728	60,753	55,089	57,083	60,302	60,835	65,482	66,742
	1.0%		(0.03%)				1.86%		3.45%		3.62%		0.88%		1.92%	

Source: 2007-08 Salary Schedules for Teachers, Volume I: Benchmarks and Rankings, Virginia Education Association, January 2008.

Supplements are paid for advanced degrees earned, as well as for coursework toward their completion. **Exhibit 4-13** displays supplements and stipends paid for National Board Certification for the school divisions chosen for comparison. NPS is competitive at the master's and doctoral degree levels but is behind many of its peers with regard to National Board Certification. Only Suffolk Public Schools offers a lower stipend for this achievement.

**EXHIBIT 4-13  
OTHER SUPPLEMENTS FOR SEMESTER HOURS COMPLETED AND/OR  
ADVANCED DEGREES EARNED  
2007-08**

LOCALITY	BA + 9	BA + 15	BA + 18	BA = 27	MA	MA IN FIELD	MA + 9	MA + 18	MA + 27	MA + 30	MA + 36	MA + 45	MA + 30 APC, CAGS OR ED SPEC	DOC/ PHD	NBC* *
Chesapeake	200		350	500	3,200		3,300	3,400	3,500		3,600	3,700	4,800	6,400	1,550
Gloucester		960			3,400								5,100	6,800	2,400
Hampton		450			1,800	2,600				MA + 800			MA + 1,000	MA + 2,000	2,000
Newport News					7%					MA + 500			MA + 3.5%	MA + 7%	2,500
<b>Norfolk</b>					<b>2,959</b>								<b>4,525</b>	<b>6,242</b>	<b>1,071</b>
Portsmouth		1,000			2,500								5,000	6,000	2,500
Suffolk		1,350			2,700								3,600	4,900	610
Virginia Beach					2,500								3,300	4,100	2,000

Source: 2007-08 Salary Schedules for Teachers, Volume I: Benchmarks and Rankings, Virginia Education Association, January 2008.

\*Advanced Professional Certificate (APC), Certificate of Advanced Studies (CAGS), Education Specialist (Ed. Spec.).

\*\*National Board Certification.

**COMMENDATION 4-J:**

**Norfolk Public Schools is commended for establishing the Teacher Pay Study Committee to recommend salary restructuring in order to make the teacher salary scales competitive.**

**RECOMMENDATION 4-12:**

**Continue to analyze salaries offered to teachers and make adjustments based on available funding.**

Special attention should be given to the beginning steps of both the bachelor's and master's degree scales to compete more favorably with the peer group in attracting new teachers and retaining them through the first three years (when teachers are most likely to leave the division and/or the profession). The NPS should continue to take steps that ensure appropriate compensation to experienced teachers and contribute to the retention of qualified personnel. The Teacher Pay Study Committee has met four times with the Lockton consulting group representative to develop recommendations for salary

restructuring, with a focus on attracting new teachers. Although there are costs associated with adjusting the scale, teacher turnover is costly.

**FISCAL IMPACT**

If the school board approves proposed adjustments to the salary scale, the cost to the school division could be quite significant; however, the fiscal impact cannot be quantified at this time.

**RECOMMENDATION 4-13:**

**Increase the stipend for National Board Certification to a more competitive level.**

With the exception of Suffolk Public Schools, NPS gives the lowest stipend for National Board Certification. The school division pays \$1,071 for National Board Certification, whereas Newport News pays \$2,500, the highest amount. The NPS does provide other support to teachers seeking this certification. In addition to the tuition assistance program that is available to all NPS employees, an academy for National Board Certification is offered through a partnership with Virginia Wesleyan University, which provides teachers with classes and reduced tuition for coursework.

**FISCAL IMPACT**

Currently, seven teachers are National Board Certified. If NPS increases its stipend to the peer median, teachers holding this certification would earn a stipend of \$2,000. This would represent an increase of \$929 over the existing amount, costing the school division an additional \$6,503 annually for individuals already certified. The actual annual increased cost will vary, depending on the number of qualifying teachers.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Increase National Board Certification Stipend	(\$6,503)	(\$6,503)	(\$6,503)	(\$6,503)	(\$6,503)

**4.4.3 Benefits**

School divisions aim to attract and retain competent personnel through a compensation programs that include competitive benefits. The NPS offers a comprehensive benefits package to its employees. For health care and wellness programs, the school division participates in a consortium with the City of Norfolk, Norfolk Housing and Redevelopment Authority, and Norfolk Community Services Board. The division also offers an employee wellness program. The wellness coordinator collaborates with a Wellness Advisory Council composed of teachers and administrative support staff. As a member of the Norfolk Consortium, the division is able to provide additional wellness activities to its employees. In addition, NPS offers a myriad of mandatory and voluntary benefits.



## **FINDING**

With a comprehensive list of options in its benefits program, NPS is competitive with other school divisions. Its participation in the Norfolk Consortium creates a larger employer group for ratings and subsequently affects decisions regarding selected health care carriers, plan development, and better rates for its employees. Likewise, the wellness program is enhanced by additional activities offered through the consortium.

In addition to those benefits mandated by law, such as FICA, Virginia Retirement System (VRS), Virginia Retiree Health Insurance Credit, and group life insurance, the following benefits are afforded to NPS employees according to the division's benefits packet:

- Health insurance – NPS health plans include two levels of Optima Advantage point of service (POS) and an ASI TRICARE supplement (designed for employees who are entitled to TRICARE, the Department of Defense's health benefit program for the military community). Optima POS is a health plan featuring both managed care (in network) and indemnity insurance (out of network) benefit options. This means members have the freedom to choose whether to receive health care in one of two ways. TRICARE consists of TRICARE Prime, a health maintenance organization (HMO); TRICARE Extra, the preferred provider option (PPO); and the TRICARE Standard. The ASI TRICARE supplement pays after TRICARE Standard, Extra, or Prime has paid. The carrier sets rates based on two premium levels, tobacco-free and tobacco user rates. The school division determines the contribution level. Participation is optional.
- Dental insurance – NPS offers dental plans through Dominion Dental Services, Inc. Plan options include a dental HMO, basic PPO, and high PPO. Contribution levels are based on the option selected. Participation is optional.
- Sick leave – Employees receive one sick leave day per month with unlimited accumulation. Three days of personal leave are granted per year and can be converted into sick leave if unused.
- VRS – VRS exists to provide its members and their beneficiaries with benefits at retirement, or upon disability or death (death in service benefits or survivors' benefits). VRS is funded by contributions from employers and members. The member contribution is 5 percent of an employee's creditable compensation and is paid by NPS. Participation in VRS is mandatory.
- Tax-sheltered annuity (TSA) – TSA programs are available to all full-time, contracted employees who can participate in one 403(B) and one 457 plan. The five approved vendors are AIG-VALIC, Fissenger Investments Services, Lincoln Financial Advisors, Metlife Resource, and Tegle, Inc.
- Life insurance – Participation is mandatory, and the employee contribution is paid by NPS. An employee may purchase additional life insurance.
- Sick leave bank – Employees may participate in the sick leave bank by donating one day. A participant may draw from the bank after 30 consecutive

days of leave without pay for absence for the same illness or disability, to an annual maximum of 45 days. All leave credited to the employee must be exhausted prior to going on leave without pay.

- Critical illness insurance – MetLife Critical Illness Insurance (CII) pays a lump-sum benefit payment if a covered employee experiences one of six covered medical conditions - cancer, heart attack, stroke, kidney failure, major organ transplant or coronary artery bypass - according to the plan's definition. This plan is voluntary.
- Long-term disability – This plan is voluntary and helps to replace an employee's income due to sickness or injury of that employee has met a predetermined waiting period that begins at time of disability. The premium is based on the employee's salary level.
- Tuition reimbursement – Tuition assistance is provided to both licensed and classified employees. Licensed/certificated personnel may be reimbursed for the cost of tuition for a total of six semester hours per school year at an amount not to exceed the prevailing rates at Old Dominion University or Norfolk State University. Classified personnel may be reimbursed for the cost of tuition for a total of six semester hours per school year at an amount not to exceed the prevailing rates at Old Dominion University or Norfolk State University for courses in the employee's general field or to improve job skills.
- Group life insurance – Participation is mandatory. The employee share is paid by NPS.
- Flexible spending accounts – The flexible spending account allows the employee to payroll deduct up to \$4,000 on a pre-tax basis per school year for qualifying health and dental care expenditures and up to \$5,000 (\$2,500 for married taxpayers filing separately) per school year for child care expenses.
- Employee assistance program – NPS provides an employee assistance program to promote mental and physical health through confidential, individual help for employees with personal and/or family problems.
- Legal resources – There are two plan levels for legal resources, a basic plan and a comprehensive plan. The plan is voluntary and the employee selects a level based on the services desired.

Offering a comprehensive menu of benefits and giving the employee the opportunity to make individual choices are critical elements in a total compensation and benefits package, as well as valuable assets in competitive recruiting. **Exhibit 4-14** compares benefits among the school divisions in NPS' competitive market. A review of these data shows little variation in the benefits provided by the school divisions.

- All of the peer school divisions offer more than one option for health insurance and contribute to the premium.

- All of the peer school divisions offer sick leave. Five offer personal leave in addition to sick leave, and two incorporate personal leave in the sick leave allocation. NPS provides three personal leave days per year.
- All of the peer divisions allow a carry-over of sick leave, with unlimited accumulation.
- All but one of the school divisions offer a sick leave bank with employee contributions to the bank. Portsmouth Public Schools allows its employees to donate sick leave days to persons who have exhausted their sick leave allowance.
- Only one of the peer school divisions pays the premium for a short-term disability plan, but all have provisions for long-term disability. The long-term disability plan is voluntary and paid in full by the employee in the school divisions that offer a plan. Virginia Beach provides for long-term disability through employee donation of sick leave.

Continued analysis of benefits offered by the peer school divisions will ensure that NPS' offerings remain competitive.

**EXHIBIT 4-14  
COMPARISON OF BENEFITS  
2007-08**

	NORFOLK	CHESAPEAKE	GLOUCESTER	HAMPTON	NEWPORT NEWS	PORTSMOUTH	SUFFOLK	VIRGINIA BEACH
Health Insurance	Two POS plans; employer contribution-single employee premium: Optima A -- \$45.00 Optima Value -- \$18.00 ASI TRICARE Supplement--\$4.00	\$100 annual contribution to health care	Flat dollar amount contribution Anthem BC/BS -- 1 HMO and 1 PPO Single employee rate for HMO -- \$26.62	Anthem HMO and POS HMO -- employer pays 98%, single employee pays \$7.32 POS -- employer pays 95%, single employee pays \$44.96	4 levels: HMO Value -- employee - \$20.00 HMO Standard -- Employee - \$43.33 PPO -- Employee- \$49.38	3 health plans 2 HMOs 1 POS 95% of single for high option HMO	1 HMO 1 traditional plan Employer contribution	Variety of HMOs and traditional plans
Dental Insurance	Non-contributory benefit	Employer pays full cost	Non-contributory benefit	Non-contributory benefit	*2 plans -- range from \$17.78 - \$31.94	Non-contributory benefit	Non-contributory benefit	Non-contributory benefit
Cancer Insurance	Non-contributory plan	Offered at school sites	Non-contributory benefit	Not shown in list of benefits or policy	In-hospital income if not enrolled in health care plan	Cancer insurance -- optional	Cancer insurance -- optional	Not shown in list of benefits or policy
Life Insurance	Employer paid Additional -- non-contributory	Employer paid Additional -- non-contributory	Employer paid Additional -- non-contributory	Employer paid Additional -- non-contributory	Employer paid Additional -- non-contributory	Employer paid Additional -- non-contributory	Employer paid Additional -- non-contributory	Employer paid Choice of VRS or local plan
Sick Leave	1 day per month Bereavement leave sick leave bank Participants donate one day	1 day per month Bereavement leave Sick leave bank Voluntary with participant contribution	1.3 days per month 10 days per year Sick leave bank not listed in policy or benefits	1.3 days per month Can apply sick leave at retirement to health insurance. Sick leave bank -- donate 1 day	1.2 days per month 12 days per year Sick leave bank -- donation of 2 days	10 days advanced Employees may donate up to 5 days each to maximum of 60 days to employee without sick leave	1 day per month Unlimited accumulation Sick leave bank -- donation of 1 day	1 day per month Unlimited accumulation Sick leave banks by employee group - donation of 2 days
Personal Leave	3 days per year	3 days per year	2 days per year	Can use 3 towards sick leave days	Can use 3 towards sick leave days	3 days per year	2 days per year, 1 day per semester	2 days 1 day per semester
Disability Plans	Long-term disability and critical illness insurance -- optional	Income protection plan -- optional	Short-term disability paid by employer Long-term disability is optional	Short-term and long-term plans. Employee pays premium	*Short-term disability Long-term disability -- optional	Optional benefit -- non-contributory	Optional benefit -- non-contributory	Employees may donate leave for long-term illness; maximum of 60 days
Wellness Programs	Various health screenings and preventive programs through Norfolk Consortium	Screenings and programs through health care carrier Discounted rate at Wellness Center	Annual health fair Discounted rate at Riverside Wellness	Discount rate at Wellness Center	Discounted rate at Wellness Center	No information available	Discounted rate at Wellness Center Wellness program	Wellness Program
Retirement	Employer pays full cost for VRS	Employer pays full cost for VRS	Employer pays full cost for VRS	Employer pays full cost for VRS	Employer pays full cost for VRS	Employer pays full cost for VRS	Employer pays full cost for VRS	Choice of VRS or local plan

Source: Information gained from respective peer school divisions' Web sites and follow-up interviews with human resources administrators, 2008.

\*If a Newport News Public Schools employee opts out of health insurance, dental or short-term disability will be provided at no cost to the employee.

**COMMENDATION 4-K:**

**Norfolk Public Schools is commended for participating in the Norfolk Consortium to decrease the cost of delivering insurance benefits to its employees and to implement a comprehensive wellness program, as well as for providing a comprehensive benefits program for its employees.**

**5.0 FACILITY USE AND  
MANAGEMENT**

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## 5.0 FACILITY USE AND MANAGEMENT

This chapter presents the results of the review of the facility use and management functions in Norfolk Public Schools (NPS). The five sections in this chapter are:

- 5.1 Planning Services
- 5.2 Design and Construction
- 5.3 Maintenance
- 5.4 Custodial Services
- 5.5 Energy Management

A comprehensive facilities management program ensures that all the division's facilities are safe and healthy, and enhance the activities which they are housing. The program should accomplish these goals in an efficient and cost effective manner. The division's facility planners and the facility plan should be key elements in the division's strategic plan.

The design of well-planned schools is driven by the needs of the educational programs and accurate demographic studies. The design process should have input from all stakeholders, including administrators, teachers, security specialists, parents, students, and the maintenance and operations staff. The maintenance and operation of the facilities must be accomplished in an efficient and effective manner in order to provide a safe and secure environment that supports the educational program, and efficiently utilizes the school system's resources.

### CHAPTER SUMMARY

The facilities management and use functions are the responsibility of the chief operations officer. Some of the planning functions are the responsibility of strategic evaluation, assessment and support (SEAS), and transportation. The chief operations officer oversees the director of facility services, who is responsible for design and construction, maintenance, custodial services, and energy management. SEAS prepares the enrollment projections and transportation helps with attendance boundaries.

The key commendations reported in this chapter include:

- NPS has developed a comprehensive, long-range facility master plan (**Commendation 5-A**).
- School plant facilities has successfully used the services of a construction manager and controlled construction costs (**Commendation 5-C**).
- School plant facilities has implemented a customer satisfaction survey of the work completed by the maintenance department (**Commendation 5-D**).
- Custodians who perform well are publicly recognized (**Commendation 5-G**).
- NPS is making energy management a major priority (**Commendation 5-H**).

Key recommendations contained in this chapter include:

- Create a capital projects group to oversee the implementation of the facility master plan and the energy performance contract (**Recommendation 5-2**).
- Create another senior coordinator position in school plant facilities to oversee half of the shops (**Recommendation 5-3**).
- Increase maintenance funding by 5 percent annually over the next five years (**Recommendation 5-4**).

### **5.1 Planning Services**

Planning services are those activities which are necessary prior to starting the actual architectural design of a school facility. These services include demographic studies, capacity and utilization analysis, attendance zone studies, land acquisition, and school site permitting.

#### **FINDING**

NPS has developed a comprehensive long-range facilities master plan which is the key element to good facilities planning.

In June of 2006, the division contracted with a consultant to prepare a long-range facilities master plan. The final plan was submitted to the board in September 2007. The plan contained the following elements:

- Educational program analysis.
- Facility assessments including building condition and educational suitability.
- Demographic study including enrollment projections.
- Capacity and utilization analysis of all schools.
- Public input process.
- Recommendations for each school facility.
- Ten-year budget estimates.

The plan is comprehensive and provides the division with a good road map to bring all its facilities up to World-Class standards.

#### **COMMENDATION 5-A:**

**NPS is commended for developing a comprehensive long-range facility master plan.**

#### **FINDING**

SEAS prepares annual enrollment projections using a sound methodology and produces accurate results. The enrollment projections are typically within .5 percent accuracy.



Accurate enrollment projections are a foundation of effective facility planning. Being able to accurately project the future number of students allows planners to determine the amount and kind of space the division will need to appropriately house all students.

The division uses a cohort survival method to project annual enrollment projections. This methodology, which is widely recognized and used, utilizes historic September 30 enrollment figures and determines the survival rate of students as they graduate through the school system. The cohort survival projections are then compared to additional demographic and economic data to determine the most realistic projections. The staff will look at birth and death rates, migration in and out of the division, employment figures, and building permit information.

SEAS asked the consultant preparing the enrollment projections for the Commonwealth, Welden-Cooper Center, to review their methodology and results. The consultant concluded that NPS is using a sound methodology and is producing accurate results.

**Exhibit 5-1** presents the division's enrollment projections for the last five years. As the exhibit shows, the projections are typically within .57 percent accuracy.

**EXHIBIT 5-1  
COMPARISON OF ENROLLMENT PROJECTIONS AND ACTUAL ENROLLMENTS  
2003-07**

SCHOOL YEAR	PROJECTED SEPTEMBER 30 ENROLLMENT	ACTUAL SEPTEMBER 30 ENROLLMENT	NUMERIC DIFFERENCE OF PROJECTED V. ACTUAL ENROLLMENT	PERCENT DIFFERENCE OF PROJECTED V. ACTUAL ENROLLMENT
2003 - 04	34,664	34,715	51	0.15%
2004 - 05	34,284	34,216	(68)	(0.20)%
2005 - 06	34,162	33,835	(327)	(0.96)%
2006 - 07	33,603	33,352	(251)	(0.75)%
2007 - 08	32,794	32,674	(120)	(0.37)%
<b>AVERAGE</b>	<b>33,901</b>	<b>33,758</b>	<b>--</b>	<b>(0.57)%</b>

Source: NPS strategic evaluation, assessment, and support 2008.

**COMMENDATION 5-B:**

**The division is commended for developing accurate annual enrollment projections using sound methodology and multiple sources of accurate data.**

**FINDING**

NPS has not adjusted attendance boundaries on a regular basis. As recommended in the division's facility master plan, the division needs to adjust attendance boundaries to balance the utilization of its schools. The division should develop a process that encourages public comment and is transparent.

NPS has not adjusted attendance boundaries for more than five years. The last time it adjusted boundaries was when it adjusted the middle school attendance zones. The

division may close an elementary school next year and will adjust boundaries as a result. The transportation department will provide an analysis using GIS mapping and demographic analysis will be provided by SEAS. The staff will develop alternative plans and present them to the senior leadership for discussion.

Effective facility planning requires using all facilities to their capacity. Many times the under- or over- utilization of a facility can be solved by changing the attendance boundary and adjusting the student enrollment. However, changing attendance boundaries is not a popular solution for most parents and students, and therefore changes should be carefully studied prior to taking any action.

Many school systems that are experiencing significant growth or changes in their enrollments adjust attendance zones yearly. Whether the changes are made yearly or less frequently, school systems must use an open and transparent process that allows for public participation and builds public trust. A process with these qualities will have the following elements:

- Accurate data analysis by the staff using GIS mapping and accurate enrollment projections.
- The development of multiple alternative scenarios by the staff.
- Public comment on the alternative scenarios. Some districts post the alternatives on their Web site as well as hold public meetings.
- Further analysis by the staff and a recommendation to the board.
- The board holds a public input hearing.
- The board chooses an alternative and then asks the public for final comment prior to voting.

**RECOMMENDATION 5-1:**

**Develop a structured and transparent attendance process and adjust boundaries on a regular basis to balance the utilization of schools.**

The division staff has projected that enrollments will decline until the 2012-13 year and then increase slightly. The master plan consultant projected a decline until 2016-17. In either case, the division will need to adjust attendance zones to maintain the best utilization of its facilities and resources.

Facility planning staff should analyze the need for attendance zone adjustments on an annual basis and take recommendations to the board when action is required.

**FISCAL IMPACT**

This recommendation can be implemented using existing facility planning staff. The implementation will require staff time which will vary depending on the number of scenarios that need to be developed. The board may need to schedule an additional

hearing, depending on the process it adopts. The division could expect to realize savings as a result of this recommendation.

## **5.2 Design and Construction**

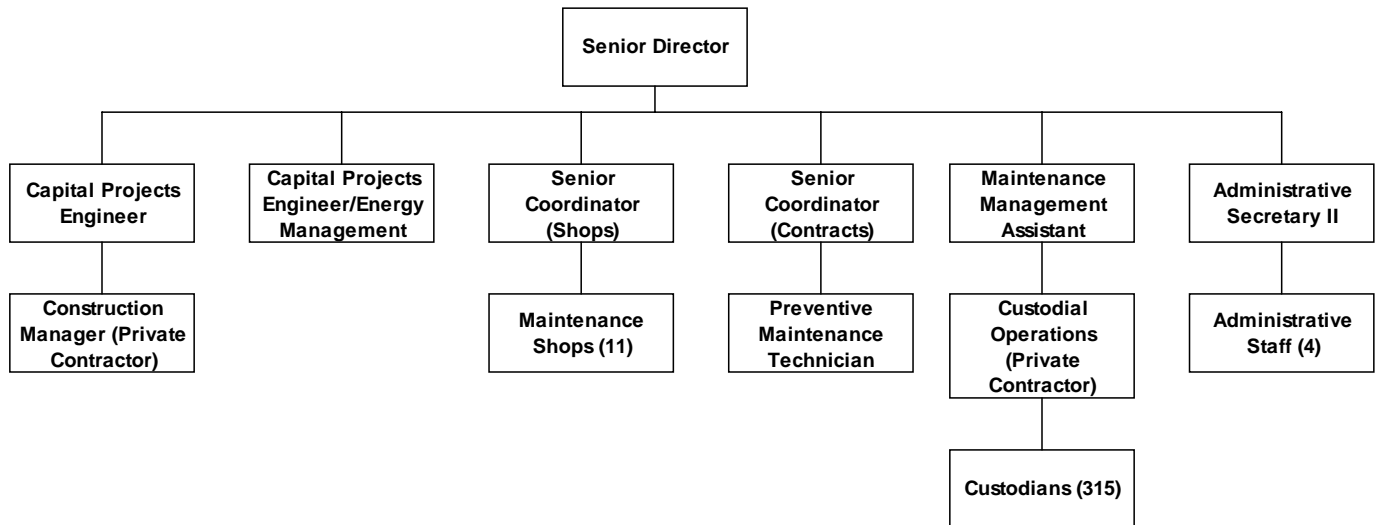
Design and construction of capital projects is currently overseen by the senior director of school plant services. Most major capital improvement projects are the responsibility of the capital projects engineer. NPS utilizes the services of a private construction manager for the major projects.

### **FINDING**

NPS does not currently have the appropriate staff positions organized in an effective way to implement the long-range facility master plan. The facility master plan represents a significant effort in time and resources for the implementation to be successful and have the intended affect of creating World-Class educational facilities.

Currently the facility-related planning functions for the division are spread between the chief operations officer, the director of SEAS, and the director of transportation as described earlier in this chapter. In addition, the school plant facilities department has one capital projects engineer who oversees capital construction with the support of a contract construction manager. **Exhibit 5-2** presents the organizational chart for the school plant facilities department. This organization and staffing is sufficient for the current level of activity. However the division has two major initiatives on the boards, the implementation of the long-range facility master plan which is aimed at creating World-Class facilities, and an energy management performance contract that could save the division significant operational dollars which could be redirected to facilities maintenance.

**EXHIBIT 5-2  
SCHOOL PLANT FACILITIES ORGANIZATIONAL CHART  
2007-08 SCHOOL YEAR**



Source: NPS School Plant Facilities, 2008.

The successful implementation of the long-range facility master plan will require the following efforts and coordination:

- Annual updates of the enrollment projections.
- Attendance zone adjustments coordinated with the enrollment projections and facility improvements.
- The updating of educational specifications for new and renovated schools to ensure the facilities are supporting World-Class standards.
- The establishment of design and construction standards to support sustainable, energy efficient, and World-Class facilities.
- The oversight of the architect and engineering consultants and the design process.
- The oversight of bidding and construction.
- The updating of capacity and utilization figures and master plan recommendations.
- The oversight and updating of project budgets.
- Coordination with a citizen's oversight committee.
- The inclusion of staff and public participation into many of the processes.

- Frequent and comprehensive reports to the board.

The successful implementation of the energy management performance contract would require many of the same coordination and oversight tasks since the contract will include many capital improvement projects. In fact, it would be critical for those capital improvement projects to be coordinated with the master plan projects.

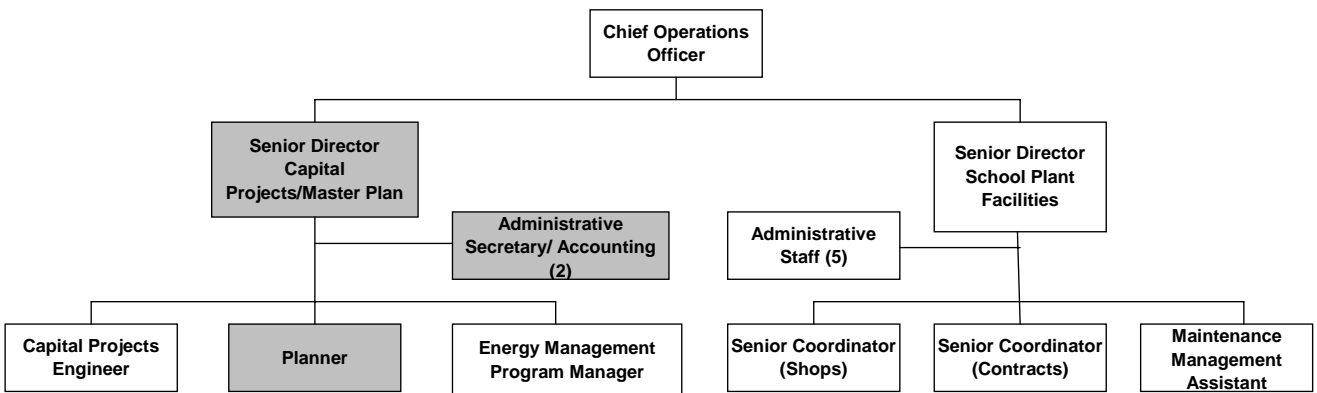
The master plan projects \$840 million worth of projects and needs, the initial performance contract data is projecting a potential \$30 million in savings. These numbers are just too significant not to have dedicated staff overseeing their implementation.

**RECOMMENDATION 5-2:**

**Create a capital projects/master plan group to oversee the implementation of the long-range facilities master plan and the energy management performance contract.**

These two initiatives will require professional staff dedicated to their oversight. **Exhibit 5-3** presents a suggested organization and staffing for this group.

**EXHIBIT 5-3  
PROPOSED CAPITAL PROJECTS/MASTER PLAN GROUP  
ORGANIZATIONAL CHART**



Note: Shaded boxes indicate new positions.

Source: MGT of America, Inc., 2008.

As **Exhibit 5-3** shows, there would be two departments or groups performing facility functions. School plant facilities would continue to oversee maintenance, small capital projects, and custodial services. The new capital projects group would oversee all planning, design, and construction of capital and energy management projects (the energy management performance contract). The responsibilities of the proposed staff would be as shown in **Exhibit 5-4**.

**EXHIBIT 5-4  
PROPOSED CAPITAL PROJECTS/MASTER PLAN GROUP  
STAFF RESPONSIBILITIES**

POSITION	RESPONSIBILITIES
Senior Director	<ul style="list-style-type: none"> <li>■ Administrative oversight.</li> <li>■ Report to chief operations officer.</li> <li>■ Responsible for facility design and oversight of architectural consultants.</li> </ul>
Capital Projects Engineer	<ul style="list-style-type: none"> <li>■ Responsible for construction of all capital projects.</li> <li>■ Oversight of private construction manager(s).</li> </ul>
Energy Management Program Manager	<ul style="list-style-type: none"> <li>■ Responsible for administration of energy management performance contract.</li> <li>■ Oversight of all in-house energy management programs.</li> </ul>
Planner	<ul style="list-style-type: none"> <li>■ Coordinate all planning for capital projects including:                             <ul style="list-style-type: none"> <li>- Enrollment projections.</li> <li>- Attendance zones.</li> <li>- Public input.</li> <li>- Site selection.</li> <li>- Zoning and permitting.</li> </ul> </li> </ul>

Source: MGT of America, Inc., 2008.

The capital projects department/group would work with SEAS, finance, academics, and budget, and would report frequently to the senior administrators and the board.

**FISCAL IMPACT**

The fiscal impact of this recommendation would be the additional salaries resulting from the new positions. The capital projects engineer and the energy management program manager positions could be shifted from school plant facilities. Consequently, the new positions would include:

- Senior director.
- Planner.
- Administrative secretary.
- Account clerk.

These positions would amount to an annual increase of approximately \$254,000 (salary and benefits for senior director = \$99,750, planner = \$73,150, administrative secretary = \$44,260 and account clerk = \$35,960).

Recommendation	2008-09	2009-10	2010-11	2011-12	2012-13
Create Capital Projects Group	(\$254,000)	(\$254,000)	(\$254,000)	(\$254,000)	(\$254,000)

**FINDING**

School plant facilities has successfully utilized the services of a construction manager to contain construction costs and change order rates.

NPS contracts with a private construction manager to oversee major capital improvement projects. Within the last several years, the division has completed two new schools and one major renovation and addition. By contracting with a professional construction manager, the division has been able to keep staff costs down, and complete its major projects at or below the state average for costs per square foot. In addition, the two new construction projects had rates of change orders that were low by industry standards.

**Exhibit 5-5** presents a comparison of elementary school construction costs for NPS and the Commonwealth for 2007. As the exhibit shows NPS has been able to keep the construction costs of its new schools at or lower than the average in the Commonwealth.

**EXHIBIT 5-5  
SCHOOL CONSTRUCTION COSTS  
2006-07**

PROJECT TYPE	2006-07 VIRGINIA AVERAGE \$/SF	NPS AVERAGE \$/SF
Elementary school	\$180.30	\$187.47
High school	\$205.68	\$114.91

Source: NPS, school plant facilities, Virginia Department of Education, 2008.

Costs per square foot and the percentage of change in construction costs from the original contract can be measures of how well a construction project was designed and managed. Poorly designed or managed projects will often have excessive square footage costs and high change order percentages. Change orders can be initiated by the contractor, architect, or school district, and are sometimes necessary. However, change orders should be minimized because changes to a design typically cost more during the construction phase of a project than in the planning stage. According to the Council of Educational Facility Planners International (CEFPI), a reasonable change order budget is three to four percent of the construction budget for new construction. Renovation projects will typically have somewhat higher rates (6 percent to 8 percent) due to the unknown conditions in existing construction.

**Exhibit 5-6** presents the change order history on major projects for NPS for the last several years. As the exhibit shows, NPS has kept change order rates for new construction at a best practice level, and just above an industry average for renovation work.

**EXHIBIT 5-6  
CONSTRUCTION CHANGE ORDER HISTORY  
2006-07**

PROJECT	PROJECT TYPE	BID AWARD AMOUNT	TOTAL CHANGE ORDERS	% CHANGE ORDERS
Coleman Place ES	New construction	\$16,856,710	\$183,767	1.09%
Norview HS	New construction	\$30,821,122	(\$10,073)	(0.03%)
Blair MS	Renovation/addition	\$28,622,556	\$2,630,827	9.19%

Source: NPS School Plant Facilities, 2008.

**COMMENDATION 5-C:**

**School plant facilities have successfully used the services of a construction manager and controlled costs.**

**5.3 Maintenance**

The proper maintenance and custodial/grounds services of facilities is critical to ensuring support for an effective instructional program. Research has shown that appropriate heating and cooling levels, building and room appearances, condition of rest rooms and other facilities, as well as safety concerns, all impact how students and faculty/staff are able to carry out their respective responsibilities. Ineffective or inadequate maintenance and cleaning provisions have proven to lead to increased costs of facility operations by shortening the useful life span of equipment and buildings.

Facilities maintenance is the responsibility of school plant facilities under the leadership of a senior director. (Note: custodial services are also the responsibility of the senior director and will be discussed later in this chapter.) School plant facilities maintain approximately 4.9 million square feet of buildings, with 93 staff and an annual budget of \$17.6 million (this includes custodial services).

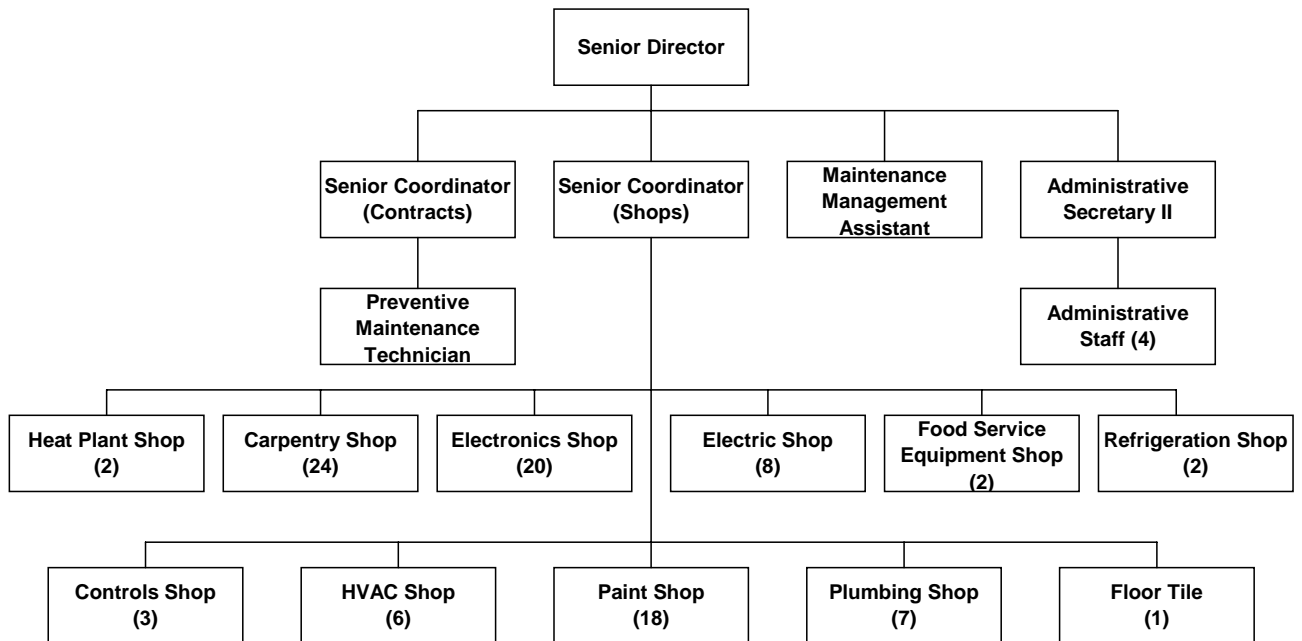
**FINDING**

NPS does not have appropriate supervision of its maintenance shops. The lack of supervision can affect the quality of work, the responsiveness of the staff, and the general morale of the operation.

School plant facilities currently have one senior coordinator who reports directly to the senior director and is responsible for supervising 11 shops and 93 staff. **Exhibit 5-7** presents the organizational chart of the maintenance functions of school plant services.



**EXHIBIT 5-7  
MAINTENANCE ORGANIZATIONAL CHART  
2007-08**



Source: NPS School Plant Facilities, 2008.

The lack of the appropriate supervisor to staff ratio in the maintenance department has negative affects on the quantity and quality of work. The most obvious affect at NPS is the poor morale of the staff. At a maintenance staff focus group, the staff complained of little communication from or with the upper administration. They did not have regular group meetings except for a monthly safety meeting which was cursory. Other staff complaints included:

- No effective communication on a regular basis with the senior coordinator.
- Maintenance vehicles are old and there are not enough of them.
- Insufficient training on new equipment.
- Staff has to use their own cell phones on the job.
- There appears to be a work order bottle neck due to the software.
- No productivity reports.
- There is no staff to keep shops organized.
- Some equipment is lacking, like respirators.
- There is no PM work.

In addition to these staff issues, the maintenance department is lacking an effective work order software program. NPS adopted a program that does not have modules that are needed for a maintenance operation. The division is in the process of developing these modules but currently the department is without an effective management program. They cannot keep an accurate count of their work orders. They cannot produce the report necessary for active management, and they do not have a preventive maintenance program. The department must make a decision as to whether to continue with the current software or buy a new program.

The review team conducted a survey of NPS central administration staff, principals, assistant principals, and teachers on the subject of facilities management. The responses were generally positive, except about half of the teachers responding felt that the school buildings were not a healthy environment and a significant amount of the teachers were negative on the maintenance and cleanliness of the facilities. **Exhibit 5-8** presents the results of this survey.

**EXHIBIT 5-8  
FACILITIES MANAGEMENT SURVEY RESULTS  
2008**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
Our school buildings provide a healthy environment in which to teach.	59/19	58/25	40/41
Our facilities are clean.	81/3	80/8	60/22
Our facilities are well maintained.	55/19	70/16	51/27
Our school buildings and grounds are free of hazards that can cause accidental injury.	60/3	72/18	49/25

Source: MGT of America, Inc., 2008.

<sup>1</sup> Percentage responding *agree* or *strongly agree* / Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

Increased supervision and the proper use of management tools such as performance measures will improve the overall quality and quantity of work for the maintenance department. Highly effective maintenance operations have an appropriate level of supervision for their staff. Supervisors set the standards and expectations for staff, and support the staff to ensure they have the appropriate training, materials, and equipment. They also communicate regularly with the customers (schools) to ensure the staff is meeting the customer's needs, and they create an overall positive "team" environment.

**RECOMMENDATION 5-3:**

**Create an additional senior coordinator position to oversee half of the maintenance shops and report directly to the senior director.**

The new senior coordinator position will have responsibility for approximately half the maintenance shops. The senior director and both senior coordinators should decide as a group how best to divide the shops. Each senior coordinator should report directly to the senior director in order to promote a team approach as opposed to a hierarchy. Each senior coordinator should be assigned responsibility for organization-wide issues that need to have closer attention. These issues include:

- Communication with staff and customers.
- Staff training.
- Performance measures.
- Work order software (PM program, management reports, etc.).

- Shop organization.
- Maintenance equipment and vehicles.

**FISCAL IMPACT**

The fiscal impact of this recommendation will be the increase in salaries as a result of the new senior coordinator position. This increase will amount to approximately \$86,500 (senior coordinator salary and benefits).

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Create a Senior Coordinator Position	(\$86,500)	(\$86,500)	(\$86,500)	(\$86,500)	(\$86,500)

**FINDING**

School plant facilities conducts a customer satisfaction survey on a daily basis. A key element for any service oriented operation is to maintain a good sense of the customer's perception of the quality of service.

The school plant facilities staff sends an e-mail to one school each day to invite the school staff to respond to a survey about the recent work order completed at their school. The school staff are asked to rate the quality of work, the courtesy of the technician, and whether the work was completed in a timely manner. The survey results are compiled monthly and reviewed by the school plant services supervisory staff.

A review of the survey results showed that the responses were positive with most ratings in the good or excellent category. Unfortunately, only about half of the survey requests sent were answered (105 out of 191).

The survey is a good start and should be continued. School plant services should work to increase the response rate (some divisions provide incentives for responding) and should begin analyzing the data in more detail. Potential analyses could look at quality of work by workman, by trade, or at a particular school.

**COMMENDATION 5-D:**

**School plant facilities is commended for conducting a customer satisfaction survey of the work completed by the maintenance department.**

**FINDING**

NPS is spending below the national norm on facilities maintenance. NPS maintains approximately 4.9 million square feet of facilities with an annual maintenance budget of approximately \$17.6 million (including the \$2.5 million capital assets grant from the city).

American School and University Magazine (AS&U) annually surveys school divisions (districts) regarding the amount of funding for maintenance of facilities. **Exhibit 5-9** presents the results of the 36<sup>th</sup> annual survey conducted in 2007 compared to NPS

maintenance funding. As this comparison shows, NPS is funding below these national norms on a square foot basis.

**EXHIBIT 5-9  
COMPARISON OF MAINTENANCE FUNDING  
2007-08**

CATEGORY	AS&U SURVEY	NPS
Maintenance \$ per SF	\$5.09	\$3.21
SF per Maintenance Worker	86,194	58,994

Source: NPS School Plant Facilities, and American School and University Magazine, 36<sup>th</sup> annual Maintenance and Operations Cost Study, 2007.

This comparison shows that NPS is also staffing maintenance at a ratio below the national norm for square feet per worker. This figure, combined with the lower dollars per square foot, leads one to assume that NPS salaries are lower than the norm as well.

Two measurements indicate the effect of this level of spending on maintenance. The long-range facility plan identified over \$800 million of facility needs in the division, much of which is deferred maintenance. The second measurement is the fact that of the \$125 million of need identified in the 2003-07 NPS capital improvements plan, only approximately \$69.6 million was completed due to funding.

The long-range facility plan was prepared by an outside consulting firm. The firm conducted assessments of all the schools in the division. The assessments evaluated the physical condition and the educational suitability of each school. **Exhibit 5-10** presents the average scores that the school facilities received on these assessments. The scores are based on a 100 point scale and represent the percentage of the building that is in good condition. Consequently, a score of 50 indicates that only 50 percent of the building is in good condition. As the exhibit shows, school facilities in NPS are not in good condition and are in need of significant repair and renovation.

**EXHIBIT 5-10  
LONG-RANGE FACILITY PLAN ASSESSMENT SCORES  
2007-08**

<b>SITE TYPE</b>	<b>CAMPUS CONDITION SCORE RANGE</b>		<b>WEIGHTED AVERAGE CONDITION SCORE</b>
Elementary Schools	0.00	100.00	48.64
Middle Schools	7.75	100.00	60.18
High Schools	38.18	100.00	65.73
Ancillary Sites	0.00	57.89	21.76
<b>SITE TYPE</b>	<b>SUITABILITY SCORE RANGE</b>		<b>AVERAGE SUITABILITY SCORE</b>
Elementary Schools	20.10	100.00	69.52
Middle Schools	41.08	95.79	66.16
High Schools	55.36	95.05	73.44
Ancillary Sites	32.69	87.39	58.83

Source: NPS School Plant Facilities, 2007.

Continued underfunding of facilities maintenance will only hinder the division's goal of becoming a World-Class system. A World-Class educational system should have facilities that enhance and support the educational experience, that are inclusive of the community, and are sustainable, energy efficient, and dynamic.

**RECOMMENDATION 5-4:**

**Increase maintenance funding by 5 percent annually over the next five years.**

An increase of maintenance funding by five percent each year will increase the resources of the maintenance program and will fight the effects of inflation, without unreasonably overburdening the budget. This will be a significant increase in the school plant services budget and should be accompanied by performance measures that can show the effectiveness of this increased level of funding. The senior director should create the performance measures in conjunction with the chief operations officer. These measures should include items like:

- Change in customer satisfaction.
- Increase in number of work orders completed.
- Decrease in time to complete work orders.
- Improved training of staff.
- Implementation of preventive maintenance program.
- Completion of equipment inventory.
- Change in staff morale.

**FISCAL IMPACT**

The implementation of this recommendation will result in an increase in spending of approximately \$4.8 million for facilities maintenance over a five-year period. The chart below calculates a 5 percent increase annually.

Year	Budget	5% Increase	New Budget	Cumulative Increased Funding
2008-09	\$17,600,000	\$880,000	\$18,480,000	\$880,000
2009-10	\$18,480,000	\$924,000	\$19,404,000	\$1,804,000
2010-11	\$19,404,000	\$970,200	\$20,374,200	\$2,774,200
2011-12	\$20,374,000	\$1,018,710	\$21,392,710	\$3,792,910
2012-13	\$21,392,710	\$1,069,636	\$22,462,346	\$4,862,546

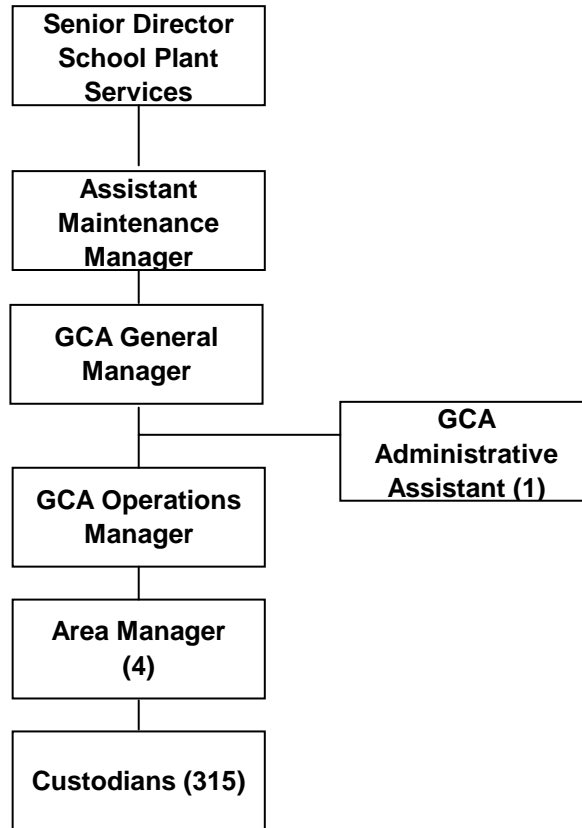
Recommendation	2008-09	2009-10	2010-11	2011-12	2012-13
Increase Maintenance Funding	(\$880,000)	(\$924,000)	(\$970,200)	(\$1,018,710)	(\$1,069,636)

**5.4 Custodial Services**

The responsibility for custodial services is with the senior director of school plant services. Custodial services is responsible for cleaning 5.4 million square feet of facilities with 315 custodians.

The management of custodial services is the responsibility of GCA, a private contractor. GCA is also responsible for supplying all custodial supplies. **Exhibit 5-11** presents the organizational structure of custodial services.

EXHIBIT 5-11  
CUSTODIAL SERVICES ORGANIZATIONAL CHART  
2007-08



Source: NPS School Plant Facilities, 2008.

GCA is responsible for administering the custodial services and for providing training, supervision, and assisting with custodial evaluations. Two of the area managers are NPS employees and two are GCA employees. The area managers supervise and support about one quarter of the schools each. All custodians are NPS employees.

**FINDING**

NPS does not know if it is less expensive to provide custodial services administration with private or in-house personnel.

The contract for custodial administration services and for providing custodial supplies is in excess of \$1 million annually. As shown in **Exhibit 5-11**, there are three administrators (one NPS, and two GCA) overseeing custodial services in addition to the four area managers. Both of these facts beg the question, is the division saving money?

NPS tried to compare the in-house costs with the contractor costs in 2005. Unfortunately, the data supplied to the chief financial officer by school plant facilities made the comparison unachievable. It is not clear why comparable data was not produced.

A review of the GCA procedures and customer satisfaction surveys indicate that the operation is a successful one. The area managers perform thorough inspections of each school using a detailed evaluation form. Each school receives a score and has 24 hours to improve an unsatisfactory score.

Custodians receive training when they are hired and on a regular basis. Training subjects include:

- Risk management.
- Principles of leadership.
- IPM training.
- Business professionalism.
- Motivating employees.
- Interviewing skills.
- Wood floor care.
- Coaching and counseling.
- Planning and organizing.
- Method of the week.

As **Exhibit 5-7** documented, the majority of staff surveyed by the review team found the schools to be clean.

While improvements can always be made, it appears the operation of custodial services is positive. The unanswered question is, does outsourcing save the division money?

**RECOMMENDATION 5-5:**

**Conduct a study comparing the in-house costs to the outsourcing costs for administering the custodial services.**

There should be no reason why the division cannot complete an accurate cost comparison study. The chief financial officer should oversee the study.

**FISCAL IMPACT**

This recommendation can be implemented with about 20 hours of financial services staff time and the results could reap cost savings in the long-term. (See **Exhibit 6-12** in **Chapter 6.0** for suggested screening criteria for identifying outsourcing opportunities.)

**FINDING**

The division is staffing custodial services at or near a best practice level.

The custodial staffing formula for the division is very close to MGT's best practice (within 3 percent) of one custodian for every 20,000 SF plus .5 FTE, .75 FTE, and 1.0 FTE position at the elementary schools, middle schools, and high schools respectively. This best practice standard has been established by reviewing staffing levels and cleaning standards at school districts across the country for the last twenty years. **Exhibit 5-12** presents a comparison of NPS custodial staffing levels at the school sites with this best practice.



**EXHIBIT 5-12  
COMPARISON OF NPS CUSTODIAL STAFFING TO BEST PRACTICE  
2007-08**

SCHOOL NAME	PERMANENT GROSS SQUARE FEET	PORTABLE GROSS SQUARE FEET	TOTAL GROSS SQUARE FEET	CURRENT CUSTODIAL POSITIONS (FTE)	SQUARE FEET PER CUSTODIAL	BEST PRACTICE (GSF/20,000)	OVER (UNDER) BEST PRACTICE
<b>Elementary School</b>							
Bayview ES	83,095	0	83,095	5.0	16,619	4.5	0.5
Calcott ES	65,100	1,775	66,875	4.0	16,719	4.0	0.0
Camp Allen ES	69,200	0	69,200	5.0	13,840	4.0	1.0
Campostella ES	95,970	0	95,970	6.0	15,995	5.5	0.5
Chesterfield Academy	58,750	10,135	68,885	4.0	17,221	4.0	0.0
Coleman Place ES	96,818	0	96,818	5.0	19,364	5.5	(0.5)
Crossroads ES	49,150	3,391	52,541	4.0	13,135	3.0	1.0
Dreamkeepers @ J.J. Roberts	40,355	3,264	43,619	3.0	14,540	2.5	0.5
Fairlawn ES	42,600	8,778	51,378	3.0	17,126	3.0	0.0
Ghent ES_MS	60,800	2,736	63,536	5.0	12,707	3.5	1.5
Granby ES	82,081	2,324	84,405	5.0	16,881	4.5	0.5
Ingleside ES	58,500	0	58,500	4.0	14,625	3.5	0.5
Jacox ES	79,200	3,552	82,752	5.0	16,550	4.5	0.5
Larchmont ES	47,300	0	47,300	4.0	11,825	3.0	1.0
Larrymore ES	63,900	0	63,900	4.0	15,975	3.5	0.5
Lindenwood ES	54,900	2,588	57,488	4.0	14,372	3.5	0.5
Little Creek ES	101,395	7,807	109,202	6.0	18,200	6.0	0.0
Monroe ES	64,000	0	64,000	5.0	12,800	3.5	1.5
Norview ES	57,640	13,246	70,886	4.0	17,721	4.0	0.0
Oakwood ES	40,000	673	40,673	3.0	13,558	2.5	0.5
Ocean View ES	56,150	1,600	57,750	5.0	11,550	3.5	1.5
Oceanair ES	56,500	7,009	63,509	4.0	15,877	3.5	0.5

**EXHIBIT 5-12 (Continued)  
COMPARISON OF NPS CUSTODIAL STAFFING TO BEST PRACTICE  
2007-08**

SCHOOL NAME	PERMANENT GROSS SQUARE FEET	PORTABLE GROSS SQUARE FEET	TOTAL GROSS SQUARE FEET	CURRENT CUSTODIAL POSITIONS (FTE)	SQUARE FEET PER CUSTODIAL	BEST PRACTICE (GSF/20,000)	OVER (UNDER) BEST PRACTICE
<b>Elementary School</b>							
P.B. Young Sr. ES	55,325	2,640	57,965	4.0	14,491	3.5	0.5
Poplar Halls ES	44,400	0	44,400	3.0	14,800	2.5	0.5
Richard Bowling ES	54,325	1,585	55,910	4.0	13,977	3.5	0.5
Sewells Point ES	60,260	5,216	65,476	4.0	16,369	4.0	0.0
Sherwood Forest ES	66,340	3,648	69,988	5.0	13,998	4.0	1.0
St. Helena ES	36,047	2,712	38,759	3.0	12,920	2.5	0.5
Suburban Park ES	61,980	912	62,892	4.0	15,723	3.5	0.5
Tanners Creek ES	83,000	0	83,000	6.0	13,833	4.5	1.5
Tarrallton ES	46,300	1,763	48,063	3.0	16,021	3.0	0.0
Taylor ES	54,786	0	54,786	4.0	13,697	3.0	1.0
Tidewater Park ES	39,675	5,523	45,198	3.0	15,066	3.0	0.0
Willard ES	80,925	0	80,925	5.0	16,185	4.5	0.5
Willoughby ES	58,400	0	58,400	3.0	19,467	3.5	(0.5)
<b>Total</b>	<b>2,165,167</b>	<b>92,874</b>	<b>2,258,041</b>	<b>148.0</b>	<b>15,257</b>	<b>130.0</b>	<b>18.0</b>

**EXHIBIT 5-12 (Continued)  
COMPARISON OF NPS CUSTODIAL STAFFING TO BEST PRACTICE  
2007-08**

SCHOOL NAME	PERMANENT GROSS SQUARE FEET	PORTABLE GROSS SQUARE FEET	TOTAL GROSS SQUARE FEET	CURRENT CUSTODIAL POSITIONS (FTE)	SQUARE FEET PER CUSTODIAL	BEST PRACTICE (GSF/20,000)	OVER (UNDER) BEST PRACTICE
<b>Middle School</b>							
Azalea MS	120,374	2,687	123,061	6.0	20,510	7.0	(1.0)
Blair MS	241,597	0	241,597	12.0	20,133	13.0	(1.0)
Lafayette-Winona MS	140,000	7,296	147,296	8.0	18,412	8.0	0.0
Lake Taylor MS	118,000	5,280	123,280	7.0	17,611	7.0	0.0
Northside MS	122,675	8,686	131,361	7.0	18,766	7.5	(0.5)
Norview MS	152,000	0	152,000	9.0	16,889	8.5	0.5
Rosemont MS	126,028	0	126,028	6.0	21,005	7.0	(1.0)
Ruffner MS	146,000	0	146,000	9.0	16,222	8.0	1.0
School of International Studies at Meadowbrook	48,029	0	48,029	3.0	16,010	3.0	0.0
<b>Total</b>	<b>1,214,703</b>	<b>23,948</b>	<b>1,238,651</b>	<b>67.0</b>	<b>18,487</b>	<b>69.0</b>	<b>(2.0)</b>
<b>High School</b>							
B.T. Washington HS	265,000	0	265,000	14.0	18,929	14.5	(0.5)
Granby HS	292,294	0	292,294	13.0	22,484	15.5	(2.5)
Lake Taylor HS	261,000	1,775	262,775	12.0	21,898	14.0	(2.0)
Maury HS	265,000	0	265,000	14.0	18,929	14.5	(0.5)
Norview HS	295,000	0	295,000	13.0	22,692	16.0	(3.0)
<b>Total</b>	<b>1,378,294</b>	<b>1,775</b>	<b>1,380,069</b>	<b>66.0</b>	<b>20,910</b>	<b>74.5</b>	<b>(8.5)</b>
<b>Division Total</b>	<b>4,758,164</b>	<b>118,597</b>	<b>4,876,761</b>	<b>281</b>	<b>17,355</b>	<b>273.5</b>	<b>7.5</b>

Source: NPS School Plant Facilities, MGT of America, Inc. 2008.

**COMMENDATION 5-E:**

**The division is staffing custodial services at a best practice level.**

**FINDING**

NPS is budgeting below a best practice level for custodial cleaning supplies.

**Exhibit 5-13** presents an analysis of cleaning supply costs per square foot of facility at the division's schools. The exhibit shows that costs vary from \$0.02 to \$0.06 per square foot.

In previous reviews, the review team has seen costs range from \$0.02 to \$0.20 per square foot. A best practice can vary depending on local costs and conditions but usually ranges between \$0.05 and \$0.09 per square foot.

These funding levels are low by comparison and should be monitored by the assistant maintenance manager to ensure they are sufficient. The assistant maintenance manager should report the results of his monitoring to the senior director at the end of three months.

**EXHIBIT 5-13  
ANALYSIS OF CLEANING SUPPLIES PER SF  
2007-08**

SCHOOL NAME	PERMANENT GROSS SQUARE FEET	PORTABLE GROSS SQUARE FEET	TOTAL GROSS SQUARE FEET	CUSTODIAL SUPPLY DOLLARS	DOLLARS PER SQUARE FOOT
<b>Elementary School</b>					
Bayview ES	83,095	0	83,095	\$3,847	\$0.05
Calcott ES	65,100	1,775	66,875	\$2,465	\$0.04
Camp Allen ES	69,200	0	69,200	\$2,994	\$0.04
Campostella ES	95,970	0	95,970	\$3,258	\$0.03
Chesterfield Academy	58,750	10,135	68,885	\$2,559	\$0.04
Coleman Place ES	96,818	0	96,818	\$4,166	\$0.04
Crossroads ES	49,150	3,391	52,541	\$2,919	\$0.06
Dreamkeepers @ J.J. Roberts	40,355	3,264	43,619	\$2,220	\$0.05
Fairlawn ES	42,600	8,778	51,378	\$2,480	\$0.05
Ghent ES_MS	60,800	2,736	63,536	\$2,899	\$0.05
Granby ES	82,081	2,324	84,405	\$3,004	\$0.04
Ingleside ES	58,500	0	58,500	\$2,355	\$0.04
Jacox ES	79,200	3,552	82,752	\$3,293	\$0.04
Larchmont ES	47,300	0	47,300	\$2,719	\$0.06
Larrymore ES	63,900	0	63,900	\$2,555	\$0.04
Lindenwood ES	54,900	2,588	57,488	\$2,205	\$0.04
Little Creek ES	101,395	7,807	109,202	\$1,661	\$0.02
Monroe ES	64,000	0	64,000	\$2,085	\$0.03
Norview ES	57,640	13,246	70,886	\$2,395	\$0.03
Oakwood ES	40,000	673	40,673	\$1,367	\$0.03
Ocean View ES	56,150	1,600	57,750	\$2,804	\$0.05
Oceanair ES	56,500	7,009	63,509	\$2,664	\$0.04
P.B. Young Sr. ES	55,325	2,640	57,965	\$2,016	\$0.03
Poplar Halls ES	44,400	0	44,400	\$1,686	\$0.04
Richard Bowling ES	54,325	1,585	55,910	\$2,360	\$0.04
Sewells Point ES	60,260	5,216	65,476	\$2,994	\$0.05
Sherwood Forest ES	66,340	3,648	69,988	\$3,298	\$0.05
St. Helena ES	36,047	2,712	38,759	\$1,442	\$0.04
Suburban Park ES	61,980	912	62,892	\$2,614	\$0.04
Tanners Creek ES	83,000	0	83,000	\$3,193	\$0.04
Tarralton ES	46,300	1,763	48,063	\$2,110	\$0.04
Taylor ES	54,786	0	54,786	\$2,165	\$0.04
Tidewater Park ES	39,675	5,523	45,198	\$1,811	\$0.04
Willard ES	80,925	0	80,925	\$2,580	\$0.03
Willoughby ES	58,400	0	58,400	\$1,382	\$0.02
<b>Total</b>	<b>2,165,167</b>	<b>92,874</b>	<b>2,258,041</b>	<b>\$88,565</b>	<b>\$0.04</b>

**EXHIBT 5-13 (Continued)  
ANALYSIS OF CLEANING SUPPLIES PER SF  
2007-08**

SCHOOL NAME	PERMANENT GROSS SQUARE FEET	PORTABLE GROSS SQUARE FEET	TOTAL GROSS SQUARE FEET	CUSTODIAL SUPPLY DOLLARS	DOLLARS PER SQUARE FOOT
<b>Middle School</b>					
Azalea MS	120,374	2,687	123,061	\$4,061	\$0.03
Blair MS	241,597	0	241,597	\$4,630	\$0.02
Lafayette-Winona MS	140,000	7,296	147,296	\$4,131	\$0.03
Lake Taylor MS	118,000	5,280	123,280	\$4,041	\$0.03
Northside MS	122,675	8,686	131,361	\$4,994	\$0.04
Norview MS	152,000	0	152,000	\$4,835	\$0.03
Rosemont MS	126,028	0	126,028	\$2,964	\$0.02
Ruffner MS	146,000	0	146,000	\$4,001	\$0.03
School of International Studies at Meadowbrook	48,029	0	48,029	\$1,477	\$0.03
<b>Total</b>	<b>1,214,703</b>	<b>23,948</b>	<b>1,238,651</b>	<b>\$35,135</b>	<b>\$0.03</b>
<b>High School</b>					
B.T. Washington HS	265,000	0	265,000	\$6,870	\$0.03
Granby HS	292,294	0	292,294	\$10,777	\$0.04
Lake Taylor HS	261,000	1,775	262,775	\$7,414	\$0.03
Maury HS	265,000	0	265,000	\$9,864	\$0.04
Norview HS	295,000	0	295,000	\$8,612	\$0.03
<b>Total</b>	<b>1,378,294</b>	<b>1,775</b>	<b>1,380,069</b>	<b>\$43,537</b>	<b>\$0.03</b>
<b>Division Total</b>	<b>4,758,164</b>	<b>118,597</b>	<b>4,876,761</b>	<b>\$167,237</b>	<b>\$0.03</b>

Source: NPS School Plant Facilities, MGT of America, Inc., 2008.

**COMMENDATION 5-F:**

**NPS is commended for funding custodial cleaning supplies in excess of a best practice level.**

**FINDING**

Custodial services recognizes custodians who perform the best each month.

The area managers conduct regular inspections of the schools and evaluate the performance of the custodians. Each school receives a numerical score on a 100 point scale. The elementary, middle, and high schools with the highest scores each month receive a plaque recognizing their achievement. Every quarter, the custodians from the schools that have received awards are recognized at a banquet.

This type of employee recognition is a very positive approach and encourages a high level of performance.

**COMMENDATION 5-G:**

**Custodians who perform well are publicly recognized.**

**5.5 Energy Management**

School systems have established numerous and varied policies, procedures, and methods for increasing efficiencies in energy consumption and reducing operating costs. Policies typically describe the board's specific desire to ensure that maximum resources are available for instructional purposes.

Procedures generally prescribe a range of measures and activities to be implemented and a specific means for computing the results. Some boards develop incentive systems to reward employees for actions or recommendations that have resulted in substantial savings.

Energy management methods range from sophisticated, centralized, computer controls for HVAC systems to simple manual procedures for turning thermostats down and lights off during periods of minimal building utilization.

**FINDING**

NPS is about to embark on a comprehensive energy management program.

Until recently, the division has instituted a variety of energy management measures, but none in a comprehensive way with measurable results. Some of these measures include:

- Energy education program.
- HVAC computer controlled systems at 12 schools.
- Partial replacement of energy inefficient lights.
- Partial installation of motion sensors.
- Review of utility bills.

The division has realized some savings as documented by the drop in energy costs from \$1.30 per SF in 2005 to \$1.265 per SF in 2006.

In an effort to consolidate these efforts, and make energy management a major priority, the division is about to enter into a performance contract. The contract will accomplish energy efficient improvements such as:

- Energy efficient lighting.
- Geothermal systems.
- Water conservation.
- HVAC control systems.
- HVAC upgrades.
- Computer power management.
- Utility rate optimization.

The energy performance contract is expected to produce approximately \$5.1 million in average annual savings or \$31 million over a 12 year period.

**COMMENDATION 5-H:**

**NPS is commended for making energy management a major priority.**

The review team realizes that the division has not implemented the performance contract as of the date of this report. However, MGT believes the division has every intention of following through on this critical action.

The implementation and administration of this performance contract are discussed in **Recommendation 5-2.**



## **6.0 *TRANSPORTATION***

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## 6.0 TRANSPORTATION

This chapter presents findings, commendations, and recommendations relating to the transportation function in Norfolk Public Schools (NPS). The four major sections of this chapter are as follows:

- 6.1 Organization and Performance
- 6.2 Planning, Policies, and Procedures
- 6.3 Routing and Scheduling
- 6.4 Vehicle Maintenance

### CHAPTER SUMMARY

Overall, the NPS Transportation Department provides effective and efficient student transportation services. The department is in compliance with most Virginia Department of Education (VDOE) policies and procedures. It does an effective job of training drivers, maintaining buses, maintaining its commercial fleet, and transporting students; however, MGT found some areas that could be improved. Making the recommended improvements outlined in this chapter should increase the operational efficiency and effectiveness of the transportation department.

In the 2006-07 school year, the school division was responsible for providing transportation to approximately 19,000 students nested in 56 NPS schools. The transportation department also provides transportation for school-related field trips, sporting events, and other activities. In addition to regular bus routes, the department runs special education routes for students with disabilities, transporting these students both between home and school and to special program sites located throughout the area.

Notable accomplishments of the NPS Transportation Department include the following:

- Norfolk Public Schools is commended for cultivating a high level of morale in the transportation department and retaining a stable crew of bus drivers (**Commendation 6-C**).
- The NPS process for selecting private transportation vendors is exceptionally rigorous and promotes the highest quality service (**Commendation 6-D**).
- The mechanics of the NPS Transportation Department are commended for the outstanding service they provide in maintaining the fleet (**Commendation 6-E**).

MGT found that the division could improve in the areas of special education transportation planning and computer-based bus routing, among others. Key recommendations include the following:

- Implement an ongoing, formal process for monitoring the efficiency of exclusive transportation routes to maximize efficiency (**Recommendation 6-6**).

- Develop and implement a formal bus replacement policy based on industry standards (**Recommendation 6-7**).

**FINDING**

MGT conducted a survey of NPS administrators, principals/assistant principals, and teachers as part of this efficiency review. These staff members were asked to assess the quality of the transportation function within NPS. As is shown in **Exhibit 6-1**, only 11 percent of administrators, 22 percent of principals, and 25 percent of teachers stated that the transportation function *needs some improvement* or *needs major improvement*. Conversely, 79 percent of NPS administrators, 77 percent of principals, and 50 percent of teachers stated that NPS transportation services were *adequate* or *outstanding*. In comparison with their counterparts in over 100 other school divisions reviewed by MGT, NPS staff have a more favorable view of transportation quality overall.

**EXHIBIT 6-1  
COMPARISON OF SURVEY RESPONSES  
NORFOLK PUBLIC SCHOOLS AND OTHER DIVISIONS  
TRANSPORTATION FUNCTIONS**

RESPONDENT GROUP	PERCENT INDICATING <i>NEEDS SOME OR MAJOR IMPROVEMENT</i>		PERCENT INDICATING <i>ADEQUATE OR OUTSTANDING</i>	
	NPS	OTHER SCHOOL DIVISIONS	NPS	OTHER SCHOOL DIVISIONS
Administrators	11%	21%	79%	65%
Principals	22%	43%	77%	54%
Teachers	25%	32%	50%	46%

Source: MGT Survey, 2008.

**Exhibit 6-2** provides additional survey responses regarding NPS transportation services. These questions reflect five critical areas of transportation operations: (1) timeliness, (2) special bus use requests, (3) bus discipline levels, (4) bus cleanliness, and (5) bus safety. As shown, NPS staff generally approve of the services provided in these areas. One exception is staff responses to the question regarding the quality of student discipline on NPS buses.

**EXHIBIT 6-2  
COMPARISON OF SURVEY RESPONSES WITHIN NORFOLK PUBLIC SCHOOLS  
TRANSPORTATION FUNCTIONS**

STATEMENT	(%A + SA) / (%D + SD)*		
	CENTRAL OFFICE ADMINISTRATORS	PRINCIPALS/ ASSISTANT PRINCIPALS	TEACHERS
Students are often late arriving at or departing from school because the buses do not arrive at school on time.	5/54	18/70	23/56
The division has a simple method of requesting buses for special events and trips.	57/5	80/12	46/16
Bus drivers maintain adequate discipline on the buses.	44/5	64/19	30/12
Buses are clean.	55/0	80/2	44/2
Buses arrive early enough for students to eat breakfast at school.	48/3	72/19	52/17
Buses are safe.	62/0	77/7	41/9

Source: MGT Survey, 2008.

\*Percentage responding *Agree* or *Strongly Agree*/Percentage responding *Disagree* or *Strongly Disagree*. The *Neutral* and *Don't Know* responses have been omitted.

In addition to conducting the survey, MGT consultants interviewed many NPS staff and transportation stakeholders on overall transportation quality issues. Without exception, comments regarding transportation services were positive. Further, the morale of transportation staff was observed to be exceptional.

**COMMENDATION 6-A:**

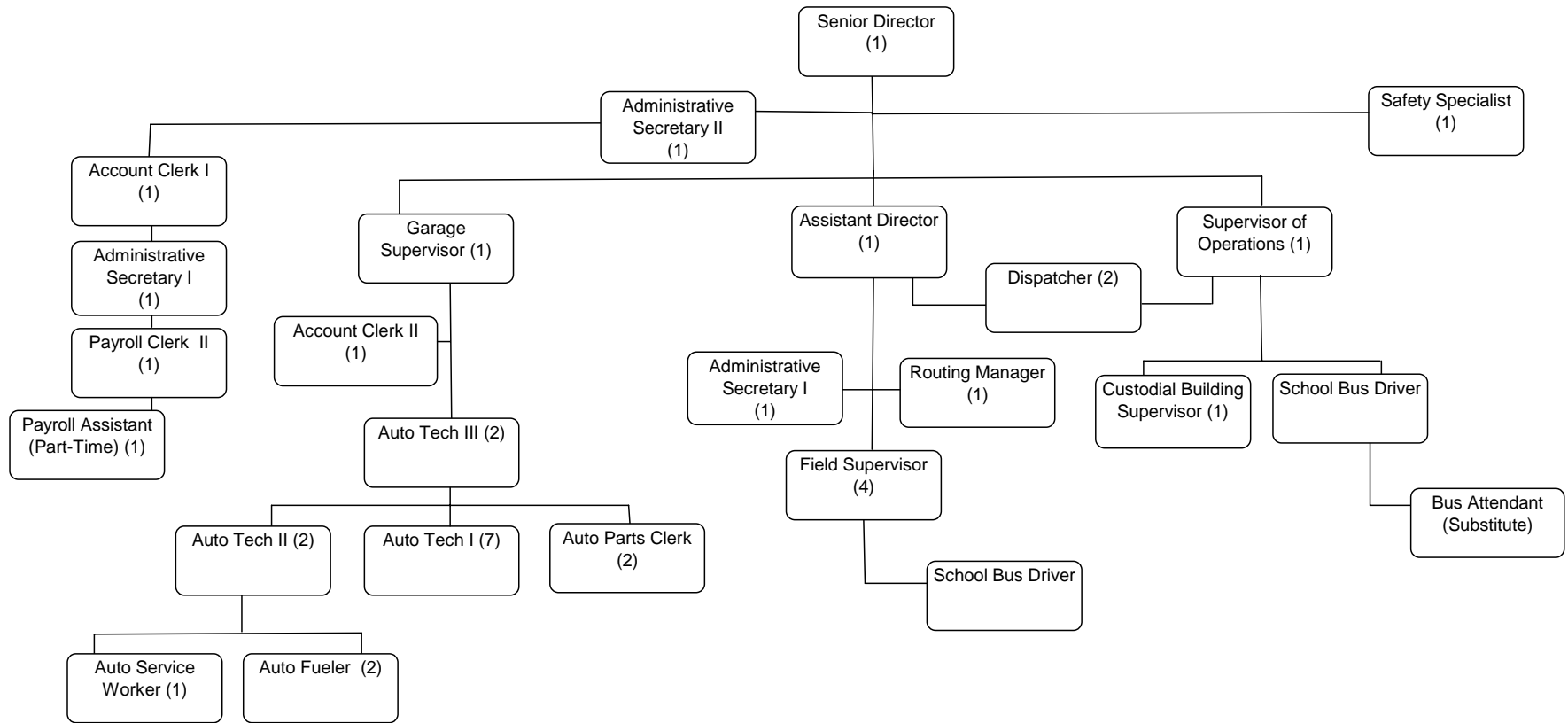
**Staff in Norfolk Public Schools approve of the quality of service provided by the transportation department.**

**6.1 Organization and Performance**

The organizational structure and staffing of a transportation department is critical to maintaining effective and efficient operations in this essential area. Departments that are able to balance efficiency and quality are succeeding in one of the most challenging areas of school division operations.

**Exhibit 6-3** shows the organizational structure of the NPS Transportation Department.

**EXHIBIT 6-3  
ORGANIZATIONAL STRUCTURE – TRANSPORTATION DEPARTMENT  
NORFOLK PUBLIC SCHOOLS  
2005-06 SCHOOL YEAR**



Source: NPS Transportation Department, 2008.

**FINDING**

The major goal of transportation departments should be to deliver their services efficiently, effectively, and safely. Greater efficiencies will potentially return dollars to the classroom, and greater effectiveness will lead to better transportation services. An efficient and effective transportation department will directly support the achievement of division goals.

The most recent data available from VDOE were for the 2005-06 school year. These data were used to compare the performance of the NPS Transportation Department to that of four selected peer school divisions. **Exhibit 6-4** compares the total number of students transported in each division for the 2003-04, 2004-05, and 2005-06 school years. As shown, each year NPS transported more students than the comparison average.

**EXHIBIT 6-4  
STUDENTS TRANSPORTED ANNUALLY  
NORFOLK PUBLIC SCHOOLS AND PEER SCHOOL DIVISIONS  
2003-04 THROUGH 2005-06 SCHOOL YEARS**

SCHOOL DIVISION	2003-04	2004-05	2005-06
<b>Norfolk</b>	<b>19,702</b>	<b>18,844</b>	<b>18,388</b>
Newport News	29,219	29,884	28,709
Hampton	13,485	21,123	14,518
Roanoke	9,770	8,644	8,458
Portsmouth	8,972	10,557	10,269
<b>PEER DIVISION AVERAGE</b>	<b>16,230</b>	<b>17,810</b>	<b>16,068</b>

Source: Virginia Department of Education, 2008.

MGT reviewed annual transportation expenditures to compare the cost associated with student transportation in each of the school divisions. **Exhibit 6-5** shows yearly transportation costs for NPS and the peer divisions. NPS spent \$11,555,490 for transportation in 2003-04; \$12,642,650 in 2004-05; and \$10,560,185 in 2005-06. In comparison, the peer school division average cost was \$8,554,862 for 2003-04; \$9,616,851 for 2004-05; and \$9,790,169 for 2005-06.

**EXHIBIT 6-5  
ANNUAL TRANSPORTATION COSTS  
NORFOLK PUBLIC SCHOOLS AND PEER SCHOOL DIVISIONS  
2003-04 THROUGH 2005-06 SCHOOL YEARS**

SCHOOL DIVISION	2003-04	2004-05	2005-06
<b>Norfolk City</b>	<b>\$11,555,490</b>	<b>\$12,642,650</b>	<b>\$10,560,185</b>
Newport News City	\$13,092,586	\$15,175,629	\$17,312,407
Hampton City	\$7,710,534	\$9,190,494	\$9,344,817
Roanoke City	\$5,465,669	\$5,956,983	\$6,717,808
Portsmouth City	\$4,950,031	\$5,118,498	\$5,015,625
<b>PEER DIVISION AVERAGE</b>	<b>\$8,554,862</b>	<b>\$9,616,851</b>	<b>\$9,790,169</b>

Source: Virginia Department of Education, 2008.

**Exhibit 6-6** provides comparisons of regular students, and **Exhibit 6-7** provides comparisons of exclusive (special education) students transported in NPS and the peer school divisions. In 2003-04, NPS transported a total of 19,702 students, of whom 18,251 were regular students and 1,451 (approximately 7%) were exclusive students. In 2004-05, NPS transported 17,346 regular students and 1,498 exclusive students (8%). In 2005-06, NPS transported 16,922 regular students and 1,466 exclusive students (8%).

In comparison, the peer division average total in 2003-04 was 18,346, of whom 14,914 were regular students and 1,315, or 7 percent, were exclusive students. In 2004-05, the peer division average of total students transported was 17,810, of whom 14,648 were regular students and 1,048 (approximately 6%) were exclusive students. In 2005-06, the total number of students transported across all peer divisions averaged 16,068, of whom 13,659 were regular students and 957 (approximately 6%) were exclusive students. Over the three-year span, NPS experienced a decrease in the total number of students transported by 7 percent, compared to a peer average decrease of 12 percent. Additionally, exclusive student transportation decreased by 1 percent in NPS, whereas the peer average increased by 27 percent over the three-year period.

**EXHIBIT 6-6  
REGULAR STUDENTS TRANSPORTED  
NORFOLK PUBLIC SCHOOLS AND PEER SCHOOL DIVISIONS  
2003-04 THROUGH 2005-06 SCHOOL YEARS**

SCHOOL DIVISION	2003-04	2004-05	2005-06
<b>Norfolk City</b>	<b>18,251</b>	<b>17,346</b>	<b>16,922</b>
Newport News City	28,230	28,659	27,780
Hampton City	12,487	9,564	6,162
Roanoke City	7,455	7,877	7,732
Portsmouth City	8,148	9,794	9,698
<b>PEER DIVISION AVERAGE</b>	<b>14,914</b>	<b>14,648</b>	<b>13,659</b>

Source: Virginia Department of Education, 2008.

**EXHIBIT 6-7  
EXCLUSIVE STUDENTS TRANSPORTED  
NORFOLK PUBLIC SCHOOLS AND PEER SCHOOL DIVISIONS  
2003-04 THROUGH 2005-06 SCHOOL YEARS**

SCHOOL DIVISION	2003-04	2004-05	2005-06
<b>Norfolk City</b>	<b>1,451</b>	<b>1,498</b>	<b>1,466</b>
Newport News City	989	1,225	929
Hampton City	998	997	1,096
Roanoke City	2,315	762	726
Portsmouth City	824	760	569
<b>PEER DIVISION AVERAGE</b>	<b>1,315</b>	<b>1,048</b>	<b>957</b>

Source: Virginia Department of Education, 2008.

**Exhibit 6-8** details the cost per mile for regular and exclusive student transportation in NPS. As shown, NPS was above the group average for regular student costs (\$2.84

compared to \$2.41 per mile), but spent far below the peer average for exclusive student transportation (\$2.84 compared to \$3.79 per mile). While Portsmouth was by far the highest among the peer group for regular student costs (\$3.67 per mile), NPS was the second highest. This comparison is the most telling of the peer group costs because it controls for student population and the geographic proximity issues of the school divisions. Thus, school divisions that have highly rural populations (usually associated with longer routes and more miles driven per student) are not penalized in these calculations.

**EXHIBIT 6-8  
COST PER MILE FOR REGULAR AND EXCLUSIVE STUDENTS  
NORFOLK PUBLIC SCHOOLS AND PEER SCHOOL DIVISIONS  
2005-06 SCHOOL YEAR**

SCHOOL DIVISION	REGULAR STUDENT COST PER MILE	EXCLUSIVE STUDENT COST PER MILE
<b>Norfolk City</b>	<b>\$2.84</b>	<b>\$2.84</b>
Newport News City	\$2.54	\$4.05
Hampton City	\$1.72	\$3.31
Roanoke City	\$1.98	\$5.07
Portsmouth City	\$3.67	\$3.67
<b>PEER DIVISION AVERAGE</b>	<b>\$2.41</b>	<b>\$3.79</b>

Source: Virginia Department of Education, 2008.

**Exhibit 6-9** compares regular bus usage among the peer school divisions using VDOE data from 2005-06. As shown, NPS is higher than the peer group in student population (18,388 compared to the average of 16,068) and has a higher than average number of buses (251 compared to the average of 224). At 73, the average number of pupils per bus in NPS is consistent with the peer division average.

**EXHIBIT 6-9  
REGULAR PUPILS AND BUSES  
NORFOLK PUBLIC SCHOOLS AND PEER SCHOOL DIVISIONS  
2005-06 SCHOOL YEAR**

SCHOOL DIVISION	PUPILS	BUSES	AVERAGE PUPILS PER BUS
<b>Norfolk City</b>	<b>18,388</b>	<b>251</b>	<b>73</b>
Newport News City	28,709	414	69
Hampton City	14,518	191	76
Roanoke City	8,458	143	59
Portsmouth City	10,269	119	86
<b>PEER DIVISION AVERAGE</b>	<b>16,068</b>	<b>224</b>	<b>73</b>

Source: Virginia Department of Education, 2008.

The review team's analysis of transportation operations in NPS revealed an overall adherence to best practices. The use of computerized routing software and the



staggering of school bell schedules to allow for triple-tiered bus schedules aid in this effort.

**COMMENDATION 6-B:**

**The division is commended for overall adherence to best practices in transportation operations.**

**FINDING**

NPS has an experienced crew of bus drivers and low driver turnover. Many drivers have been employed by the school division for more than ten years, some in excess of 20 years. In addition, employees of the transportation department display a high level of morale and job satisfaction. Interviews and a driver focus group conducted by the review team revealed few issues of concern among department employees. Moreover, a level of cooperation exists that is rarely observed in other school divisions.

Drivers interviewed were overwhelmingly positive regarding NPS operations and leadership. In fact, the bus drivers interviewed could not identify a single substantial problem regarding transportation operations.

**COMMENDATION 6-C:**

**Norfolk Public Schools is commended for cultivating a high level of morale in the transportation department and retaining a stable crew of bus drivers.**

**6.2 Planning, Policies, and Procedures**

Effective policies guide a school division's transportation department in the execution of its duties. Transportation policies should include procedures to ensure that public funds are spent in the most effective manner possible. By adopting such policies, NPS would directly support the achievement of academic and other professional goals.

**FINDING**

In its present state, board policy regarding student transportation functions falls short of ensuring that cost efficiency is a priority in the transportation department. The current policies are little more than general statements regarding overall transportation operations and do not include information on the specific contextual issues affecting student transportation in Norfolk. Further, there is no policy language that could be construed to address comprehensive departmental performance expectations or fiscal management. Two examples of this deficiency in the board policy on transportation are provided in **Exhibits 6-10** and **6-11**. Transportation issues are numerous and complex. Many school systems rely on simple, general statements, such as those in this NPS policy, to serve as a "catch-all." This is an ill-advised strategy in the modern educational climate.

Clear school division policies are essential for providing direction to the various departments of the division. In addition to describing overarching philosophies and duties of division functions, school board policies should also provide some detail regarding areas that are critical to the ongoing success of the function. An absence of this type of detail leaves departmental practice subject to misinterpretations and omissions.

**EXHIBIT 6-10  
NPS POLICY ON STUDENT TRANSPORTATION SERVICES  
2007-08 SCHOOL YEAR**

**EEA. STUDENT TRANSPORTATION SERVICES**

The school board may provide for the necessary transportation of students. The board requires that all conditions stipulated by the Code of Virginia and regulations of the Virginia Board of Education for transportation of students be met.

Legal Refs.: Code of Virginia, Section 22.1-176, 22.1-221  
Replaced Norfolk Public Schools Blue Book Policy 4-68.  
Approved by the Norfolk School Board: November 21, 1996  
Legal References updated June 2002.

Source: NPS Policy Manual, December 2007.

**EXHIBIT 6-11  
NPS POLICY ON STUDENT TRANSPORTATION SERVICES  
2007-08 SCHOOL YEAR**

**EEABZ. TRANSPORTATION**

Free transportation to and from school shall be made available to elementary school students who live more than approximately one (1) mile from the school to which assigned, to junior and senior high school students who live more than approximately one and one-half (1 1/2) miles from the school to which assigned and to any student whose walking route to and from school is considered to be hazardous as determined by the superintendent of schools or his designee.

Additionally, for those students who are eligible for free transportation, bus stops will be placed no more than approximately three-tenths (0.3) mile for elementary students and one-half (0.5) mile for secondary students from their homes.

Legal Refs.: Code of Virginia, 1950, as amended, sections 22.1-70, 22.1-78, 22.1-181;  
Regulations of the Virginia Board of Education, Revised 1993, VR-270-01-0006 (2.14--2.15).  
Replaced Norfolk Public Schools Blue Book Policy 9-22.  
Adopted by the Norfolk School Board: February 23, 2000.

Source: NPS Policy Manual, December 2007.

One goal of the Norfolk School Board should be to provide quality student transportation services in the most efficient manner possible. Cost inefficiencies in these support areas are a direct drain on resources that could be used to further the academic goals of the school division. The expectation of cost efficiency should be reinforced at every

opportunity, and official school board policy should serve as the foundation of these efforts.

**RECOMMENDATION 6-1:**

**Expand the NPS policy regarding student transportation to include more detailed reporting requirements and comprehensive language addressing specific policy needs.**

NPS currently faces many challenges to the safe and efficient transportation of its students. Issues such as bus safety, special needs students, bus discipline, and operational management should be addressed with precise, contextually appropriate language.

In addition to operational concerns, student transportation is a costly service with many opportunities for fiscal shortfalls. Codifying the requirement for detailed cost and performance reporting will help to ensure that cost efficiency remains a part of the organizational culture of the NPS Transportation Department and create a formal layer of accountability for planning and monitoring activities. As transportation is a high-cost function, there is a particular interest in controlling expenses now and in the future. A priority of this magnitude should not be left to the discretion of individual division employees, regardless of their level of competency.

The school board, the school division, and the transportation department will need to work together to determine which of many possible reports will enable NPS to monitor critical areas of efficiency and operational effectiveness, as these are highly contextual issues. Special analyses that could improve the performance of the transportation department might track quarterly total cost per transported student, maintenance costs per transported student, fuel costs per mile driven, bus capacity, and cost per exclusive student transported, among other measures.

While it is inappropriate to suggest specific policy language for NPS, the critical topics mentioned above should be addressed. The necessary practices are already in place within transportation operations, but these need to be codified in division policy to ensure transparency and an improved position for the division in light of potential practice-based and legal issues.

**FISCAL IMPACT**

While there is no quantifiable cost to implementing this recommendation, it is estimated that approximately 30 hours of policy development staff time would be necessary to research and develop the needed policy language.

**FINDING**

The NPS Transportation Department has developed an exceptional process for contracting private transportation services for activity trips and other purposes. Because NPS adheres to a policy of not providing activity travel beyond 25 miles from Norfolk, the department issued a request for proposals and developed a standardized list of private motor carriers from the respondents. These vendors go through a site visit by transportation staff and expected to meet the exceptionally high safety and quality standards displayed by NPS Transportation Department. The NPS staff checks maintenance records, technician certifications, and pending work orders.

A limited number of carriers meet the standards set forth by NPS. This has caused others to change their operational practices to qualify as approved vendors. In addition, other neighboring Virginia school divisions have adopted the same NPS list of approved transportation companies, based on the rigor of the current process. The review team has not previously observed a selection methodology that matches the quality of the NPS system, which clearly serves as a model for other school divisions.

**COMMENDATION 6-D:**

**The NPS process for selecting private transportation vendors is exceptionally rigorous and promotes the highest quality service.**

**FINDING**

NPS uses internal resources to provide a vast majority of transportation services. It does, however, contract with private vendors for some outside vehicle maintenance and activity trips, as previously discussed. In general, there are numerous opportunities for outsourcing in school transportation. Staff interviews and document reviews indicated that these options are not a significant part of the central planning pertaining to the department. This is partly because NPS took over transportation operations from a private vendor in 1990 in an effort to reduce the overall cost of transportation services.

MGT has developed screening criteria for determining whether a function should be considered for outsourcing or should remain in-house. These are shown in **Exhibit 6-12**. The practice of contracting for services is often a cost-effective alternative for school divisions. It allows a division to leverage the forces of market competition to provide a potentially less expensive service, while freeing itself of many management responsibilities that are not central to the systemic goals of teaching and learning. Valuable fiscal and personnel resources are often recouped in the transition from internal services to contracted services.

**RECOMMENDATION 6-2:**

**Develop standards for evaluating the potential for outsourcing transportation operations.**

While NPS is performing needed transportation services adequately, changes in Norfolk may necessitate a rethinking of the current use of private vendors. While it is clear that NPS has used this option before, the practice of outsourcing should always be considered when striving to provide optimal transportation services within a limited budget. Further, there should be a formal process for considering this option. Many functions of the transportation department could lend themselves to effective and efficient privatization under appropriate circumstances. It is critical that division administrators routinely evaluate the potential success of outsourcing departmental responsibilities.

Standards should address both cost and quality to ensure that non-monetary factors have been appropriately considered. Consistent standards should include a method for fairly comparing in-house expenses with outsourcing costs.

**EXHIBIT 6-12  
SCREENING CRITERIA FOR IDENTIFYING OUTSOURCING OPPORTUNITIES**

- 1. Competitive Market**  
A relatively large competitive base will provide the best opportunity for savings. A function with few competitors may enjoy a competitive advantage that may not produce the desired savings. A large pool of competitors also ensures that initial bids will not be substantially increased in future years after the public sector no longer has the immediate ability to provide the good or service. If a competitive market cannot be identified, it is probably not worth the cost of developing specifications and pursuing bids.
- 2. Determinable Service Delivery Measurement**  
If the nature of the good or service is uncertain or likely to require revision as the program proceeds, it may be difficult to convey the terms of service delivery in a contract or performance agreement. Similarly, it may be difficult to hold the provider accountable for errors or inefficiencies. Also, if the service cannot be adequately defined, it will be impossible to identify the associated costs and determine if competition would yield increased savings or a better product.
- 3. Legal Authorization**  
Programs considered for increased competition must be those free from existing constitutional or case law requirements to the contrary. Statutory changes may be necessary to implement others, and the costs of developing and pursuing legislation should be considered.
- 4. Contract Management/Monitoring Division Defined**  
The ability to properly supervise the work of a provider must exist.
- 5. Existing Costs Determinable**  
If it is impossible to determine the existing costs of providing the service, it will also be impossible to determine if savings can be realized through increased competition. Obtaining accurate, verifiable cost information is critical to the decision for competition. This screening criterion is strongly linked to the service description since costs must be obtained for the service described.
- 6. Local Area Economic Impact**  
Conversion to competitive delivery should not result in a significant increase in the unemployment rate of a municipality, county, or region or loss of an essential local market. Economic changes of special interest, such as the elimination of a traditional minority business industry, are not recommended for competition.
- 7. Financial and Liability Risks**  
Competition is best pursued when the financial and liability risks are equal to or lower than those experienced in public sector delivery. State laws or constitutional provisions sometimes limit state liability unless provided through a claims bill. Additional risks, insurance costs, and differences in financial conditions and legal liabilities must be considered.
- 8. Size of Programs**  
High dollar amount programs or staff-intensive programs may reap the greatest benefit from savings generated through competition. Larger programs may have a greater chance for inefficiencies to develop due to larger spans of control and less frequent oversight by upper-level managers.
- 9. New Program or New Service Requirements**  
These programs would offer the organization an immediate opportunity to avoid growth. New demands placed on services will ultimately lead to increased resource allocations which are seldom, if ever, reversed.
- 10. Level of Policy Discretion**  
Activities which require low levels of policy setting, judgment, or discretion are better suited for administration by outside providers. Routine application processing, data entry, maintenance, and fee collection are examples of activities which are not influenced by political processes and do not require sensitive treatment by an agency employee.

**EXHIBIT 6-12 (Continued)  
SCREENING CRITERIA FOR IDENTIFYING OUTSOURCING OPPORTUNITIES**

<p><b>11. Security Requirements</b></p>	<p>Activities for which special security is unnecessary are most conducive to increased competition. These activities do not provide the possibility of manipulating sensitive information such as student records or lab results. If the information is sensitive, adequate controls must exist to protect data.</p>
<p><b>12. Not Currently Subject to Competition</b></p>	<p>Large portions of programs may already be privatized or subject to market pressures and are less likely to benefit from further competition. Programs which are entirely in-house operations, perhaps in a monopoly-like environment, are strong candidates for competition.</p>
<p><b>13. Alternative Delivery Methods</b></p>	<p>If alternative methods of production exist to provide the desired final product, increased competition can lead to innovative methods to save costs or improve services. Programs which require product or service delivery in a specific fashion to accomplish specific goals may be better handled by the public.</p>
<p><b>14. Satisfaction With Current Service</b></p>	<p>Services where significant concerns exist about quality, time lines, or costs are candidates for outsourcing/privatization. Evidence of concern includes complaints by customers, customers trying to provide service with their own resources, or customers reducing their use of the service.</p>
<p><b>15. Comparative Cost of Services</b></p>	<p>If current costs per unit (e.g., cleaning cost per square foot) are above the per unit costs of similar services being provided by private vendors, then the service is an attractive candidate for privatization.</p>
<p><b>16. Costs and Ease of Conversion to Private Vendor</b></p>	<p>Some services are relatively easy and inexpensive to convert to a private vendor. Other services may be very difficult or expensive to convert. Those that are easy and inexpensive to convert are good candidates for outsourcing/privatization.</p>
<p><b>17. Ease and Cost of Insourcing</b></p>	<p>The possibility always exists that the outsourcing/privatization of a service will not work out for an agency or organization. When this happens, it may become necessary to insource a service. When major difficulties exist or costs are high for insourcing operations, the organization may find that it is forced to put up with poor performance. In these cases, outsourcing/privatization is less attractive.</p>
<p><b>18. Impact on Employee Morale</b></p>	<p>If outsourcing will cause major employee morale problems throughout the organization, careful consideration must be given to outsourcing or perhaps finding a way to minimize impact on employee morale.</p>
<p><b>19. Mission Service Function</b></p>	<p>A function determined to be highly critical to the overall mission of the agency should likely remain insourced because of the higher degree of control.</p>
<p><b>20. Stability of Marketplace</b></p>	<p>A high level of stable vendors in the marketplace indicates that the outsourcing of a service has been successful and that the vendors can generally be relied upon to produce quality services at competitive rates.</p>

Source: Developed by MGT of America, Inc., 1996 (updated 2004).

## **FISCAL IMPACT**

There is no specific fiscal impact associated with this recommendation; however, under the appropriate circumstances, privatizing departmental responsibilities could possibly free up resources while allowing for a high level of service. The transportation department might realize significant cost savings over time.

## **FINDING**

Throughout the onsite review, the review team searched for evidence of effective cost analysis and evaluation, but were provided only a few isolated documents related to overall operational costs. There was no evidence found in departmental records or staff interviews to suggest that comprehensive cost analyses were conducted to evaluate program efficiency. Although transportation department staff discussed cost issues with appropriate specificity to suggest that they considered them in the execution of their jobs, there was little documentation of a unified effort on this issue.

The practices necessary to ensure financial efficiency are ongoing, focused, and documented. While it is clear that NPS staff strive to meet the highest levels of operational performance, this is one component that is missing. Again, typical documentation is available to, and used appropriately by, NPS staff. However, a comprehensive internal analysis of ongoing transportation costs would serve as a source of benchmarking data that could be used to monitor performance throughout the year. As previously discussed, NPS displays a regular student cost per mile that is higher than the peer average. While these costs are not completely out of line with comparable school divisions, there does appear to be a need to track these costs more closely to ensure long-term efficiencies.

## **RECOMMENDATION 6-3:**

**Develop a formal process for evaluating cost efficiency in departmental operations and document all activities and findings.**

Budgetary constraints, coupled with the increasing demands on transportation resources in NPS, necessitate precise fiscal monitoring and evaluation within the transportation department. The current level of fiscal monitoring, evaluation, and planning within the department is insufficient to ensure a high level of efficiency. The transportation department must develop and implement a systematic approach to addressing these important issues.

Ideally, this process would culminate with an internal financial report that mirrors much of the data that the department reports annually to the state. The cost per mile for regular and exceptional routes, deadhead miles, fuel costs, maintenance costs, and quarterly cost per student should be consolidated and reviewed with all levels of NPS leadership. This type of collective understanding promotes accountability and systemic collaboration directed at maintaining maximum efficiency.

## **FISCAL IMPACT**

There is no specific fiscal impact associated with this recommendation; however, fiscal efficiency can only be promoted by increased precision in planning, monitoring, and evaluation.

## **FINDING**

While transportation staff are interested in maximizing the effectiveness of the transportation function in NPS, the department does not regularly track, compile, or publish its findings on performance indicators. The department does collect a portion of these statistics, as required by the state for funding reasons, but does not report them in an open forum, such as a board meeting. One example of this is the current Accountability Plan, developed as a strategic planning tool to aid in systemwide improvement efforts.

Many high-performing school divisions use indicators to assess ongoing performance in key management areas. Performance indicators allow departments of transportation to track service quality and make adjustments where required. Improvements in performance can be documented to demonstrate progress. Accurate and timely performance indicators help management allocate funds to the most critical needs. They also provide assurances to the central office, the school board, and the public that the department is using its resources in the best possible manner.

Transportation department staff complete the *Annual Transportation Worksheet* for VDOE. This document contains some data that would be useful in analyzing performance locally. However, these data are not sufficient to produce a comprehensive understanding of departmental effectiveness and efficiency.

**Exhibit 6-13** shows some of the transportation performance indicators typically used by school divisions. Such indicators could assist the transportation department in consistently tracking and monitoring performance. The department could then compare these statistics to those of peer school divisions and its own history. Ideally, the department would select an annual target goal for each indicator and track progress towards that goal.



**EXHIBIT 6-13  
SAMPLE STANDARD  
TRANSPORTATION PERFORMANCE INDICATORS**

<b>PERFORMANCE AREA</b>	<b>PERFORMANCE INDICATOR</b>
<b>Safety</b>	<ul style="list-style-type: none"> <li>■ Accidents per 100,000 miles</li> <li>■ Incidents per 100,000 miles</li> <li>■ Number of first, second, and third student discipline referrals</li> </ul>
<b>Cost Efficiency</b>	<ul style="list-style-type: none"> <li>■ Operational costs per route mile</li> <li>■ Annual operational costs per route</li> <li>■ Operational costs per student for regular education, special education, magnet, and diversity busing</li> </ul>
<b>Cost Effectiveness</b>	<ul style="list-style-type: none"> <li>■ On-time performance</li> <li>■ Average rider trip time in minutes</li> <li>■ Average bus occupancy</li> </ul>
<b>Customer Service</b>	<ul style="list-style-type: none"> <li>■ Number of complaints by category</li> <li>■ Statistics on contractor response to complaints</li> </ul>

Source: Created by MGT of America, Inc., 1999 (updated 2005).

It is clear from conversations with NPS employees that many of these issues are frequently discussed and informally tracked internally; however, again, there is no formal, centralized source of performance information for use in strategic planning and monitoring. Such information could also be used to build a stronger understanding of NPS student transportation successes and challenges among parents, schools, and the school division.

**RECOMMENDATION 6-4:**

**Implement an annual report card for the Norfolk Public Schools Transportation Department.**

It is always important for departments to communicate good news to policymakers who control budget and resource decisions, as well as to the public. MGT survey results show that a majority of school division staff consider the transportation function to be effective. While many performance indicators are being tracked by the department, few sources of public data are available to support that perception. More importantly, few data exist to combat any perceptions of ineffectiveness.

The department must collect, analyze, and publically report vital performance statistics to illustrate the current status of operations. The ideal implementation of this strategy would result in a document that mirrors some of the information contained in the Accountability Plan, and also has other indicators as previously detailed. This document would be formatted to convey transportation to an audience beyond internal administration. A consolidated, public annual review of its operations should provide assurances that the department is performing up to standards, both in comparison to its past and in comparison to its peers. The report card should serve to highlight solid performance and areas in need of improvement. Further, a consolidated report card would translate what the department already knows to stakeholders and decision-makers that have the ability to pass judgment on this critical function.

The transportation department should also use the production of this report as a key planning milestone, allowing for the previous year's performance to be evaluated and strategic planning for the upcoming year to begin.

**FISCAL IMPACT**

This recommendation can be implemented with existing resources. However, there are many instances where precise data collection, analysis, and reporting result in unexpected findings that lead to cost savings.

**FINDING**

Interviews with transportation department administration confirmed that school division plans for new academic programs did not include substantial input from transportation staff, or additional funding for student transportation. Also, changes in student disability designations were not matched with additional transportation funds. Interviews and data analysis revealed that this situation had resulted in substantial changes in service delivery, especially in regard to exclusive student transportation.

This situation presents many potential problems for the NPS Transportation Department, at least one of which has resulted in a direct challenge to transportation efficiency. Currently, NPS has many programs and services that focus on special needs students. These programs often require a central location to which students must be transported to receive services. Further, special needs students are often transported to multiple locations within the school division over time. This in itself is not unusual in any way, as it is certainly necessary to provide high-quality services to these students. What is of concern, however, is that there is little transportation department input into where these services are provided, or how to otherwise maximize efficiency in this important, yet very costly, aspect of student transportation service.

As can be seen in **Exhibit 6-14**, NPS ranks at the top of the peer comparisons in each of the following categories:

- Number of exclusive students transported per day.
- Number of exclusive student buses operated daily by the school division.
- Number of exclusive miles driven annually.
- Annual cost of exclusive student transportation.

**EXHIBIT 6-14  
EXCLUSIVE TRANSPORTATION  
NORFOLK PUBLIC SCHOOLS AND PEER SCHOOL DIVISIONS  
2005-06 SCHOOL YEAR**

SCHOOL DIVISION	PUPILS	BUSES	ANNUAL MILES	ANNUAL COST
<b>Norfolk City</b>	<b>1,466</b>	<b>89</b>	<b>1,027,080</b>	<b>\$2,915,665</b>
Newport News City	929	67	764,804	\$3,099,215
Hampton City	1,096	89	642,981	\$2,129,109
Roanoke City	726	26	285,570	\$1,447,784
Portsmouth City	569	37	409,494	\$1,501,309
<b>PEER DIVISION AVERAGE</b>	<b>957</b>	<b>62</b>	<b>625,986</b>	<b>\$2,218,616</b>

Source: Virginia Department of Education, 2008.

Onsite interviews indicated that many of the current NPS site-based programs are located on the perimeter of the city, resulting in long rides for exclusive students and high costs to the transportation budget. Further, if students in these programs move within the city, they are not typically transferred to similar programs closer to their new home school. Another confounding practice affecting this situation, according to transportation department staff, is that student data necessary for efficient exclusive student routing are often provided too late in the summer to allow for discussions on how to promote transportation efficiency. Staff further suggested that, while there have been some improvements in communication between special education leadership and the transportation department, this relationship is far from what is necessary to ensure effective planning in exclusive student transportation.

**RECOMMENDATION 6-5:**

**Require all new programs to include funding for student transportation.**

The costs associated with moving students to and from academic programs are high, and overlooking these costs in divisionwide planning can create financial problems for the transportation department that will eventually have to be addressed by the school division as a whole.

**FISCAL IMPACT**

There is no additional cost associated with this recommendation, as all shortfalls in departmental budgets must eventually be dealt with on a divisionwide level. The implementation of this recommendation will avoid long-term consequences associated with under-funding student transportation, such as aging, overused buses and increased maintenance costs.

**RECOMMENDATION 6-6:**

**Implement an ongoing, formal process for monitoring the efficiency of exclusive transportation routes to maximize efficiency.**

The data provided in **Exhibit 6-14** confirm that exclusive routes consume a large portion of the department's time and money. For example, this function accounts for almost 30 percent of the overall transportation budget, while serving only 8 percent of the student population. Thus, it is imperative for all NPS departments to work closely and diligently together to prevent overspending in this critical area.

It is suggested that a team of special education administration, transportation officials, and other operational leadership meet during summer planning and again midyear to strategize and revisit this issue. The programmatic and student placement issues must be addressed, with the impact on transportation being one of the key planning indicators.

**FISCAL IMPACT**

Considering the current lack of collaboration among the two key groups, there is a high potential for cost savings if this recommendation is implemented. Transportation staff indicated that considerable efficiencies could be realized with relatively small changes in current practices. While there is no credible way to quantify the exact value of these

efficiencies, a conservative estimate based on best practices nationwide of 10 percent of exclusive transportation expenditures can be used to illustrate potential savings. Applying this cost factor to the exclusive transportation expenditures for 2006-07 (\$3,010,211) results in an annual savings of \$301,210 for the school division. This translates into a five-year savings of approximately \$1,506,050.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Implement Exclusive Transportation Planning	\$301,210	\$301,210	\$301,210	\$301,210	\$301,210

**FINDING**

NPS does not have a funded comprehensive school bus replacement plan. The replacement of NPS buses is currently determined by how much funding can be squeezed from other budget lines. Neither the school division nor the school board allocates funds for bus replacement based on actual need. This results in the use of aging equipment, which is much more expensive to repair and may pose safety concerns.

The current bus inventory provided to the review team shows 316 total buses used for school routes, activity trips, and spares. Purchased in 1998, 163 buses are ten years old. Currently, NPS has 43 buses in its inventory that are at least 11 years old. In school transportation, it is typical for school systems to replace buses on a 10- or 12-year cycle, so NPS is facing the replacement of over half of its fleet in the very near future.

Interviews with transportation staff indicated that the informal bus replacement plan proposed ten new exclusive buses per year as a benchmark. NPS standardized that part of the fleet, ordering only 52 passenger buses with flat floors, track seating, and air conditioning. This plan was formulated to address the aging fleet of buses that serve special education students. However, this plan has not been fully implemented, resulting in the purchasing pattern illustrated in **Exhibit 6-15**.

**EXHIBIT 6-15  
EXCLUSIVE BUS PURCHASES  
NORFOLK PUBLIC SCHOOLS  
1998-99 THROUGH 2006-07 SCHOOL YEARS**

<b>YEAR</b>	<b>BUSES PURCHASED</b>
1999	10
2000	9
2001	0
2002	15
2003	5
2004	0
2005	0
2006	15
2007	0
<b>AVERAGE</b>	<b>6</b>

Source: Virginia Department of Education, 2008.

Further interviews revealed that annual budget requests for special education buses are made at the beginning of the budget cycle and rejected. Buses are then purchased at the end of the budget cycle, if funds are available.

**RECOMMENDATION 6-7:**

**Develop and implement a formal bus replacement policy based on industry standards.**

School bus replacement cannot depend on fiscal convenience. Often, the costs associated with maintaining older buses exceed the utility of those buses. There are also significant safety concerns associated with maintaining an aging fleet. While NPS has many newer buses, a substantial portion of the fleet is at or beyond the age of potential replacement. From both a fiscal and a safety standpoint it is essential that a formal bus replacement policy be implemented and followed. Therefore, NPS should work with the school board to facilitate the development and implementation of a formal bus replacement policy. This will help to ensure adequate transportation resources for the future needs of NPS.

**FISCAL IMPACT**

This recommendation can be implemented with existing policy development and transportation staff, with approximately ten hours needed to develop the policies. The fiscal impact of implementing the policy cannot be determined until the policy is developed.

**6.3 Routing and Scheduling**

Some of the largest potential cost savings, or losses, in student transportation are realized due to the quality of routing functions within the department. Efficient and effective bus routing is critical to the success of any school transportation department. Optimized routes minimize student ride time and decrease the total number of buses needed to transport student populations.

Effective routing and scheduling departments can impact:

- Efficiencies pertaining to student start and end times in coordination with bell times.
- Bus route average ridership and miles driven.
- Ride times for regular and exclusive students.
- Efficiency and effectiveness of regular routes.
- Efficiency and effectiveness of exclusive routes.

## FINDING

The transportation department leadership works closely with drivers to maintain efficient bus routes for the school division; however, the use of student residence data to drive the routing process could be improved.

The NPS Board policy on bus scheduling and routing is provided in **Exhibit 6-16**.

### EXHIBIT 6-16 NPS BOARD POLICY SCHOOL BUS SCHEDULING AND ROUTING

#### EEAB. SCHOOL BUS SCHEDULING AND ROUTING

School bus scheduling and routing will be in compliance with the Regulations of the Virginia Board of Education.

Legal Refs.: Code of Virginia, 1950, as amended, sections 22.1-70, 22.1-78, 22.1-181, 8 VAC 20-70-160

Approved by the Norfolk School Board: July 29, 1999

Legal References updated June 2002

Source: NPS Policy Manual, 2008.

The transportation department uses the EDULOG.*nt* (EDULOG) routing software system to manage its bus routes. Routing systems are designed to create the most efficient bus routes using student residence data. They accomplish this by analyzing student residence data—imported from school databases—to automatically create the most efficient bus routes. These systems interface with area mapping programs, and often GPS systems, to maximize efficiency of bus routes by minimizing the number of buses need to transport students. However, information collected in interviews with NPS staff and drivers suggested that the department was not fully harnessing the software’s ability to use imported student data in assigning bus routes on an annual basis.

NPS bus driver interviews confirmed that many NPS bus routes had remained substantially unchanged for a decade or more. Staff interviews regarding the annual routing process revealed that student-level data were used primarily to maximize the efficiency of long-standing NPS routes. This strategy is commonly utilized by school systems that add the use of computer routing software to an existing system of bus routes. However, it is necessary to periodically “scrap” existing route systems and allow the software to automatically suggest the routes that maximize efficiency for the department. This process typically results in substantial changes to existing bus routes, such as having different buses and drivers for morning and afternoon routes.

#### RECOMMENDATION 6-8:

**Review the current routing process to ensure the full utilization of the EDULOG.*nt* software to create new bus routes based on student residence data.**

The peer comparison of cost per mile shown in **Exhibit 6-8** suggests that NPS could improve its current process for providing regular transportation. As previously stated,

improving the bus route planning process in collaboration with other NPS program areas is one way in which NPS can reduce its cost per mile. Improving the use of computer-aided routing is another area where NPS could realize cost savings.

It is important to note that transportation leadership provided feedback on this finding that was included in the draft report. This feedback stated that NPS was, in fact, using student data to maximize use of the EDULOG system in annual bus routing. However, evidence gathered onsite suggested that improvements could be made. Since this process takes place before the beginning of each school year, the review team could not observe the associated practices and, therefore, had to rely on the available evidence. This evidence was anecdotal but suggested that the periodic overhaul of NPS routes did not occur. If, indeed, NPS is not periodically allowing the EDULOG system to generate new NPS bus routes, the division is losing much of the route efficiency function of the routing software system. What remains is the route management function, which, while important in promoting ongoing route efficiency, is a secondary function of the program. In light of some conflicting evidence, it is suggested that the school division review the routing process to ensure maximum use of the software program and the student data used to drive it.

### **FISCAL IMPACT**

Based on multiple industry case studies and hundreds of school district performance reviews, it is generally accepted that districts can reduce overall transportation costs by using software to improve bus routing efficiency. While it is uncertain if these efficiencies will be found in NPS, the division could expect to realize a minimum cost savings of 5 percent of its total expenditures by initiating this practice. In the review team's experience, implementation of computerized bus routing has usually been shown to net a minimum of 10 percent in additional efficiency for transportation departments serving more than 2,500 students. Given that NPS has already been using the management function of EDULOG effectively, the estimate was reduced to a projected 5 percent. The total cost of NPS transportation services in 2006-07 was \$9,996,043. In transportation, the reduction of bus routes can be directly related to overall cost savings on a percentage basis. With each route that is removed, all of the associated operating costs are also eliminated, including salaries and equipment, fuel, insurance, and maintenance costs.

Five percent of the total budgeted NPS transportation costs for 2006-07 (\$9,996,043) equals approximately \$499,802. NPS could expect to realize similar savings on an annual basis, for an estimated \$2.5 million over five years.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Create New Bus Routes	\$499,802	\$499,802	\$499,802	\$499,802	\$499,802

## **6.4 Vehicle Maintenance**

### **FINDING**

NPS vehicle maintenance responsibilities are performed by a team of mechanics that are highly qualified. Many of the maintenance staff, including the supervisors, have been with NPS for many years. The central maintenance garage is a state-of-the-art facility, capable of servicing the extensive fleet. By all accounts, the services provided by this staff are exceptional. A physical review of the fleet by the review team found it to be in top condition. In fact, the fleet was observed to be in an overall condition rarely found in school systems across the country. Further, NPS drivers confirmed that there was rarely a delay in receiving service, and offered high praise for this function.

### **COMMENDATION 6-E:**

**The mechanics of the NPS Transportation Department are commended for the outstanding service they provide in maintaining the fleet.**



## **7.0 TECHNOLOGY MANAGEMENT**

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## 7.0 TECHNOLOGY MANAGEMENT

This chapter addresses the review of the technology management function of the Norfolk Public Schools (NPS). The review of these functional areas included an examination of a variety of documents, policies, procedures, plans, the NPS Web site, network architecture, and many forms of technology-related equipment on several NPS campuses. Furthermore, the review team interviewed staff from every NPS department that utilizes technology in support of either instructional or administrative functions. These activities allowed the review team to gain insight into NPS technology-related operations, procedures, and practices. Findings and recommendations are presented in the major chapter sections:

- 7.1 Organization and Staffing
- 7.2 Staff Development
- 7.3 Technology Planning and Budgeting
- 7.4 Systems Infrastructure and Integration
- 7.5 Technology Support and Help Desk Operations
- 7.6 Technology Acquisition Practices

### CHAPTER SUMMARY

The NPS Information Division has been under new leadership for the last three years. The division has undergone personnel changes and has undertaken a number of initiatives to advance the utilization and support of technology in both instructional as well as administrative functions across the division.

A diagnostic review, along with interviews conducted across NPS, provides information, perceptions, and opinions from stakeholders. The information is important to the successful completion of this efficiency review. Respondents, including staff at all levels, provided the following comments with regard to information division performance:

- *We have a five-year plan but it should be updated.*
- *We now have a ratio of one PC for three students; however, some are 98s and are not adequate for current programming.*
- *Decisions for purchasing have not always involved us and often create serious installation issues (inadequate power, no outlets, no fiber, inadequate space, no climate control system, etc.).*
- *Our budget was base-lined for three years while maintenance costs, demands for technology, etc., increased.*
- *PC support is in the operations department and should be consolidated within the technology department.*
- *IT manager is tops. All instructional technologists are certified.*
- *ITRT personnel focus on training teachers and are in each school.*

- *We have online testing; our technology is very good.*
- *Use ISTE standards.*
- *More training is needed for teachers to integrate technology in the classroom.*
- *Food service has their own support: two technology (OS engineer and a network specialist) specialists working solely for food service.*

MGT conducted an online survey of all NPS central office administrators, school principals/assistant principals, and classroom teachers concerning their perceptions of the quality of technology services provided by NPS. **Exhibit 7-1** displays the statements regarding technology services that each group was asked to respond to by indicating that they *Agreed or Strongly Agreed* or *Disagreed or Strongly Disagreed* with each statement. As shown in the exhibit, the following responses were given by the surveyed stakeholders:

- Sixty-two to 79 percent of respondents agreed or strongly agreed that NPS provides adequate technology-related staff development.
- Fifty-five percent of central office administrators, 61 percent of principals, and 35 percent of teachers agreed or strongly agreed that NPS solicited input on the long-range technology plan.
- Sixty-seven to 85 percent of respondents agreed or strongly agreed that NPS provided adequate technical support for computer hardware and software.
- Sixty-one to 89 percent of respondents felt that they had adequate equipment and computer support to conduct their daily work tasks.
- Sixty to 89 percent of respondents felt that administrative computer systems were easy to use.
- Principals (73 percent) and teachers (63 percent) felt that technology was effectively integrated into the curriculum, as compared with 49 percent of central office administrators sharing this view.

**EXHIBIT 7-1  
NORFOLK PUBLIC SCHOOLS  
COMPARISON OF TECHNOLOGY SURVEY RESPONSES**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
Our school division provides adequate technology-related staff development.	62/19	79/11	71/13
Our school division requests input on the long-range technology plan.	55/22	61/13	35/20
Our school division provides adequate technical support.	76/10	85/10	67/16
I have adequate equipment and computer support to conduct my work.	89/8	84/14	61/26
Administrative computer systems are easy to use.	76/10	89/7	60/7
Technology is effectively integrated into the curriculum in our division.	49/8	73/14	63/16

Source: MGT Survey, 2008.

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

The survey contained two additional statements on the quality of technology services in the division that respondents rated as *Good or Excellent* or *Fair or Poor*. The first statement, "The school division's job of providing adequate instructional technology," was rated as *Good or Excellent* by 85 and 80 percent of central office and principals respectively, and by 68 percent of teachers. The second statement, "The school division's use of technology for administrative purposes," was rated as *Good or Excellent* by 87 and 88 percent of central office and principals respectively, and by 78 percent of teachers.

The information division supports NPS with a number of practices which are commendable. Key best practices include:

- The information division is commended for maintaining divisionwide support of business and student information systems across NPS (**Commendation 7-A**).
- The information division successfully accesses E-rate discounts on behalf of NPS (**Commendation 7-C**).
- The information division has developed a comprehensive disaster recovery/business continuity plan (**Commendation 7-D**).
- The information division successfully acquired the needed equipment to establish a 3:1 ratio of students to computers (**Commendation 7-E**).
- The information division has implemented an automated calling system to enhance communications with designated contacts (**Commendation 7-G**).

In addition to these key areas of commendation, there are operational areas in need of improvement. MGT's key recommendations include:

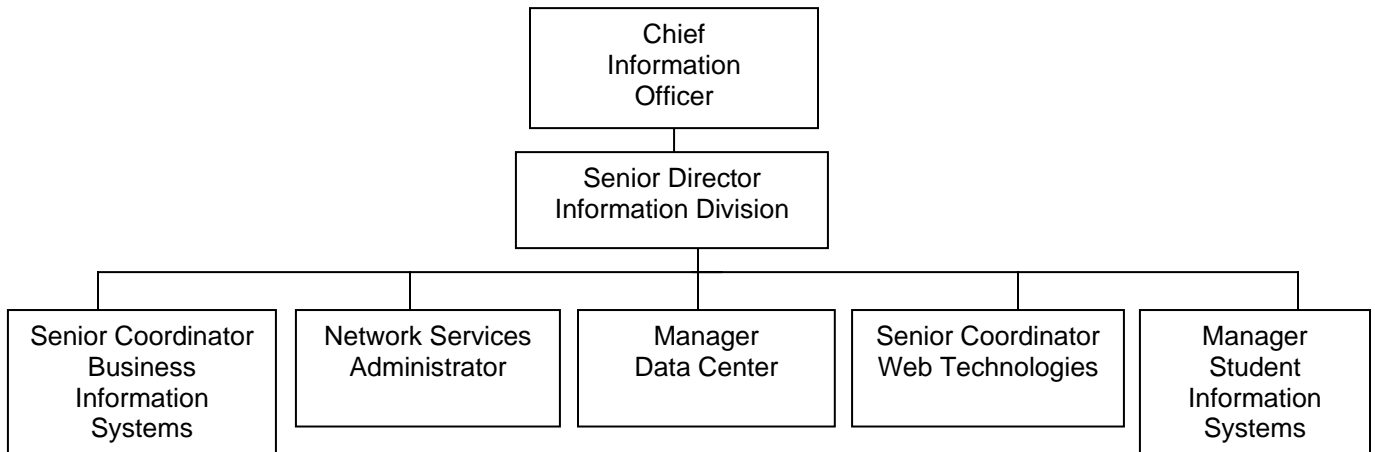
- Expand the information division to include instructional technology and computer maintenance (**Recommendation 7-1**).

- Fund a targeted, strategically developed plan for training the information division’s technical support staff (**Recommendation 7-2**).
- Annually evaluate and update the NPS technology plan (**Recommendation 7-3**).
- Require all purchases of technology-related products and services to be approved by the information division (**Recommendation 7-7**).
- Develop a funded life cycle for technology-related equipment not to exceed five years (**Recommendation 7-8**).

**7.1 Organization and Staffing**

The NPS organizational chart shown in **Exhibit 7-2** indicates that the information division includes business information systems, network services, data center management, Web technologies, and student information systems. The information division supports all these functions with 70 full-time equivalent staff, 58 of whom are dedicated to network, data, and Web support. Compared to peer school division data, the information division is providing support for NPS with a comparable number of FTEs per student.

**EXHIBIT 7-2  
NORFOLK PUBLIC SCHOOLS  
INFORMATION DIVISION  
ORGANIZATIONAL CHART**



Source: NPS Information Division, 2007.

**FINDING**

A review of the NPS organizational chart confirms the inclusion of the business information systems and student information systems within the information division.

The information division supports a number of applications that facilitate processing student and business information essential to NPS operations, as well as applications

such as Computer Assisted Food Service (CAFS) and EDULOG.*nt* (EDULOG), which are utilized by the child nutrition and transportation departments, respectively.

Including the business and student information support groups in the information division assures support for all business and student information-related systems, regardless of source or complexity. This arrangement also assures that all related processes are addressed in the implementation of NPS operations.

Central support for multiple applications provides effective, efficient utilization of personnel resources and continuity of services across NPS.

**COMMENDATION 7-A:**

**The information division is commended for maintaining divisionwide support of business and student information systems across NPS.**

**FINDING**

Technology-related functions in NPS are located in multiple departments.

Technology-related functions are currently located in four distinct divisions/departments, including information, instructional technology, child nutrition services, and plant facilities. The current arrangement does not allow for the planning and coordination required for day-to-day operations to be efficient. The instructional technology department houses the instructional technology resource teachers (ITRTs), whose primary function is to integrate technology into instruction. ITRTs affect some level of campus-based purchasing and implementation, but it is inconsistent across campuses. Computer maintenance is located in the plant facilities department and affects some of the parts and supplies purchased for infrastructure. As such, computer maintenance is not involved in planning to assure the infrastructure is considered prior to the purchase and deployment of equipment.

The information division should include both the ITRTs and computer maintenance. This type of arrangement helps assure an effective level of planning, coordination, development of specifications, and consideration of infrastructure prior to project initiation. This arrangement further promotes efficiency through the increased level of resource utilization by NPS staff.

The International Society for Technology in Education (ISTE) Technology Support Index asserts that high efficiency related to technology is attained when all of the technology functions report through the same organizational unit, thereby providing a logical chain of command and communication structure.

**RECOMMENDATION 7-1:**

**Expand the information division to include instructional technology and computer maintenance.**

The implementation of this recommendation will help assure an increased level of operational efficiency and effectiveness with all the technology functions reporting

through the same organization. The division will be able to plan, coordinate, develop concise specifications, and prepare infrastructure for the incorporation of technology-related operations, products, and services.

### **FISCAL IMPACT**

The cost savings related to this recommendation will be in the reduction of duplication of effort as well as the standardization of specifications for acquiring products and services. An exact cost savings can only be ascertained by comparing costs before and after implementation.

### **7.2 Staff Development**

The information division supports a wide variety of hardware and software applications. Training staff to support and utilize the products effectively must be pursued within the limits of funding in order for technology to be successfully implemented in a school division.

### **FINDING**

The information division has no funded, targeted, or strategically developed plan for training the technical support staff.

The current condition of reducing budgets for staff development across NPS has left the information division without access to advanced technical training for technical support personnel. Consequently, training is limited to available CDs which generally do not address the advanced training required to effectively support NPS. Additionally, the information division has no process for training reimbursement, should a technician leave the organization.

Advanced training for technical support staff is key to effectively and efficiently supporting the growing variety of technology-related hardware and software. The training needs to be strategically targeted per technician abilities and part of a cross-training plan to assure backup support. The plan must include a process by which training costs are reimbursed when trained technicians choose to leave NPS over the ensuing three-year period.

The importance of a highly trained technical support staff is widely recognized among school divisions and is supported by professional organizations such as the ISTE. The ISTE Technology Support Index asserts that continued training for technical support staff is essential in the current environment of rapidly changing technologies.

### **RECOMMENDATION 7-2:**

**Fund a targeted, strategically developed plan for training the information division's technical support staff.**

Implementation of this recommendation allows the information division to select and schedule specific training for technicians, according to their assignment and skills. The

technicians may then cross-train others to assure continuity of support and avoid the duplication of training costs.

### **FISCAL IMPACT**

The fiscal impact of implementing this recommendation can only be determined once a training plan is developed, but could potentially exceed the training budget. The cost savings related to efficiencies gained in time and effort on the part of the technicians, as well as the efficiencies gained by reducing contracted assistance, will offset some portion of the total training costs. A complete training plan would involve all technicians and take approximately 20 staff hours to complete.

### **7.3 Technology Planning and Budgeting**

The information division supports technology and applications for NPS administrators, support staff, over 3,000 teachers, and over 35,000 students. Planning and budgeting require attention to stakeholder needs and perceptions, a commitment to accessing alternate sources of funding, and a planning cycle which allows for regular evaluation and adjustment.

### **FINDING**

The information division has taken steps to ensure input from the entire school division with regard to service satisfaction.

The information division has developed an online survey system to facilitate ease of response by NPS employees. The information division has recognized the importance of obtaining feedback in successful planning and operational cycles. The survey results are the basis for making adjustments to effectively respond to stakeholder needs. The results may be grouped and analyzed by respondent category as well as by inquiry objectives. Objectives may include availability of technology, availability of training, amount of instructional time utilizing technology, and level of support. These objectives and others should correspond to goals and objectives found in the NPS technology plan.

### **COMMENDATION 7-B:**

**The information division is commended for the development of an online survey of NPS staff with regard to service satisfaction.**

### **FINDING**

The NPS information division has successfully accessed E-rate reimbursements through the Federal Schools and Libraries Division (FSLD), thereby leveraging resources in support of technology-related services.

As shown in **Exhibit 7-3**, the information division has aggressively sought E-rate discounts on all qualifying services. Reimbursements of the allowable technology-related



costs are utilized by the information division to provide equipment and services across NPS.

**EXHIBIT 7-3  
E-RATE DISCOUNTS ACCESSED BY NPS**

<b>SCHOOL YEAR</b>	<b>AMOUNT</b>
2005-06	\$1,088,623
2006-07	\$1,028,471
2007-08	\$1,013,058

Source: Norfolk Public Schools Information Division, 2008.

**COMMENDATION 7-C:**

**The information division successfully accesses E-rate discounts on behalf of NPS.**

**FINDING**

The technology plan has not been updated to represent the advances accomplished by the information division over the last three years.

The NPS current technology plan was initially adopted in 2004 and was intended to address NPS needs through 2010. However, the NPS information division has made advances that surpass many of the stated goals, objectives, and timelines. Consequently, NPS is left without a realistic plan for the future. The plan has been reviewed and has received minor updates, most recently in 2006. However, the process has not kept the plan current.

The NPS technology plan needs to be developed with input from across the division to assess its future needs. Once developed, the plan must be reviewed annually to update goals and objectives, providing additions as well as deletions based upon progress made.

School divisions across the country are aware of the importance of developing a comprehensive, dynamic technology plan. School divisions are required, in fact, to have an approved technology plan in order to qualify for E-rate discounts for qualifying products and services. The National Center for Technology Planning asserts in its "Guidebook for Developing an Effective Instructional Technology Plan" that the technology plan must be updated annually, based upon outcomes from the evaluation phase of managing the plan.

**RECOMMENDATION 7-3:**

**Annually evaluate and update the NPS technology plan.**

The key purpose of the technology plan is to provide direction by helping NPS understand its current condition and create a vision for the future. By implementing this recommendation, NPS will be able to more clearly identify its current condition through

the evaluation process, and consequently, be able to more clearly define a vision for the future.

### **FISCAL IMPACT**

The fiscal impact related to implementing this recommendation will only be related to staff time involved in evaluating and updating the plan. Combined staff time for implementing this recommendation should be in a range of 40 to 50 hours annually.

### **7.4 Systems Infrastructure and Integration**

The information division provides support for infrastructure and integration in a number of areas, including but not limited to, disaster recovery, managing the student-to-computer ratio, providing Web services, automated communication processes, application integration, and support for instruction.

### **FINDING**

The information division has developed, implemented, and tested an extensive disaster recovery/business continuity plan for NPS.

The information division supports multiple platforms and applications that house and facilitate the processing of financial, staff, and student data. NPS is located in a coastal zone and is subject to storm-related damages, including loss of electrical power. The information division maintains an off-site repository of files which are regularly updated and serve as the source for data restoration in the event of disaster.

The information division has prioritized data as to critical need and has secured an out-of-state service and location by which to assure continuity of critical functions such as payroll in the event of disaster.

### **COMMENDATION 7-D:**

**The information division has developed a comprehensive disaster recovery/business continuity plan.**

### **FINDING**

The information division has led NPS to successfully reduce the ratio of the number of students to computers to 3:1.

The recommended Commonwealth standard for the ratio of students to computers is 5:1. The ratio in NPS in prior years has been reported as high as 8:1. Over a three-year period the information division has led NPS to leverage resources, including discounts and multiple grants, such as the state technology grant (**Exhibit 7-4**) to acquire the needed equipment to successfully reduce the ratio.

**EXHIBIT 7-4  
STATE TECHNOLOGY GRANTS  
ACCESSED BY NPS**

SCHOOL YEAR	AMOUNT
2005-06	\$1,506,000
2006-07	\$1,506,000
2007-08	\$1,100,000

Source: Norfolk Public Schools Information Division, 2008.

**COMMENDATION 7-E:**

**The information division successfully acquired the needed equipment to establish a 3:1 ratio of students to computers within the division.**

**FINDING**

The information division has implemented a system in which teachers are allowed access to up to five pages in individual Web sites.

The information division's Web technology group has developed a robust Web site which records over five million hits per year. This level of success has made the Web site and related Web pages very effective tools of communication for NPS. Teachers utilize personal Web pages that are linked to the NPS Web site to post information, including assignments, schedules, and other pertinent information for students and parents.

**COMMENDATION 7-F:**

**The information division provides a Web page as a successful tool for teachers to utilize in communicating with students and parents.**

**FINDING**

The information division has implemented an automated calling system to enhance communications with parents.

NPS serves over 35,000 students and the process of communicating with all students and parents in a timely and accurate fashion is extremely demanding on division resources. Making calls to designated contacts in the event of an emergency would require assistance from all staff members and would be very time consuming, as well as potentially inconsistent.

The automated calling system allows NPS to deliver a message immediately and simultaneously to all designated contacts for every division student. While the process is convenient in the delivery of general information for the division, it is essential in delivering critical information to contacts in the event of an emergency.

**COMMENDATION 7-G:**

**The information division is commended for the implementation of an automated calling system to enhance communications with designated contacts.**

**FINDING**

NPS has no comprehensive inventory of the automated and non-automated processes utilized in support of administrative functions.

NPS currently has numerous processes in place to support its administrative functions. The automated processes are supported by the information division which is attempting to incorporate the automated and non-automated processes into a central management system. However, these processes are not centrally identified, resulting in the inability of the information division to efficiently manage the incorporation process.

Completing a comprehensive inventory of NPS administrative processes and functions would allow collaboration with other departments and avoid duplicate efforts in setting priorities for incorporating those processes and functions into a central management system.

School systems in many states, including Texas, have long recognized the value of a central management system which allows the maintenance of a single database rather than multiple isolated databases. State reporting requirements regarding the many functions in school operations also clarify the need for the centralized system as it allows for more efficient, accurate access to data. Multiple databases adversely affect the accuracy of reported data due to the need for manual reconciliation of data from the various sources. Approximately 800 of the 1,075 public schools in Texas utilize one of two education service center systems, which minimize the need for multiple databases.

**RECOMMENDATION 7-4:**

**Establish a comprehensive inventory of the automated and non-automated processes utilized in support of administrative functions.**

A complete inventory of all processes in support of administrative functions is essential in establishing a long-range plan to prioritize and efficiently manage incorporation of the processes into a central management system. The inventory will allow the division to streamline the amount of data to be managed, avoid duplication of effort and procurements of conversion tools, and finally, properly assess the resources needed to support the administrative functions of the division.

**FISCAL IMPACT**

The cost savings related to the implementation of this recommendation will only be recognized after full implementation, since the initial efforts to inventory processes will require a time investment from existing staff. The inventory process should require approximately 100 hours.

## **FINDING**

The NPS ITRTs are assigned duties beyond the recommendations of the Virginia Department of Education (VDOE).

ITRTs are funded by VDOE to provide assistance to teachers in the integration of technology into instruction. Currently, many of the ITRTs are also assigned the duty of test coordinator for their respective campuses. This additional responsibility is not in conflict with their primary function when limited to responsibility for the Standards of Learning (SOL) as all instruction ceases during this annual test administration. However, elementary campuses utilize a number of tests which are given bi-weekly, monthly, and quarterly. The additional responsibility for these tests significantly reduces the amount of time the ITRTs have to perform their primary function.

The integration of technology into instruction is an essential part of a quality education program. The timely implementation of such integration can only be accomplished when the ITRTs are left to commit their time to assisting teachers directly, with minimal distraction for other acceptable duties.

The VDOE model to provide one ITRT per 1,000 students to assure the timely integration of technology into instruction is widely accepted as being effective and efficient. The ITRT handbook delineates the approximate percentages of time that should be spent on an approved list of activities in order to be effective. School divisions such as Franklin County Public Schools have observed the effective integration of technology into instruction where ITRTs are fully engaged in assisting teachers.

## **RECOMMENDATION 7-5:**

**Limit ITRT assigned duties to those delineated in the VDOE ITRT handbook and SOL test coordination.**

The appropriate assignment of the ITRTs will allow all NPS campuses to effectively proceed with the timely integration of technology into the instructional process. Responsibility as coordinator for SOL administration is an efficient utilization of resources for the division as all instruction ceases for this annual test administration.

## **FISCAL IMPACT**

The fiscal impact related to implementing this recommendation will be limited to staff time in the event that no other NPS personnel can be utilized to coordinate testing beyond the SOL. However, a prioritization of staff time and the potential to assign duties to a combination of existing staff could yield a solution void of fiscal impact.

## **7.5 Technology Support and Help Desk Operations**

The information division has initiated a help desk to receive all technology-related calls for assistance across the division. The help desk is staffed by individuals who have at least a limited amount of experience in such work.

## **FINDING**

The help desk personnel have limited access to scripting, training, or onsite exposure to the processes utilized by school engineers to troubleshoot technology-related issues.

The help desk employs five FTEs with some level of support experience. The current process is to take calls for support from across the division and attempt to troubleshoot the problem. Should this effort be unsuccessful, the call is referred via a ticket system to school engineers, who in turn refer the call to the information division central office staff should the engineer's efforts also prove unsuccessful. Information division central office support staff will attempt to resolve the issue, and if unsuccessful, refer the issue to an outside vendor. The limited training and scripting for help desk personnel results in a higher level of referrals.

Training for help desk staff, including time to shadow school engineers, and the availability of scripting are all essential in effectively utilizing the help desk to minimize downtime and referrals to school engineers, information division central office staff, and vendors. The training may be accomplished through the development of a plan to provide better access to training, more in-depth scripting, and shadow time to observe school engineers' troubleshooting processes.

The ISTE asserts in the Technology Support Index that high efficiency in support of technology is attained with the availability of a help desk manned by well-trained staff. Schools utilizing the help desk model for initial support widely recognize the importance of scripting and continuous technical training. A well-trained help desk staff will limit the number of referrals to school engineers, thereby reducing the undue obligation of resources.

## **RECOMMENDATION 7-6:**

**Provide help desk staff the opportunity to receive advanced technical training, to utilize extensive scripting, and to shadow school engineers.**

Implementation of this recommendation will ensure the division has access to a more effective and efficient system of technology support. The resulting guarantee of continuity will allow the division access to efficiencies through the reduction of time and effort required to support technology.

## **FISCAL IMPACT**

The implementation of this recommendation will have limited fiscal impact in that current technical personnel may be utilized to provide the required training, scripting, and shadowing opportunities for the help desk staff. Training and shadowing is estimated to require approximately 20 hours of staff time per trainee.

## **7.6 Technology Acquisition Practices**

The information division provides services across NPS which allow for the planning, development of specifications, and implementation of hardware and software systems. These services are optional to departments and campuses.

**FINDING**

There is no consistent control on the acquisition of technology-related products and services across NPS.

Currently, the purchase of technology-related products and services may be accomplished by the information division, campuses, plant services, and the instructional technology department. Principals may utilize purchasing cards to bypass recommended procedures to acquire technology-related products and services. The lack of a centralized process and point of control for the purchase of technology-related products and services results in no standardization of equipment or software, as well as the loss of efficiency afforded by volume purchasing.

The need to connect all technology-related purchases to the NPS technology plan and the need to maximize efficiencies by purchasing standardized equipment are evidenced in the ability to utilize volume purchasing, the ability to limit the scope of training for technicians, and the ability to limit the inventory of parts and supplies for the equipment. Consistency may only be obtained by requiring all technology-related purchases to be approved by a single department.

The Technology Support Index developed by ISTE addresses the standardization of equipment as an important element in increasing efficiency of support and resource management. The ISTE asserts that there is a direct relationship between the standardization of equipment and software and the cost of ownership. The cost of ownership references the cost for support as well as parts and supplies.

**RECOMMENDATION 7-7:**

**Require all purchases of technology-related products and services to be approved by the information division.**

The implementation of this recommendation will help control the cost of ownership of technology-related software and equipment by allowing the information division to limit the scope of training required for technicians, efficiently plan for the acquisition and deployment of equipment and software, efficiently plan site preparation for arriving equipment, and finally, limit the scope of parts and supplies in inventory.

**FISCAL IMPACT**

The cost savings related to implementing this recommendation will be realized in lower costs of equipment and software as well as the more efficient use of technician time and effort. However, only a comparison of total costs before and after implementation can produce an exact amount of savings. At a minimum, NPS should expect a 10 percent reduction in the cost of products and services currently not purchased per approval by the information division.

**FINDING**

NPS has no funded hardware rotation cycle for technology-related equipment.

NPS has utilized grants from numerous sources, including the Commonwealth, to purchase technology-related equipment. However, the process has not allowed the division to maintain a replacement cycle which would eliminate the need to commit resources to support obsolete equipment. Obsolete equipment is being supported beyond its reasonable life cycle, thereby reducing cost efficiencies due to the increased time and effort required to support equipment no longer compatible with many of the peripherals and applications utilized across the division. The lack of a funded cycle in conjunction with stable grants creates a condition in which equipment becomes obsolete in numbers not manageable by NPS. The condition then requires the division to commit excessive resources in a given fiscal year in order to replace any significant portion of the obsolete equipment.

A funded life cycle for the technology-related equipment would allow NPS to plan to evenly commit resources over time to coincide with the division's technology plan. This can only be achieved by identifying a reasonable life cycle for the equipment and budgeting to support the cycle.

Technology departments, including those of Bath and Clarke County Public Schools, have widely accepted the efficiencies related to setting a life cycle for technology equipment, primarily computers, at no more than five years. The ISTE Technology Support Index identifies four to five years as a satisfactory level of efficiency with regard to the life cycle for technology-related equipment. The index further asserts that a state of low efficiency exists when there is no funded life cycle.

**RECOMMENDATION 7-8:**

**Develop a funded life cycle for technology-related equipment not to exceed five years.**

The implementation of this recommendation will allow NPS to more efficiently and consistently commit resources in support of the division's long-range technology plan. Implementation will further assure efficiencies in terms of time and effort related to directly supporting technology across NPS.

**FISCAL IMPACT**

The implementation of this recommendation will create increased costs for NPS in terms of outright purchasing of equipment. However, there will also be cost reductions in terms of the time and effort to support obsolete equipment. In addition, because campuses have equipment budgets that do not uniquely identify technology-related acquisitions, accurately determining current expenditures for technology-related equipment is not possible. Actual cost savings can only be derived from a comparison of technology-related costs before and after implementation. Staff time required to formalize a technology life-cycle plan is estimated at 20 hours.



**8.0 CHILD NUTRITION  
SERVICES**

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## 8.0 CHILD NUTRITION SERVICES

This chapter presents findings, commendations, and recommendations regarding operations of the child nutrition services department of Norfolk Public Schools (NPS). The three major sections of this chapter are:

- 8.1 Organization and Management
- 8.2 Policies, Procedures, and Compliance with Regulations
- 8.3 Financial Performance

### CHAPTER SUMMARY

Overall, the NPS Child Nutrition Services Department provides effective and efficient services to the students and staff of the school division. The department is in compliance with Virginia Department of Education (VDOE) policies and procedures; however, the review team found some areas that could be improved. Making the recommended improvements outlined in this chapter should increase the operational efficiency and effectiveness of the child nutrition services department.

Notable accomplishments of the NPS Child Nutrition Services Department include the following:

- The division's use of a central warehouse and a central kitchen maximizes quality and efficiency for NPS Child Nutrition Services (**Commendation 8-A**).
- The NPS nutritional standards serve as an outstanding model for promoting wellness among its students and staff (**Commendation 8-B**).
- The child nutrition services department has adopted standardized menus that are based on a precise planning model (**Commendation 8-C**).
- NPS does not charge for reduced price meals, a public service that benefits the community and results in increased student participation (**Commendation 8-D**).

MGT found that the division needs to improve in the areas of customer satisfaction, programmatic planning and monitoring, labor costs, and financial reporting. Key recommendations include:

- Increase the cost of student and staff lunch and breakfast meals (**Recommendation 8-4** and **8-5**).
- Reduce staff at schools where staff hours are above best practice levels (**Recommendation 8-6**).
- Charge all appropriate indirect costs to the child nutrition fund (**Recommendation 8-7**).
- Discontinue operation of the Our Place cafeteria (**Recommendation 8-8**).

The child nutrition services department offers breakfast, lunch, and snacks to over 36,000 students and staff at 56 sites. The school division participates in the National School Lunch Program (NSLP) and School Breakfast Program (SBP), which are regulated by the United States Department of Agriculture (USDA) and administered by VDOE.

As a participant in the NSLP and the SBP, NPS receives federal and state reimbursement income for free, reduced, and paid breakfast and lunch meals served. In addition to federal meal reimbursements, the division receives USDA food commodities.

As illustrated in the organizational chart in **Exhibit 8-1**, the senior director is responsible for the activities of the department. Reporting directly to the senior director are three division supervisors, who oversee daily operations at the school sites and supervise the 56 cafeteria managers and 402 full- and part-time cafeteria employees. In addition, one administrative assistant, one operations manager, and one business manager provide administrative support within the department.

### **8.1 Organization and Management**

#### **FINDING**

The NPS Child Nutrition Services Department utilizes a central food warehouse and a central kitchen to prepare most of the school food for the division sites. **Exhibit 8-2** provides detail on the structure of the NPS central kitchen. This unit of the child nutrition services department processes and ships raw and cooked food, in individualized and appropriate amounts, to each of the NPS cafeteria sites. This process allows for volume-based purchasing and an extremely efficient process for precooking and packaging the food needed for the cafeterias. It also promotes a high level of quality control, as all food is prepared in the same manner for all sites. A cook/chill process is utilized to bring pre-cooked food to a temperature of 33 degrees for shipment. Cafeteria sites receive the needed food in pre-measured proportions, based on the number of meals served at that site.

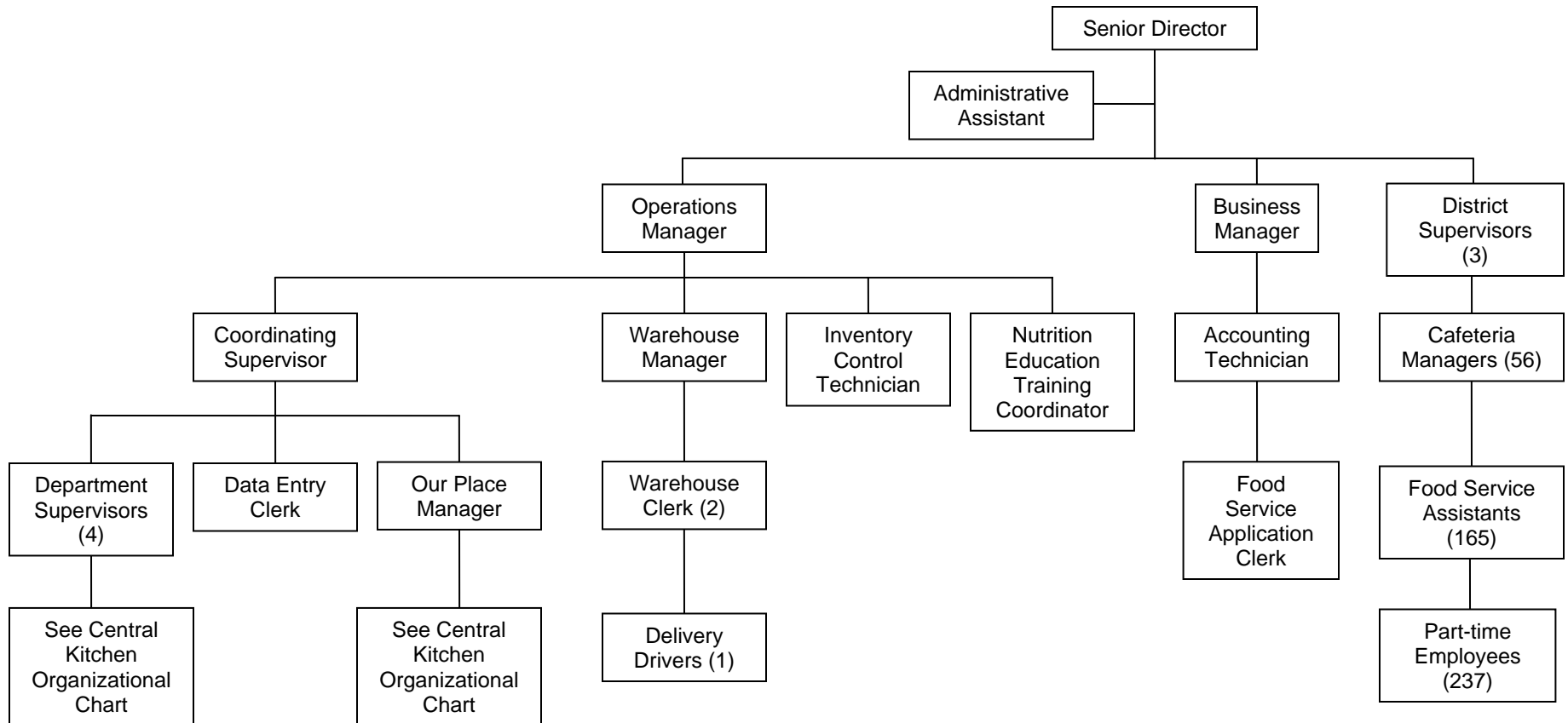
The use of a central warehouse allows NPS to order food in bulk for the entire school division, without paying food distributors to store and deliver these items. Inventory is carefully controlled to reduce waste and to maximize efficiency for the department. Child nutrition services trucks deliver food to each cafeteria site, usually one day in advance of service.

Interviews with NPS staff identified universal satisfaction with this process. Similarly, the review team observed activities in the central kitchen and warehouse, witnessing a clean and efficient operation. Further, staff morale in the central kitchen and warehouse was observed to be much higher than typically observed in similar environments.

#### **COMMENDATION 8-A:**

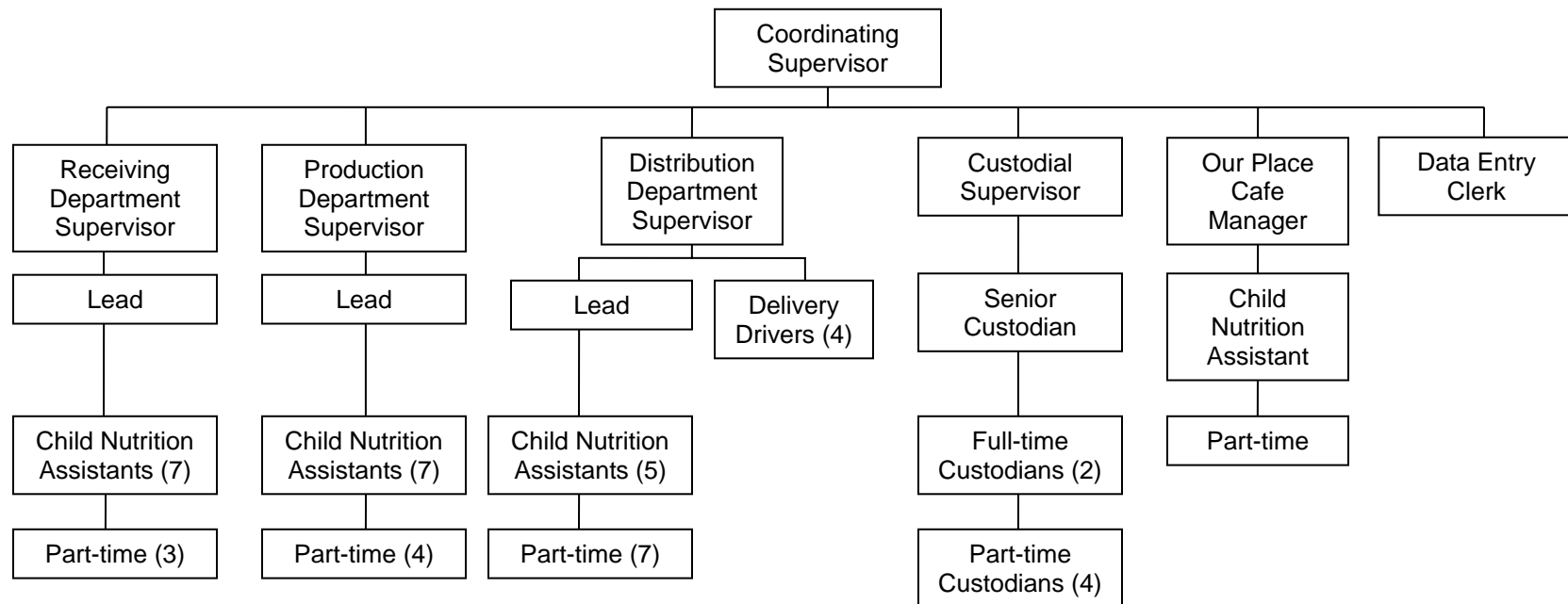
**The division's use of a central warehouse and a central kitchen maximizes quality and efficiency for the NPS Child Nutrition Services Department.**

**EXHIBIT 8-1  
ORGANIZATIONAL STRUCTURE  
CHILD NUTRITION SERVICES DEPARTMENT  
NORFOLK PUBLIC SCHOOLS  
2007-08 SCHOOL YEAR**



Source: Norfolk Public Schools, Child Nutrition Services Department, 2008.

**EXHIBIT 8-2  
ORGANIZATIONAL STRUCTURE  
CHILD NUTRITION SERVICES DEPARTMENT  
CENTRAL KITCHEN  
NORFOLK PUBLIC SCHOOLS  
2007-08 SCHOOL YEAR**



Source: Norfolk Public Schools, Child Nutrition Services Department, 2008.

**FINDING**

The NPS Child Nutrition Services Department received mixed reviews from stakeholders on matters of organizational performance.

MGT conducted a survey of NPS administrators, principals/assistant principals, and teachers as part of this efficiency review. These staff members were asked to assess the quality of the food service function within NPS. As is shown in **Exhibit 8-3**, 16 percent of administrators, 34 percent of principals, and 42 percent of teachers stated that the food service function *needs some improvement* or *needs major improvement*. Conversely, 67 percent of administrators, 62 percent of principals, and 42 percent of teachers stated that NPS food services are *adequate* or *outstanding*. As can also be seen in **Exhibit 8-3**, in comparison with their counterparts in over 100 other school divisions reviewed by MGT, NPS administrators and principals have a similar view of food service quality overall, while NPS teachers have a slightly less favorable view of food service quality.

Another portion of the MGT survey asked NPS staff to respond to the statement: *The food services department provides nutritious and appealing meals and snacks*. In response, 51 percent of NPS division administrators *agreed* or *strongly agreed* that this statement was true, while only 8 percent *disagreed* or *strongly disagreed*. Seventy-three percent of NPS principals *agreed* or *strongly agreed* that this statement was true, while 26 percent *disagreed* or *strongly disagreed*. With a more negative response, only 35 percent of NPS teachers *agreed* or *strongly agreed* that this statement was true, while 35 percent *disagreed* or *strongly disagreed*. These responses are detailed in **Exhibit 8-4**, while **Exhibit 8-5** compares NPS responses to this question to the average responses given by other school divisions MGT has reviewed. As shown, the responses of NPS staff are generally less favorable than those of their counterparts in other school divisions.

**EXHIBIT 8-3  
COMPARISON OF SURVEY RESPONSES  
FOOD SERVICE  
NORFOLK PUBLIC SCHOOLS AND OTHER DIVISIONS**

RESPONDENT GROUP	PERCENT INDICATING NEEDS SOME OR MAJOR IMPROVEMENT		PERCENT INDICATING ADEQUATE OR OUTSTANDING	
	NPS	OTHER SCHOOL DIVISIONS	NPS	OTHER SCHOOL DIVISIONS
Administrators	16%	38%	67%	67%
Principals	34%	35%	62%	65%
Teachers	42%	41%	42%	47%

Source: MGT Surveys, 1996-2008.

**EXHIBIT 8-4  
COMPARISON OF SURVEY RESPONSES WITHIN THE DIVISION  
FOOD QUALITY**

STATEMENT	(%A + SA) / (%D + SD)*		
	CENTRAL OFFICE ADMINISTRATORS	PRINCIPALS/ ASSISTANT PRINCIPALS	TEACHERS
The food services department provides nutritious and appealing meals and snacks.	51/8	55/26	35/35

Source: MGT Survey, 2008.

\*Percentage responding *Agree* or *Strongly Agree*/Percentage responding *Disagree* or *Strongly Disagree*. The *Neutral* and *Don't Know* responses have been omitted.

**EXHIBIT 8-5  
COMPARISON SURVEY OF RESPONSES  
FOOD QUALITY  
NORFOLK PUBLIC SCHOOLS AND OTHER DIVISIONS**

RESPONDENT GROUP	PERCENT INDICATING <i>AGREE</i> OR <i>STRONGLY AGREE</i>		PERCENT INDICATING <i>DISAGREE</i> OR <i>STRONGLY DISAGREE</i>	
	NPS	OTHER SCHOOL DIVISIONS	NPS	OTHER SCHOOL DIVISIONS
Administrators	51%	62%	8%	14%
Principals	55%	58%	26%	26%
Teachers	35%	43%	35%	34%

Source: MGT Surveys, 1996-2008.

**Exhibits 8-6** and **8-7** present additional survey responses regarding three critical areas of food service operations: (1) levels of customer service in school cafeterias, (2) cleanliness of facilities, and (3) quality of school/parent communication. As shown, NPS staff generally approve of the services provided in these areas.

**EXHIBIT 8-6  
COMPARISON OF SURVEY RESPONSES WITHIN THE DIVISION  
CHILD NUTRITION QUALITY**

STATEMENT	(%A + SA) / (%D + SD)*		
	CENTRAL OFFICE ADMINISTRATORS	PRINCIPALS/ ASSISTANT PRINCIPALS	TEACHERS
Cafeteria staff are helpful and friendly.	46/0	69/13	60/19
Cafeteria facilities are clean and neat.	54/0	85/5	71/12
Parents/guardians are informed about the menus.	65/0	92/2	78/3

Source: MGT Survey, 2008.

\*Percentage responding *Agree* or *Strongly Agree*/Percentage responding *Disagree* or *Strongly Disagree*. The *Neutral* and *Don't Know* responses have been omitted.

**FINDING**

The NPS Child Nutrition Services Department does not currently survey stakeholders on performance quality issues. To illustrate this, **Exhibit 8-7** provides survey responses regarding NPS child nutrition relating to the use of customer satisfaction surveys.

**EXHIBIT 8-7  
COMPARISON OF SURVEY RESPONSES WITHIN THE DIVISION  
CUSTOMER SATISFACTION SURVEY**

STATEMENT	(%A + SA) / (%D + SD)*		
	CENTRAL OFFICE ADMINISTRATORS	PRINCIPALS/ ASSISTANT PRINCIPALS	TEACHERS
The food services department encourages student participation through customer satisfaction surveys.	16/5	32/25	20/23

Source: MGT Survey, 2008.

\*Percentage responding *Agree* or *Strongly Agree*/Percentage responding *Disagree* or *Strongly Disagree*. The *Neutral* and *Don't Know* responses have been omitted.

These responses reflect the fact that NPS does not have a policy that requires the use of this type of survey. Interviews with NPS staff revealed that quality surveys have been used in the past, but that this practice has not continued. Also, feedback from child nutrition staff suggests that the previous survey methodology allowed cafeteria managers to select the days and times that these surveys were administered. The belief conveyed in interviews was that managers typically selected days and times that would be most favorable, depending on the items and students being served. Interviewees also overwhelmingly felt that conducting formal surveys on performance indicators was needed to gain additional knowledge of child nutrition effectiveness.



**RECOMMENDATION 8-1:**

**Design a customer satisfaction survey to ensure ongoing feedback regarding child nutrition services.**

Best practices in food services place critical importance on continual customer feedback to ensure the ability to make appropriate programmatic changes. As child nutrition is one of the most publicly visible functions within any school division, the need for routine monitoring of customer satisfaction is imperative. A well-designed customer satisfaction survey can provide essential information to guide school division decisions focused on departmental improvement. School food service programs serve many customers, including students, teachers, administrators, parents, and school staff. Each of these groups assesses food and service quality based on their unique experiences. While groups may evaluate the quality of a food service program differently, perception of quality is typically the most important factor when participation choices are made. An ongoing cycle of customer satisfaction surveys can serve as the basis for a continuous improvement model that is grounded in customer feedback. This concept is important in any operation, but is essential in food service.

Overall, it is clear from speaking with child nutrition staff that World-Class performance is the goal of the department. However, the survey results collected for this efficiency study contain some mixed results. To gain additional insight on potentially negative perceptions, the child nutrition senior director should work with other staff to identify and implement a survey focused on determining the perceptions of NPS staff regarding child nutrition. Potential areas of concern can then be identified and investigated in the interest of overall departmental improvement. This type of survey data, focused on predetermined central questions, can provide a formalized format for addressing negative opinions among school staff and other stakeholders. This data can also be used to benchmark performance in the overall improvement effort from year to year.

In general, customer satisfaction data should be used to:

- Develop targeted marketing plans to increase student participation in school breakfast and lunch programs.
- Identify needed enhancements to goods and services.
- Establish appropriate quality and process standards.
- Plan for new initiatives, services, or events.
- Justify needed changes, such as the purchase of new equipment or the renovation of facilities.

One particularly effective school food service survey was developed by the National Food Service Management Institute (NFSMI) at the University of Mississippi. In addition to providing statistically valid and reliable survey instruments, the NFSMI protocol offers an excellent example of how to effectively implement food service surveys. In particular, NFSMI suggests that, in order to effectively conduct a comprehensive survey, a school system should:

- Determine the intended objectives.

- Gain approval from the school community, including administrators, teachers, and parents.
- Determine when the survey should be conducted to gain the most participation and responses based on experience.
- Determine how many surveys to distribute based on population size to ensure statistical validity.
- Determine how the analysis will be conducted.
- Determine how the survey will be conducted.
- Prepare customers for the survey by making them aware of timelines and expectations.
- Develop a support network for the survey process.

NFSMI publishes the *School Foodservice Survey Guide*, which contains detailed methodology for conducting food service surveys, as well as the actual survey instruments by school level (elementary, middle, and high). The group also can provide national level data from which to make comparisons. **Exhibit 8-8** details the factors and survey items comprising the high school version of the NFSMI survey. **Exhibit 8-9** provides examples of graphs that can be produced using NFSMI survey data. While NPS may decide to develop a new survey, these instruments are an effective example of existing materials that can be used to guide the process.

### **FISCAL IMPACT**

There is no quantifiable cost associated with this recommendation. Using computer technology, these surveys can be implemented within the classrooms and schools, division facilities, and public meetings such as parent-teacher gatherings, without incurring printing costs. Ongoing data analysis can be easily completed using existing resources.

**EXHIBIT 8-8  
NFSMI HIGH SCHOOL FOOD SERVICE SURVEY  
FACTORS AND QUESTIONS**

**Food Quality**

The flavor of the food is?  
The quality of the brands offered is?  
The quality of the food choices is?  
The quality of the ingredients used is?  
The variety of food offered is?  
Foods on the serving line are attractively presented?

**Staff**

Foodservice staff are courteous.  
Foodservice staff treat me with respect.  
Foodservice staff are friendly.  
Foodservice staff smile and greet me when I am served.  
Foodservice staff listen to the students.  
Foodservice staff answer my questions.  
The appearance of the foodservice staff is?

**Nutrition**

Information on calories contained in food is available.  
Information on fat contained in food is available.  
Nutrition information on food products is posted.

**Diversity**

The choices of food available allow me to meet religious needs.  
The choices of food allow me to meet my ethnic and cultural preferences.

**Time/Cost**

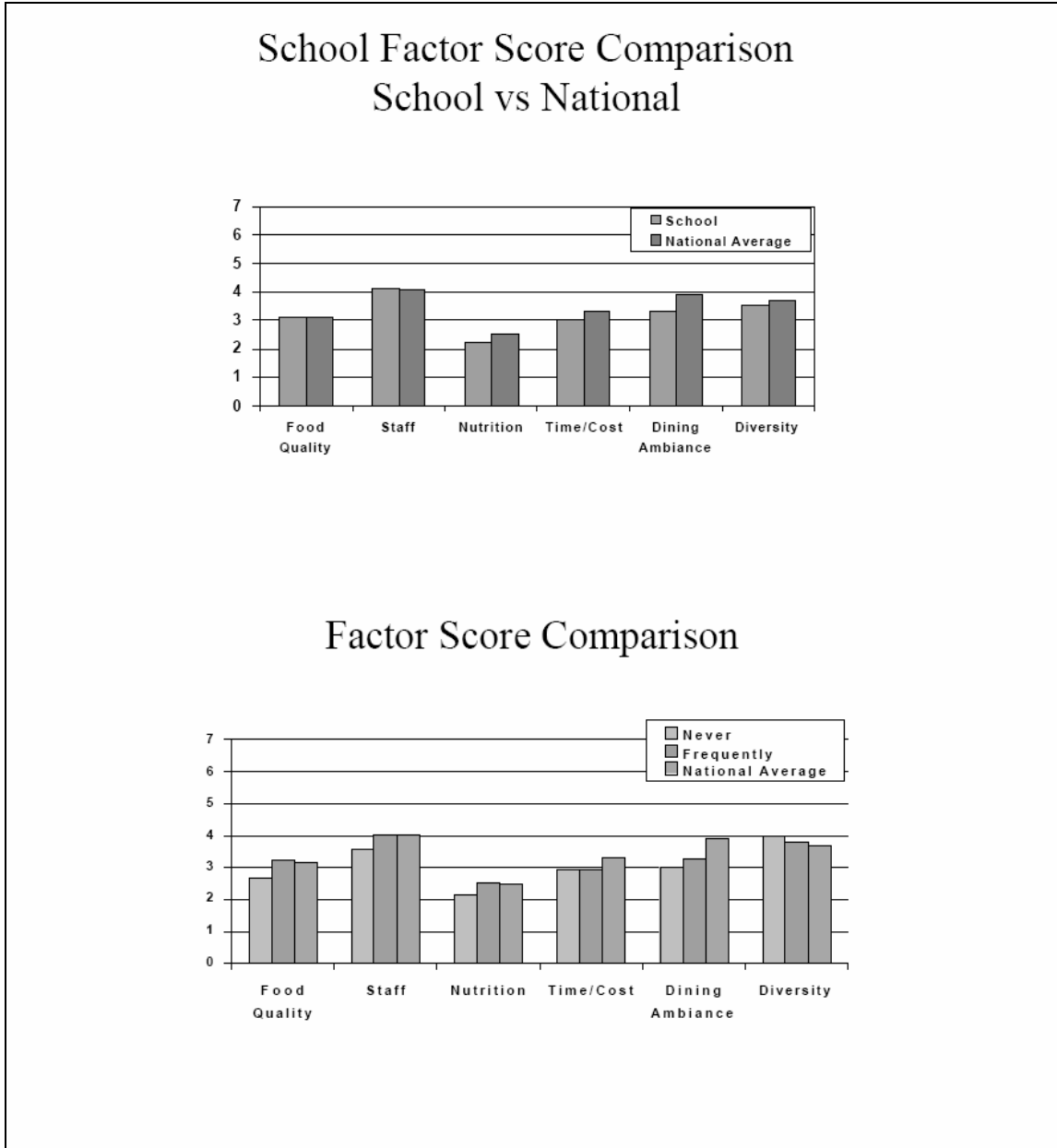
The time available to eat once seated is?  
Overall, time given for meals is adequate.  
The number of serving lines is adequate.  
The school foodservice prices are reasonable for what I get.

**Dining Ambiance**

The noise level in the dining area is OK.  
The dining area temperature is comfortable.  
Special events/promotions are offered.  
Theme days/special events are offered.  
Tables in the dining area are clean.

Source: National Food Service Management Institute Web site, 2006.

**EXHIBIT 8-9  
NFSMI HIGH SCHOOL FOOD SERVICE SURVEY  
SAMPLE GRAPHS**



Source: National Food Service Management Institute Web site, 2006.

## **FINDING**

Currently, the child nutrition services department does not regularly compile and report its findings on performance indicators to external stakeholders in a comprehensive manner. The department maintains records on many of the indicators that would comprise a comprehensive report card. In addition, certain reporting requirements for the VDOE are met on an annual basis, but these do not promote continual improvement in both the quality and efficiency of departmental operations. The review team did identify several current reports that, separately, capture quality and performance information. However, individually, these documents and data files do not paint a complete picture of the departmental status.

It is considered a best practice for child nutrition operations to compile and report at least annual performance on selected quality indicators to stakeholders such as school boards and the community. These indicators vary depending on the contextual differences among child nutrition programs, but often include basic indices such as meals served per labor hour, program costs per meal, and percentage of labor cost to total revenue. Considering the size of the NPS operation and the scope of stakeholders that it serves, ongoing performance monitoring and assessment are critical. It is clear from interviews and document reviews conducted by the review team that these activities are taking place. What is missing is a central document that compiles the data from all of these separate efforts.

## **RECOMMENDATION 8-2:**

### **Implement an annual report card on the NPS Child Nutrition Services Department.**

Child nutrition received very high quality ratings from NPS staff on the review team survey. If only for this reason, the department should routinely collect and disseminate its performance on quality indicators. This annual review of its operations should provide assurances that the department is performing up to standards, in comparison both to its past and to its peers. The report card should be used to communicate departmental improvement, and to highlight areas of critical need.

**Exhibit 8-10** details potential food service effectiveness indicators that could be incorporated in an NPS annual report card.

**EXHIBIT 8-10  
POTENTIAL FOOD SERVICE EFFECTIVENESS INDICATORS**

<b>SAMPLE FOOD SERVICE INDICATORS</b>
<p><b>Operational Performance</b></p> <p>Number of Daily Meals Served (breakfast, lunch, and after-school snack)</p> <p>Number of à la Carte Items Sold</p> <p>Percentage of Students Served by Individual School Cafeteria</p>
<p><b>Operational Efficiency</b></p> <p>Operational Costs per Meal Served</p> <p>Operational Costs per Student</p> <p>Salaries and Benefits as Percentage of Total Operating Costs</p> <p>Meals Served per Labor Hour</p> <p>Profit/Loss per Individual School Cafeteria</p> <p>Indirect Costs Paid to the School Division</p>
<p><b>Operational Quality</b></p> <p>Growth/Decline of Student Participation</p> <p>Results of Food Service Satisfaction Surveys</p>

Source: Created by MGT of America, 2008.

**FISCAL IMPACT**

This recommendation can be implemented with existing child nutrition services staff, by using appropriate hours of total staff time to create, implement, and review. It is estimated that approximately 40 hours of staff time would be needed to create the report card format, and another 20 hours would be needed annually to populate the report with the appropriate data. Furthermore, it is likely that the child nutrition services department will experience some cost savings as it works to achieve the goals identified by the report card.

**8.2 Policies, Procedures, and Compliance with Regulations**

Food service policies and procedures provide important information to drive internal operations, as well as to maintain clear communication with stakeholders. An absence of formal policies and procedures creates the potential for misinterpretations and omissions within any food service department.

Policies and procedures also provide the basis for staff to understand the necessity of compliance with federal, state, and local regulations and are essential to efficient food service operations.

## **FINDING**

The NPS Child Nutrition Services Department implemented rigorous nutritional requirements long before most state and national school systems, and maintains these standards through precise planning and oversight. The current NPS nutritional requirements exceed standards set by the USDA and the Commonwealth. The standards include the following mandates:

- All drinks sold in NPS vending machines must be 100 percent fruit juice, or other non-carbonated, sugarless drinks.
- Snacks must be less than 35 percent sugar.
- All food items must have less than 10 percent saturated fat.
- No fried food is served in elementary schools.
- French fries are the only fried food item served at secondary schools, and this item is only offered once per week (only baked fries will be available starting in 2008-09).
- Whole wheat is specified when available.
- Trans fat free is specified when available.

These policies represent a model implementation of nutritional guidelines, based on the review team's understanding of state and national requirements as well as its experience in hundreds of nationwide school systems.

## **COMMENDATION 8-B:**

**The NPS nutritional standards serve as an outstanding model for promoting wellness among its students and staff.**

## **FINDING**

The NPS Child Nutrition Services Department has implemented a menu planning process that is exceptional in its capacity to promote high quality meals while maximizing cost efficiency. The central policy of this process mandates that all NPS sites serve a standardized menu, resulting in the same food items being served in each cafeteria each day. Daily selections are coordinated by menu planning committees, which consist of:

- The nutrition education and training coordinator.
- The senior director.
- The operations manager.
- Field supervisors.
- Central kitchen supervisors.
- Site managers.

Menus are planned on a three week rotating cycle many months in advance to allow the department to identify the best prices for food items, so they can be purchased in bulk and warehoused. During the onsite visit, the department was planning menus for the 2008-09 school year. Factors considered when developing these menus include:

- Taste.
- Popularity - items are ranked from most popular to least popular.
- Adherence to the rigorous nutritional standards set by the division.
- Various production considerations associated with central kitchen processes.

If the department identifies a reduction in meals sold, via data provided by its point of sale system, data-driven adjustments are made to meal offering and scheduling. This process made a positive impact on the efficiency of the department during the 2005-06 school year when a decision was made to reduce the menu cycle from four to three weeks, based on the deletion of a number of least popular items. Food rankings are revisited annually using data from the Nutrikids data system.

Overall, these practices allow child nutrition services to maximize purchasing and production efficiency by closely regulating exactly what is served, and when, to the students and staff of NPS.

**COMMENDATION 8-C:**

**NPS is commended for its adoption of standardized menus and its approach to menu planning.**

**FINDING**

NPS maintains a policy of not charging students who qualify for reduced price meals. Interviews with NPS staff revealed that this decision was made in the 1992-93 school year to provide financial relief to the many families that do not qualify for free meals, but are still struggling financially (many of these are military families stationed on the nearby bases). Staff interviews maintained that this decision actually increased child nutrition revenues due to the fact that student participation increased, resulting in additional federal reimbursement dollars. While no data was available to substantiate this claim, the review team is aware that many school systems across the country are implementing similar policies and are realizing similar increases in revenue.

**COMMENDATION 8-D:**

**The practice of not charging for reduced price meals is a public service that benefits the community and results in increased student participation.**

**FINDING**

The current NPS board policy regarding child nutrition does not address many of the critical issues facing this operation, primarily in relation to fiscal management. The child nutrition services department needs to be directed by clear board policy that provides information not only on duties to be carried out within the school division, but also on the



departmental mission. This information is important to drive internal operations, as well as to ensure clear communication of child nutrition information to the public. An absence of formal board policies creates the potential for misinterpretations and omissions within the child nutrition services department.

Food service is a school division operation that is highly visible, both to students and the community. It is also one of the division-level operations that generate and spend a substantial amount of funds. For these primary reasons, a school board must ensure that rigorous standards are in place to guide the quality of service delivery and the efficiency of fiscal operations. One method of strengthening the oversight of food service operations is through comprehensive board policies.

The activities of the child nutrition services department are not comprehensively addressed in the board policy manual. In addition, although the child nutrition fund is accounted for as a separate proprietary fund, there is little board policy regarding financial or programmatic activities of this fund. The guidelines for the federal student lunch program are very specific, and since it is this program that ultimately provides the basis for allocations of other federal resources to the school division, there should be a board policy that requires compliance with these guidelines, beyond a simple statement to that fact.

The current board policy provides only general statements about the administration of the child nutrition program in Norfolk. This type of policy language is insufficient to ensure the effective and efficient operation of the child nutrition services department.

**RECOMMENDATION 8-3:**

**Develop a comprehensive board policy for child nutrition.**

NPS should include comprehensive policy language on child nutrition in its policy manual to clearly communicate departmental services and expectations. Formal child nutrition policies should define important practices and should also serve as a vehicle for addressing instances of public concern over operational issues.

**Exhibit 8-11** provides an example of a comprehensive child nutrition policy. Each policy included in the NPS policy manual must be carefully evaluated for appropriateness and alignment with Virginia law.

**FISCAL IMPACT**

While there is no quantifiable cost to implementing this recommendation, it is estimated that approximately 30 hours of policy development staff time would be necessary to research and develop the needed policy language.

**EXHIBIT 8-11  
SAMPLE CHILD NUTRITION POLICY**

**GENERAL CHILD NUTRITION REQUIREMENTS**

The child nutrition program shall operate according to requirements set forth in state statutes and state board of education rules. The child nutrition program shall include the federally reimbursed lunch program, à la carte selections, beverage offerings, and sale of food and beverage items offered through vending machines or other methods to students at all school facilities during the school day and may include the federally reimbursed breakfast program.

- (1) The child nutrition program shall be an integral part of the division's educational program, offering nutritional and educational opportunities to students.
- (2) Foods and beverages available in schools shall be only those which meet the nutritional needs of students and contribute to the development of desirable health habits unless permitted otherwise by state board of education rules and approved by the superintendent.
- (3) The child nutrition program shall meet the standards for child nutrition and sanitation and safety as provided by the state board of health and state department of education.
- (4) Child nutrition funds shall not be considered or treated as internal funds of the local school, but shall be a part of the division school funds. Child nutrition funds shall be subject to all the requirements applicable to the division fund such as budgeting, accounting, reporting, and purchasing and such additional requirements as set forth in the written procedures manual authorized in this policy.
- (5) USDA commodities shall be acquired, stored, and utilized in accordance with USDA and related state board of education rules.
- (6) The superintendent or designee shall develop a written procedures manual to govern the child nutrition program.

**CHILD NUTRITION FUNDS**

- (7) Child nutrition funds shall be considered special revenue funds, but shall be subject to all requirements applicable to the division school funds such as budgeting, accounting, reporting, and purchasing unless specific requirements are established by federal or state laws, rules, or regulations.
- (8) Daily deposits of child nutrition funds shall be made by authorized personnel in a bank(s) designated by the School Board.
- (9) Revenue from the sale of all items handled by the child nutrition services department shall be considered child nutrition income. This includes income from sale of cans, bottles, jars, rice bags, swill, and similar items. Such funds shall not be expended as cash.
- (10) All payments from child nutrition funds shall be made by check or wire transfer.

**EXHIBIT 8-11 (Continued)  
SAMPLE CHILD NUTRITION POLICY**

**CHILD NUTRITION FUNDS**

- (11) Child nutrition funds shall be used only to pay child nutrition operating costs.
- (12) Profit and loss statements shall be developed monthly for each child nutrition program, by school site.
- (13) Any loss of records, cash, or supplies through theft or otherwise shall be reported immediately to the superintendent's office. Such losses shall be itemized and a copy of the report submitted with the regular reports.
- (14) Funds shall be collected and expended in compliance with USDA and state board of education rules.
- (15) The board shall annually adopt prices charged to students and adults who participate in the child nutrition program.
- (16) The superintendent or designee shall develop written procedures for conducting the division's child nutrition program.

**MEAL PATTERNS**

All schools with grades Pre-K-12 shall participate in the National School Lunch and Breakfast Programs and serve student meals according to meal patterns established by the United States Department of Agriculture. Schools may participate in other child nutrition programs.

**FREE AND REDUCED PRICE MEALS**

Free or reduced price meals shall be served to all students who qualify based on eligibility criteria approved by the School Board.

The income eligibility guidelines for free or reduced price meals shall be in accordance with the scales provided by the state department of education as adopted by the state board of education based upon income guidelines prescribed by the United States Secretary of Agriculture.

Eligibility criteria shall be applicable to all division schools and shall provide that all students from a family meeting the eligibility criteria and attending any division school are offered the same benefits.

Procedures for implementing the free and reduced price meal services shall be reviewed annually and shall be in accordance with procedures and guidelines published by the state department of education and the United States Department of Agriculture.

Source: Created by MGT of America, 2005.

### 8.3 Financial Performance

According to annual financial reports, the NPS Child Nutrition Services Department had operational expenses of \$13,509,186 and revenues equaling \$14,079,862 in the 2006-07 school year. Revenues have increased over \$385,872 since 2004-05, while operational costs have increased by \$120,299 over the same period. **Exhibit 8-12** summarizes the department's revenues and expenditures over the past three school years.

#### EXHIBIT 8-12 NORFOLK PUBLIC SCHOOLS EXPENDITURE AND REVENUE ANALYSIS 2004-05 THROUGH 2006-07 SCHOOL YEARS

SCHOOL YEAR	TOTAL REVENUE	TOTAL REVENUE DIFFERENCE FROM PRIOR YEAR	TOTAL REVENUE PERCENTAGE DIFFERENCE FROM PRIOR YEAR	TOTAL EXPENDITURES	TOTAL EXPENDITURES DIFFERENCE FROM PRIOR YEAR	TOTAL EXPENDITURES PERCENTAGE DIFFERENCE FROM PRIOR YEAR
2004-05	\$13,694,035	-	-	\$13,388,887	-	-
2005-06	\$13,967,970	\$273,935	2.00%	\$13,586,527	\$197,640	1.48%
2006-07	\$14,079,862	\$111,892	0.80%	\$13,509,186	(\$77,341)	(0.57%)
Difference between 2004-05 and 2006-07 School Years.	-	\$385,827	2.82%	-	\$120,299	0.90%

Source: NPS Child Nutrition Services Department, 2008.

### FINDING

The NPS meal prices are rather low in comparison to other school systems. While this type of pricing strategy is often viewed as a beneficial situation for students and employees, it often places financial limitations on child nutrition programs. Such is the case in the NPS Child Nutrition Services Department.

The 2006-07 national average for a student school lunch was \$1.80 (\$1.66 for elementary schools; \$1.85 for middle schools and \$1.90 for high schools), according to the School Nutrition Association. The current costs for student lunches in NPS are provided in **Exhibit 8-13**, along with the comparative differences to the national averages.

#### EXHIBIT 8-13 COMPARISON OF SCHOOL LUNCH PRICES 2006-07 SCHOOL YEAR

GRADE LEVEL	NPS COST	NATIONAL AVERAGE COST	DIFFERENCE
Elementary School	\$1.10	\$1.66	(\$0.56)
Middle School	\$1.25	\$1.85	(\$0.60)
High School	\$1.25	\$1.90	(\$0.65)

Source: Created by MGT from NPS and national comparison information, 2008.

As shown in **Exhibit 8-13**, NPS is well below national averages in meal pricing. One result of this pricing structure is decreased profitability, which leaves NPS vulnerable to potentially losing money on its child nutrition program.

In addition to the national average comparison, **Exhibit 8-14** provides detail on lunch prices among the selected peer school divisions. As displayed, NPS has, again, lower prices compared to its selected peer divisions, except one, Portsmouth City Schools (Portsmouth). However, this comparison is misleading because Portsmouth is the only school division in Virginia with lower meal prices than NPS. For this reason, the inclusion of Portsmouth in this comparison masks the discrepancy between the meal prices in NPS and those for the rest of the state. To adjust for this, a comparison of the difference between NPS prices and the state average meal prices is presented. Overall, NPS charges an average of \$0.50 less per meal, across all meal pricing levels, than the state average.

**EXHIBIT 8-14  
LUNCH PRICES IN COMPARISON SYSTEMS  
2007-08 SCHOOL YEAR**

SCHOOL DIVISIONS	ELEMENTARY SCHOOL	MIDDLE SCHOOL	HIGH SCHOOL
Norfolk	\$1.10	\$1.25	\$1.25
Newport News	\$1.50	\$1.65	\$1.65
Hampton	\$1.40	\$1.50	\$1.50
Roanoke	\$1.55	\$1.65	\$1.65
Portsmouth	\$0.85	\$0.95	\$0.95
<b>DIVISION AVERAGE</b>	<b>\$1.28</b>	<b>\$1.40</b>	<b>\$1.40</b>
<b>NPS DIFFERENCE</b>	<b>\$0.18</b>	<b>\$0.15</b>	<b>\$0.15</b>
<b>STATE AVERAGE</b>	<b>\$1.60</b>	<b>\$1.75</b>	<b>\$1.75</b>
<b>NPS DIFFERENCE</b>	<b>(\$0.50)</b>	<b>(\$0.50)</b>	<b>(\$0.50)</b>

Source: Created by MGT from NPS and state information, 2008.

In addition, NPS has set student and staff breakfast prices far lower than the state average. **Exhibit 8-15** provides a comparison of NPS and state average prices. As can be seen, NPS charges over \$0.30 less than the state average for breakfast.

**EXHIBIT 8-15  
COMPARISON OF SCHOOL BREAKFAST PRICES  
2007-08 SCHOOL YEAR**

GRADE LEVEL	NPS COST	STATE AVERAGE COST	DIFFERENCE
Elementary School	\$0.60	\$0.92	<b>(\$0.32)</b>
Middle School	\$0.60	\$0.97	<b>(\$0.37)</b>
High School	\$0.60	\$0.97	<b>(\$0.37)</b>

Source: Created by MGT from NPS and state information, 2008.

**RECOMMENDATION 8-4:**

**Increase the cost of NPS student and staff lunches by \$0.50 per meal.**

Although the NPS program is profitable with the current pricing structure, there are some compelling reasons to increase meal prices to more appropriate costs. First, the rising cost of fuel and food places increased pressure on the child nutrition services department to remain profitable, and this trend does not seem to have an end in sight. Second, the department implemented a \$2.00 per hour wage increase in 2007-08 for a large portion of its workforce in response to an NPS salary study. Additional revenue generated from increasing meal prices would provide a foundation for addressing each of these concerns over time. Further, increasing meal prices by \$0.50 per lunch would still place NPS below the national average for student meals.

**FISCAL IMPACT**

NPS served 1,200,360 paid lunches in 2006-07. Multiplying the total lunches sold by \$0.50 results in \$600,180 in additional revenue.

Recommendation	2008-09	2009-10	2010-11	2011-12	2012-13
Increase Lunch Prices	\$600,180	\$600,180	\$600,180	\$600,180	\$600,180

**RECOMMENDATION 8-5:**

**Increase the cost of NPS student and staff breakfasts by \$0.30 per meal.**

This recommendation should be implemented based on the same rationale as the previous recommendation.

**FISCAL IMPACT**

NPS served 255,306 paid breakfasts in 2006-07. Multiplying the total paid breakfasts sold by \$0.30 results in \$76,592 in additional revenue.

Recommendation	2008-09	2009-10	2010-11	2011-12	2012-13
Increase Breakfast Prices	\$76,592	\$76,592	\$76,592	\$76,592	\$76,592

**FINDING**

The percentage of labor costs to total revenues for the school division is higher than best practices among school divisions throughout the country.

According to *School Business Insider*, labor (including salary, overtime wages, health insurance, workers' compensation, and other benefits) should not exceed 40 percent of revenue. As shown in **Exhibit 8-16**, the percentage of labor to total revenue in NPS is higher than best practice levels.

**EXHIBIT 8-16  
NORFOLK PUBLIC SCHOOLS  
CHILD NUTRITION LABOR COSTS  
2004-05 THROUGH 2006-07 SCHOOL YEARS**

<b>SCHOOL YEAR</b>	<b>LABOR COSTS</b>	<b>TOTAL REVENUE</b>	<b>LABOR COSTS PERCENTAGE OF TOTAL REVENUE</b>
2004-05	\$6,418,839	\$13,694,035	46.87%
2005-06	\$6,570,956	\$13,967,970	47.04%
2006-07	\$6,720,737	\$14,079,862	47.73%
<b>Difference Between 2004-05 and 2006-07 School Years</b>	<b>\$301,898</b>	<b>\$385,827</b>	<b>(0.86%)</b>

Source: NPS Child Nutrition Services Department, 2008.

The exhibit details the labor costs for child nutrition during the 2004-05 through 2006-07 school years. These costs rose by \$301,898 over the three year period. In addition, the cost of labor percentage to total revenue was 46.9 percent in 2004-05, but increased by 0.86 percent to 47.7 percent by 2006-07. As can be seen, NPS labor costs are approximately 8 percent over industry standards

**RECOMMENDATION 8-6:**

**Reduce staff at schools where staff hours are above best practice levels.**

There are many contextual factors that determine the need for staff at specific school cafeterias. NPS should identify which of its school sites are above the 40 percent standard and reduce labor percentages, taking the knowledge of individual program needs into account. By reducing staff hours across school cafeterias, the school division would be in line with the industry standards indicated in *Cost Control for School Food Services, Third Edition, 2000*. Implementation of this recommendation would provide NPS with a more efficient organization. Furthermore, since this benchmark was developed with data from the full spectrum of food service operations, a reduction to this level should still allow for adequate staffing of NPS cafeterias. This is particularly true based on the fact that NPS prepares most of its food in a central kitchen, reducing the need for kitchen staff at the cafeteria sites.

**FISCAL IMPACT**

The 2006-07 percentage of labor costs to total revenue was 48 percent, 8 percent above industry best practice standards. The total cost of labor was \$6,720,737. By reducing the labor cost by 8 percent across the board, NPS should expect to recoup \$537,659 per year. This would result in an estimated five-year savings of approximately \$2,688,294.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Reduce Labor Hours to Industry Benchmark Levels	\$537,659	\$537,659	\$537,659	\$537,659	\$537,659

**FINDING**

Currently, the NPS Child Nutrition Services Department does not pay appropriate indirect charges back to the school division’s general fund. The NPS Child Nutrition Services Department draws on a number of services provided by the school division. An indirect overhead rate is developed annually by the state for use with federal grants, and the current rate for NPS is 3.78 percent. This rate is typically used to allocate the value of the general overhead of a school division to child nutrition programs. Services included in indirect overhead are administrative duties such as overseeing personnel, purchasing, facilities, and all other general school division work that benefits child nutrition. The total expenditures for the child nutrition fund in 2006-07 were \$13,509,186. If the 3.78 percentage rate had been applied to this amount, the child nutrition fund would have been responsible for paying \$510,647 per year to the general fund for indirect costs.

There are also direct charges that should be paid by the department. These include maintenance costs, fuel, vehicle costs, and utilities. In addition, large child nutrition programs, such as the program in NPS, often pay direct charges for personnel located in other departments that dedicate a large portion of time to child nutrition tasks. These positions are often located in maintenance, personnel, warehousing, and accounting. These costs are typically paid in addition to the general indirect rate because child nutrition services departments use a disproportionate amount of these services. In the 2006-07 school year, child nutrition services paid \$812,991 in direct costs for these types of services.

**RECOMMENDATION 8-7:**

**Charge all appropriate indirect costs to the child nutrition fund.**

Currently, the NPS Child Nutrition Services Department is a profitable organization that maintains a fund balance large enough to pay for all direct and indirect costs in addition to other departmental expenditures (\$6,331,769 for 2006-07). The department should pay for all work activities associated with child nutrition operations, in keeping with industry standards.

**FISCAL IMPACT**

In addition to the 3.78 percent indirect rate, the child nutrition services department should continue to pay all other appropriate direct costs identified by NPS. As previously stated, applying this rate to the total expenditures for 2006-07 (\$13,509,186) produces an annual expected increase of \$510,647 to the NPS general fund. The end result would be a five-year savings of approximately \$2,553,236 to the general fund and increased costs of a similar amount for the child nutrition fund. The fiscal impact is an overall zero balance for the division.



**FINDING**

The NPS Child Nutrition Services Department operates a cafeteria in the main division office that is not profitable. The Our Place cafeteria serves breakfast and lunch mainly to NPS division employees and court staff housed in the same building. Interviews with child nutrition services staff indicate that the cafeteria served very few customers and was a drain on the profitability of the department. The review team confirmed this perception through observation of the cafeteria during meal times and financial analysis.

**Exhibit 8-17** provides detail on 2006-07 Our Place revenue by month. The exhibit shows that Our Place received \$86,188 in revenue from the sale of meals in that year.

**EXHIBIT 8-17  
NORFOLK PUBLIC SCHOOLS  
OUR PLACE REVENUE  
2006-07 SCHOOL YEAR**

<b>MONTH</b>	<b>BREAKFAST SALES</b>	<b>LUNCH SALES</b>	<b>TOTAL SALES</b>
July	\$2,430.06	\$4,256.53	\$6,686.59
August	\$2,901.15	\$5,063.80	\$7,964.95
September	\$2,483.90	\$3,979.32	\$6,463.22
October	\$2,743.41	\$5,058.23	\$7,801.64
November	\$2,445.81	\$4,724.77	\$7,170.58
December	\$2,067.48	\$3,304.02	\$5,371.50
January	\$2,528.01	\$5,072.63	\$7,600.64
February	\$2,609.17	\$4,704.25	\$7,313.42
March	\$2,927.35	\$5,137.93	\$8,065.28
April	\$2,483.68	\$4,540.27	\$7,023.95
May	\$2,644.15	\$5,141.16	\$7,785.31
June	\$2,339.12	\$4,601.44	\$6,940.56
<b>Total</b>	<b>\$30,603</b>	<b>\$55,584</b>	<b>\$86,188</b>

Source: NPS Child Nutrition Services Department, 2008.

**Exhibit 8-18** provides a breakdown of 2006-07 Our Place expenditures by month totaling \$113,418 for the year.

**EXHIBIT 8-18  
NORFOLK PUBLIC SCHOOLS  
OUR PLACE EXPENDITURES  
2006-07 SCHOOL YEAR**

<b>MONTH</b>	<b>TOTAL SALES</b>
July	\$7,605.43
August	\$8,915.97
September	\$8,683.87
October	\$8,132.67
November	\$8,057.94
December	\$11,256.98
January	\$7,543.27
February	\$7,984.83
March	\$8,506.85
April	\$8,410.64
May	\$11,220.98
June	\$9,243.31
One Employee Salary	\$7,855.00
<b>Total</b>	<b>\$113,418</b>

Source: NPS Child Nutrition Services Department, 2008.

The analyses shows that Our Place lost a total of \$27,230 in 2006-07; however, the loss is actually higher than this figure. Due to current NPS accounting practices, the food costs for Our Place cannot be separated from the department as a whole and are not included in the official expenditures. NPS staff estimated that the annual cost for food in 2006-07 was approximately \$30,000, bringing the total losses for Our Place to \$57,230. Additional analysis of current revenue and expenditures reveal that Our Place is following a similar pattern in 2007-08.

**RECOMMENDATION 8-8:**

**Discontinue operation of the Our Place cafeteria.**

Our Place cafeteria does not serve a large portion of the NPS staff located in the building. A mall with a large food court is located just a few blocks from the NPS division office. This alternative reduces the desire, and the need, to eat at Our Place and leads to the large financial losses suffered by the operation.

**FISCAL IMPACT**

Using the figures available from 2006-07, it is assumed that NPS should realize at least an annual cost savings of \$57,230. It is likely that this savings would increase as child nutrition costs increase over time.

<b>Recommendation</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Discontinue Operation of Our Place Cafeteria	\$57,230	\$57,230	\$57,230	\$57,230	\$57,230

## **9.0 FISCAL SUMMARY**

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## 9.0 SUMMARY OF POTENTIAL SAVINGS AND COSTS

Based on the analyses of data obtained from interviews with NPS personnel, parents, and the community at large; NPS surveys; state and school division documents; and first-hand observations during the review, the MGT developed 78 recommendations, 23 which have fiscal implications.

As shown in **Exhibit 9-1**, full implementation of the recommendations in this report would generate gross savings of \$22,608,850 over a five-year period. Costs for the same period would equal \$9,784,802, with a total one-time cost of \$46,950, for a net savings of **\$12,777,098**. It is important to note that many of the recommendations MGT made without specifying a fiscal impact are expected to result in a net cost savings to NPS, depending on how the division elects to implement them. It is also important to note that costs and savings presented in this report are in 2008-09 dollars and do not reflect increases due to salary or inflation adjustments.

### EXHIBIT 9-1 SUMMARY OF ANNUAL SAVINGS (COSTS)

CATEGORY	YEARS					TOTAL FIVE-YEAR SAVINGS
	2008-09	2009-10	2010-11	2011-12	2012-13	
TOTAL SAVINGS	\$4,521,770	\$4,521,770	\$4,521,770	\$4,521,770	\$4,521,770	\$22,608,850
TOTAL (COSTS)	(\$1,829,590)	(\$1,919,145)	(\$1,962,707)	(\$2,011,217)	(\$2,062,143)	(\$9,784,802)
TOTAL NET SAVINGS (COSTS)	\$2,692,180	\$2,602,625	\$2,559,063	\$2,510,553	\$2,459,627	\$12,824,048
ONE-TIME SAVINGS (COSTS)						(\$46,950)
TOTAL FIVE-YEAR NET SAVINGS (COSTS) INCLUDING ONE-TIME SAVINGS (COSTS)						\$12,777,098

**Exhibit 9-2** provides a chapter-by-chapter summary for all costs and savings. It is important to note that only the 23 recommendations with fiscal impacts are identified in this chapter. The remaining 55 recommendations to improve the efficiency and effectiveness of NPS are included in **Chapter 1.0** through **8.0** of this report. A summary of key recommendations are listed in the **Executive Summary**.

MGT recommends that NPS gives each of the recommendations serious consideration and develops plans to proceed with their implementation and a system to monitor subsequent progress.

**EXHIBIT 9-2  
CHAPTER-BY-CHAPTER SUMMARY OF POTENTIAL SAVINGS (COSTS)**

CHAPTER REFERENCE		ANNUAL SAVINGS (COSTS)					TOTAL FIVE YEAR SAVINGS (COSTS)	ONE-TIME SAVINGS (COSTS)
		2008-09	2009-10	2010-11	2011-12	2012-13		
<b>CHAPTER 1: DIVISION ADMINISTRATION</b>								
1-1	Purchase One Lockable, Fire-Rated Four-Drawer File Cabinet (Page 1-7)	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,300)
1-2	Provide School Board Meeting Agenda Packets Electronically (Page 1-8)	\$0	\$0	\$0	\$0	\$0	\$0	(\$13,500)
1-4	Eliminate .5 Board Clerk Position (Page 1-12)	\$48,760	\$48,760	\$48,760	\$48,760	\$48,760	\$243,800	\$0
1-4	Eliminate 1.0 Deputy Clerk Position (Page 1-12)	\$65,153	\$65,153	\$65,153	\$65,153	\$65,153	\$325,765	\$0
1-4	Create 1.0 Board Clerk – Administrative Assistant Position (Page 1-12)	(\$72,771)	(\$72,771)	(\$72,771)	(\$72,771)	(\$72,771)	(\$363,855)	\$0
1-11	Eliminate .5 Manager Position, Communications & Media Relations (Page 1-28)	\$48,760	\$48,760	\$48,760	\$48,760	\$48,760	\$243,800	\$0
1-11	Create 1.0 Director Position, Communications & Community Relations (Page 1-28)	(\$106,409)	(\$106,409)	(\$106,409)	(\$106,409)	(\$106,409)	(\$532,045)	\$0
1-11	Reclassify the Publications and Communications Specialist to Coordinator (Page 1-28)	(\$17,829)	(\$17,829)	(\$17,829)	(\$17,829)	(\$17,829)	(\$89,145)	\$0
1-11	Eliminate 1.0 Video Production Specialist Position (Page 1-28)	\$61,576	\$61,576	\$61,576	\$61,576	\$61,576	\$307,880	\$0
1-17	Purchase a Flatbed Scanner (Page 1-37)	\$0	\$0	\$0	\$0	\$0	\$0	(\$150)
1-18	Establish an Education Foundation Executive Director Position (Page 1-38)	\$0	(\$53,205)	(\$53,205)	(\$53,205)	(\$53,205)	(\$212,820)	\$0
<b>TOTAL SAVINGS/(COSTS)</b>		<b>\$27,240</b>	<b>(\$25,965)</b>	<b>(\$25,965)</b>	<b>(\$25,965)</b>	<b>(\$25,965)</b>	<b>(\$76,620)</b>	<b>(\$14,950)</b>
<b>CHAPTER 2: FINANCIAL MANAGEMENT</b>								
2-2	Purchase Textbook Ordering System (Page 2-16)	\$0	\$0	\$0	\$0	\$0	\$0	(\$15,000)
2-15	Hire an Internal Audit Director (Page 2-39)	(\$44,410)	(\$63,050)	(\$63,050)	(\$63,050)	(\$63,050)	(\$296,610)	\$0

**EXHIBIT 9-2 (Continued)  
CHAPTER-BY-CHAPTER SUMMARY OF POTENTIAL SAVINGS (COSTS)**

CHAPTER REFERENCE		ANNUAL SAVINGS (COSTS)					TOTAL FIVE YEAR SAVINGS	ONE-TIME SAVINGS (COSTS)
		2008-09	2009-10	2010-11	2011-12	2012-13		
<b>CHAPTER 3: EDUCATIONAL SERVICE DELIVERY</b>								
3-1	Eliminate One Assistant Director Position, Special Education (Page 3-10)	\$119,700	\$119,700	\$119,700	\$119,700	\$119,700	\$598,500	\$0
3-1	Eliminate Assistant To Executive Director Position (Page 3-10)	\$123,700	\$123,700	\$123,700	\$123,700	\$123,700	\$618,500	\$0
3-1	Eliminate One Senior Coordinator Position, Special Education (Page 3-10)	\$106,400	\$106,400	\$106,400	\$106,400	\$106,400	\$532,000	\$0
3-1	Eliminate Seven Teacher Specialist Positions, Special Education (Page 3-10)	\$614,460	\$614,460	\$614,460	\$614,460	\$614,460	\$3,072,300	\$0
3-1	Eliminate Six Clerical Positions, Special Education (Page 3-10)	\$255,360	\$255,360	\$255,360	\$255,360	\$255,360	\$1,276,800	\$0
3-1	Eliminate One Senior Director Position, Compensatory Education (Page 3-10)	\$146,300	\$146,300	\$146,300	\$146,300	\$146,300	\$731,500	\$0
3-1	Eliminate One Coordinator Position, Compensatory Education (Research and Dissemination) (Page 3-10)	\$98,420	\$98,420	\$98,420	\$98,420	\$98,420	\$492,100	\$0
3-1	Eliminate One Coordinator Position, Compensatory Education (Community Involvement) (Page 3-10)	\$86,450	\$86,450	\$86,450	\$86,450	\$86,450	\$432,250	\$0
3-1	Eliminate Four Administrative Secretary Positions, Compensatory Education (Page 3-10)	\$212,800	\$212,800	\$212,800	\$212,800	\$212,800	\$1,064,000	\$0
3-1	Eliminate One Senior Coordinator Position, Staff Development (Page 3-10)	\$107,730	\$107,730	\$107,730	\$107,730	\$107,730	\$538,650	\$0
3-1	Eliminate One Senior Coordinator Position, Leadership and Capacity (Page 3-10)	\$82,460	\$82,460	\$82,460	\$82,460	\$82,460	\$412,300	\$0
3-1	Eliminate Three Teacher Specialist Positions, Leadership and Capacity (Page 3-10)	\$211,470	\$211,470	\$211,470	\$211,470	\$211,470	\$1,057,350	\$0
3-1	Create Four Senior Coordinators Positions, Elementary Core Subjects	(\$329,840)	(\$329,840)	(\$329,840)	(\$329,840)	(\$329,840)	(\$1,649,200)	\$0
<b>TOTAL SAVINGS/(COSTS)</b>		<b>\$1,835,410</b>	<b>\$1,835,410</b>	<b>\$1,835,410</b>	<b>\$1,835,410</b>	<b>\$1,835,410</b>	<b>\$9,177,050</b>	<b>\$0</b>

**EXHIBIT 9-2 (Continued)**  
**CHAPTER-BY-CHAPTER SUMMARY OF POTENTIAL SAVINGS (COSTS)**

CHAPTER REFERENCE		ANNUAL SAVINGS (COSTS)					TOTAL FIVE YEAR SAVINGS (COSTS)	ONE-TIME SAVINGS (COSTS)
		2008-09	2009-10	2010-11	2011-12	2012-13		
<b>CHAPTER 4: PERSONNEL AND HUMAN RESOURCES MANAGEMENT</b>								
4-1	Convert Office Space for Human Resources (Page 4-5)	\$0	\$0	\$0	\$0	\$0	\$0	(\$17,000)
4-3	New Electronic Filing System (Page 4-7)	(\$24,000)	(\$2,400)	(\$2,400)	(\$2,400)	(\$2,400)	(\$33,600)	\$0
4-4	Increase Recruitment Budget (Page 4-12)	(\$7,328)	(\$2,638)	\$0	\$0	\$0	(\$9,966)	\$0
4-6	Require New Hires to Pay \$18.50 for Fingerprint and Criminal Records Check (Page 4-15)	\$28,638	\$28,638	\$28,638	\$28,638	\$28,638	\$143,190	\$0
4-6	Require New Hires to Pay \$20.00 for Drug Testing (Page 4-15)	\$30,960	\$30,960	\$30,960	\$30,960	\$30,960	\$154,800	\$0
4-13	Increase National Board Certification Stipend (Page 4-33)	(\$6,503)	(\$6,503)	(\$6,503)	(\$6,503)	(\$6,503)	(\$32,515)	\$0
<b>TOTAL SAVINGS/(COSTS)</b>		<b>\$21,767</b>	<b>\$48,057</b>	<b>\$50,695</b>	<b>\$50,695</b>	<b>\$50,695</b>	<b>\$221,909</b>	<b>(\$17,000)</b>
<b>CHAPTER 5: FACILITY USE AND MANAGEMENT</b>								
5-2	Create Capital Projects Group (Page 5-7)	(\$254,000)	(\$254,000)	(\$254,000)	(\$254,000)	(\$254,000)	(\$1,270,000)	\$0
5-3	Create a Senior Coordinator Position (Page 5-12)	(\$86,500)	(\$86,500)	(\$86,500)	(\$86,500)	(\$86,500)	(\$432,500)	\$0
5-4	Increase Maintenance Funding (Page 5-15)	(\$880,000)	(\$924,000)	(\$970,200)	(\$1,018,710)	(\$1,069,636)	(\$4,862,546)	\$0
<b>TOTAL SAVINGS/(COSTS)</b>		<b>(\$1,220,500)</b>	<b>(\$1,264,500)</b>	<b>(\$1,310,700)</b>	<b>(\$1,359,210)</b>	<b>(\$1,410,136)</b>	<b>(\$6,565,046)</b>	<b>\$0</b>
<b>CHAPTER 6: TRANSPORTATION</b>								
6-6	Implement Exclusive Transportation Planning (Page 6-18)	\$301,210	\$301,210	\$301,210	\$301,210	\$301,210	\$1,506,050	\$0
6-8	Create New Bus Routes (Page 6-22)	\$499,802	\$499,802	\$499,802	\$499,802	\$499,802	\$2,499,010	\$0
<b>TOTAL SAVINGS/(COSTS)</b>		<b>\$801,012</b>	<b>\$801,012</b>	<b>\$801,012</b>	<b>\$801,012</b>	<b>\$801,012</b>	<b>\$4,005,060</b>	<b>\$0</b>
<b>CHAPTER 7: TECHNOLOGY MANAGEMENT</b>								
<b>TOTAL SAVINGS/(COSTS)</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



**EXHIBIT 9-2 (Continued)  
CHAPTER-BY-CHAPTER SUMMARY OF POTENTIAL SAVINGS (COSTS)**

CHAPTER REFERENCE		ANNUAL SAVINGS (COSTS)					TOTAL FIVE YEAR SAVINGS (COSTS)	ONE-TIME SAVINGS (COSTS)
		2008-09	2009-10	2010-11	2011-12	2012-13		
<b>CHAPTER 8: FOOD SERVICES</b>								
8-4	Increase Lunch Prices (Page 8-20)	\$600,180	\$600,180	\$600,180	\$600,180	\$600,180	\$3,000,900	\$0
8-5	Increase Breakfast Prices (Page 8-21)	\$76,592	\$76,592	\$76,592	\$76,592	\$76,592	\$382,960	\$0
8-6	Reduce Labor Hours to Industry Benchmark Levels (Page 8-22)	\$537,659	\$537,659	\$537,659	\$537,659	\$537,659	\$2,688,295	\$0
8-8	Discontinue Operation of Our Place Cafeteria (Page 8-25)	\$57,230	\$57,230	\$57,230	\$57,230	\$57,230	\$286,150	\$0
<b>TOTAL SAVINGS/(COSTS)</b>		<b>\$1,271,661</b>	<b>\$1,271,661</b>	<b>\$1,271,661</b>	<b>\$1,271,661</b>	<b>\$1,271,661</b>	<b>\$6,358,305</b>	<b>\$0</b>
<b>TOTAL SAVINGS</b>		<b>\$4,521,770</b>	<b>\$4,521,770</b>	<b>\$4,521,770</b>	<b>\$4,521,770</b>	<b>\$4,521,770</b>	<b>\$22,608,850</b>	<b>\$0</b>
<b>TOTAL (COSTS)</b>		<b>(\$1,829,590)</b>	<b>(\$1,919,145)</b>	<b>(\$1,962,707)</b>	<b>(\$2,011,217)</b>	<b>(\$2,062,143)</b>	<b>(\$9,784,802)</b>	<b>(\$46,950)</b>
<b>NET SAVINGS (COSTS)</b>		<b>\$2,692,180</b>	<b>\$2,602,625</b>	<b>\$2,559,063</b>	<b>\$2,510,553</b>	<b>\$2,459,627</b>	<b>\$12,824,048</b>	<b>(\$46,950)</b>
<b>TOTAL NET SAVINGS (COSTS) LESS ONE TIME SAVINGS (COSTS)</b>							<b>\$12,777,098</b>	

## ***APPENDICES***

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***APPENDIX A:***  
***SURVEY RESULTS***

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**APPENDIX A  
SURVEY RESULTS  
NORFOLK PUBLIC SCHOOLS**

**EXHIBIT A-1  
COMPARISON SURVEY RESPONSES  
PART A: OVERALL QUALITY**

**Total responses for Central Office Administrators = 37  
Total responses for Principal/Assistant Principals = 88  
Total responses for Teachers = 852**

MGT uses a statistical formula to set an acceptable return rate in order to declare that the survey results are “representative” of the population surveyed. In the case of Norfolk Public Schools, response rate for central office administrators and principals/assistant principals were below this standard.

STATEMENT	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. How long have you worked in the division? Five years or less 6-10 years 11-20 years 21 years or more	32 11 24 32	8 15 35 42	42 25 17 16
2. How long have you been in your current position? Five years or less 6-10 years 11-20 years 21 years or more	49 30 22 0	61 23 13 3	62 19 12 8
3. Overall quality of public education in our school division is: Good or Excellent Fair or Poor	87 11	95 5	75 25
4. Overall quality of education in our school division is: Improving Staying the Same Getting Worse Don't Know	76 16 3 5	86 10 2 1	54 24 16 6
5. Grade given to our school division teachers: Above Average (A or B) Below Average (D or F)	70 0	82 1	77 2
6. Grade given to our school division school level administrators: Above Average (A or B) Below Average (D or F)	71 0	88 1	54 16
7. Grade given to our school division central office administrators: Above Average (A or B) Below Average (D or F)	65 5	68 4	41 19

**EXHIBIT A-2  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART B: SCHOOL/DIVISION CLIMATE**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. I feel that I have the authority to adequately perform my job responsibilities.	78/13	92/3	71/19
2. I am actively looking for a job outside of this school division.	17/60	7/80	17/59
3. I am very satisfied with my job in this school division.	76/8	86/3	56/23
4. The work standards and expectations in this school division are equal to or above those of most other school divisions.	70/11	79/10	56/21
5. This school division's officials enforce high work standards.	70/10	89/3	69/12
6. Workload is evenly distributed.	32/43	61/30	32/51
7. I feel that my work is appreciated by my supervisor(s).	84/11	75/10	62/23
8. Teachers who do not meet expected work standards are disciplined.	33/24	70/18	31/34
9. Staff (excluding teachers) who do not meet expected work standards are disciplined.	35/38	67/20	23/27
10. I feel that I am an integral part of this school division team.	89/3	85/6	65/17

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-3  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART C1: DIVISION ORGANIZATION**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. Teachers and administrators in our division have excellent working relationships.	54/11	67/13	39/29
2. Most administrative practices in our school division are highly effective and efficient.	54/22	73/7	38/32
3. Administrative decisions are made promptly and decisively.	24/49	72/13	41/29
4. Central Office Administrators are easily accessible and open to input.	62/17	62/19	31/33
5. Authority for administrative decisions is delegated to the lowest possible level.	35/35	33/30	18/27
6. Teachers and staff are empowered with sufficient authority to perform their responsibilities effectively.	40/19	80/8	44/34
7. The extensive committee structure in our school division ensures adequate input from teachers and staff on most important decisions.	38/22	57/24	28/39
8. Our school division has too many committees.	52/17	30/43	37/13
9. Our school division has too many layers of administrators.	22/57	29/56	38/22
10. Most of division administrative processes (e.g., purchasing, travel requests, leave applications, personnel, etc.) are highly efficient.	35/51	63/23	43/20
11. Central office administrators are responsive to school needs.	81/0	68/17	29/28
12. School-based personnel play an important role in making decisions that affect schools in our school division.	46/11	68/16	36/26

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-4  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART C2: DIVISION ORGANIZATION**

STATEMENT	(%G + E) / (%F + P) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. Board of Education members' knowledge of the educational needs of students in this school division.	60/32	74/23	34/35
2. Board of Education members' knowledge of operations in this school division.	38/52	74/22	33/34
3. Board of Education members' work at setting or revising policies for this school division.	46/46	70/19	32/32
4. The School Division Superintendent's work as the educational leader of this school division.	90/11	93/7	59/22
5. The School Division Superintendent's work as the chief administrator (manager) of this school division.	87/14	94/5	63/20
6. Principals' work as the instructional leaders of their schools.	68/5	90/9	64/34
7. Principals' work as the managers of the staff and teachers.	63/19	91/8	63/34

<sup>1</sup>Percentage responding *good* or *excellent* / Percentage responding *fair* or *poor*. The *don't know* responses are omitted.

**EXHIBIT A-5  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART D1: CURRICULUM AND INSTRUCTION**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. The emphasis on learning in this school division has increased in recent years.	82/5	90/4	69/12
2. Sufficient student services are provided in this school division (e.g., counseling, speech therapy, health).	48/11	78/12	60/26
3. Our schools have the materials and supplies necessary for instruction in basic skills programs such as writing and mathematics.	73/5	83/9	57/27
4. I know who to contact in the central office to assist me with curriculum and instruction matters.	78/0	98/2	69/15
5. Lessons are organized to meet students' needs.	43/0	86/5	76/12
6. The curriculum is broad and challenging for most students.	60/0	85/11	69/13
7. Teachers in our schools know the material they teach.	62/0	84/2	83/5
8. Teachers and staff are given opportunities to participate in the textbook and material adoption processes.	51/3	91/2	53/16
9. Teachers have adequate supplies and equipment needed to perform their jobs effectively.	54/11	80/7	47/35
10. Our division provides curriculum guides for all grades and subject areas.	62/0	94/5	88/3
11. Our division uses the results of benchmark tests to monitor student performance and identify performance gaps.	89/0	98/1	89/1
12. Our division has effective educational programs for the following:			
a) Reading and Language Arts	68/0	90/7	70/12
b) Writing	65/0	90/4	65/15
c) Mathematics	62/8	84/7	70/11
d) Science	65/3	88/2	69/9
e) Social Studies (history or geography)	65/0	90/2	67/8
f) Foreign Language	70/3	55/6	34/6
g) Basic Computer Instruction	57/0	77/8	55/13
h) Advanced Computer Instruction	40/3	60/6	31/10
i) Music, Art, Drama, and other Fine Arts	68/3	88/6	59/8
j) Physical Education	59/8	86/5	66/7
k) Career and Technical (Vocational) Education	62/5	53/10	37/8
l) Business Education	54/5	46/7	34/5
13. The division has effective programs for the following:			
a) Special Education	54/16	52/29	47/32
b) Literacy Program	65/3	78/10	55/17
c) Advanced Placement Program	65/0	55/4	41/7
d) Drop-out Prevention Program	14/43	29/27	16/24
e) Summer School Programs	64/5	75/14	57/12
f) Honors and Gifted Education	54/14	72/7	51/18
g) Alternative Education Programs	19/49	33/39	23/25
h) Career Counseling Program	46/14	44/11	23/12
i) College Counseling Program	54/3	45/4	25/9
14. The students-to-teacher ratio is reasonable.	68/8	72/20	42/43
15. Our division provides a high quality education that meets or exceeds state and federal mandates.	79/3	86/5	61/14
16. The school division adequately implements policies and procedures for the administration and coordination of special education.	54/14	70/23	41/24

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-5 (Continued)  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART D1: CURRICULUM AND INSTRUCTION**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
17. There is generally cooperation and collaboration regarding special education issues in our school division.	46/13	58/31	45/26
18. The evaluation and eligibility determination process for special education is timely and comprehensive.	38/3	76/17	41/25
19. Special education teachers receive adequate staff development in cooperative planning and instruction.	38/3	53/29	30/30
20. The school division adequately implements policies and procedures for the administration and coordination of the English Language Learner Program	32/13	49/20	21/16
21. The school division adequately identifies students who are English language learners.	49/3	63/10	33/12
22. The school division provides appropriate and mandated assessments for English language learners.	40/3	57/9	24/13
23. The school division provides documents to parents in their native language.	14/16	23/22	15/16
24. The school division provides adequate translation services.	14/21	23/28	13/21

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-6  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART D2: CURRICULUM AND INSTRUCTION**

STATEMENT	(%G + E) / (%F + P) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. Teachers' work in meeting students' individual learning needs.	65/5	74/25	79/21
2. Teachers' work in communicating with parents/guardians.	54/13	73/25	84/15
3. How well students' test results are explained to parents/guardians.	49/6	58/40	60/31
4. The amount of time students spend on task learning in the classroom.	57/3	76/23	66/31

<sup>1</sup>Percentage responding *good* or *excellent* / Percentage responding *fair* or *poor*. The *don't know* responses are omitted.



**EXHIBIT A-7  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART E1: HUMAN RESOURCES**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. Salary levels in this school division are competitive.	30/60	23/62	26/59
2. Our division has an effective employee recognition program.	43/33	64/21	34/37
3. Our division has an effective process for staffing critical shortage areas of teachers.	30/24	39/36	16/41
4. My supervisor evaluates my job performance annually.	84/8	88/9	79/9
5. Our division offers incentives for professional advancement.	59/19	68/17	45/26
6. I know who to contact in the central office to assist me with professional development.	86/8	98/2	60/21
7. I know who to contact in the central office to assist me with human resources matters such as licensure, promotion opportunities, employee benefits, etc	100/0	99/0	83/9
8. My salary level is adequate for my level of work and experience.	21/54	24/60	19/67
9. Our division has an effective teacher recruitment plan.	59/5	68/14	36/19
10. I have a professional growth plan that addresses areas identified for my professional growth.	78/11	83/8	79/7

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-8  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART E2: HUMAN RESOURCES**

STATEMENT	(%G + E) / (%F + P) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. Staff development opportunities provided by this school division for teachers.	70/3	86/15	73/25
2. Staff development opportunities provided by this school division for school administrators.	68/32	75/25	31/9
3. Staff development opportunities provided by this school division for support staff.	55/46	71/23	36/14

<sup>1</sup>Percentage responding *good* or *excellent* / Percentage responding *fair* or *poor*. The *don't know* responses are omitted.

**EXHIBIT A-9  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART F: FACILITIES MANAGEMENT**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. Our school buildings provide a healthy environment in which to teach.	59/19	58/25	40/41
2. Our schools have sufficient space and facilities to support the instructional programs.	29/43	38/45	34/51
3. Our facilities are clean.	81/3	80/8	60/22
4. Our facilities are well maintained.	55/19	70/16	51/27
5. Our division plans facilities in advance to support growing enrollment.	30/30	41/23	21/32
6. Parents, citizens, students, faculty, and staff have opportunities to provide input into facility planning.	48/8	55/11	29/19
7. Our school buildings and grounds are free of hazards that can cause accidental injury.	60/3	72/18	49/25

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-10  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART G: FINANCIAL MANAGEMENT/PURCHASING AND WAREHOUSING**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. Funds are managed wisely to support education in this school division.	62/22	66/16	27/25
2. The budgeting process effectively involves administrators and staff.	54/33	66/17	18/31
3. School administrators are adequately trained in fiscal management techniques.	13/43	41/36	19/8
4. My school allocates financial resources equitably and fairly.	38/8	77/7	32/18
5. The purchasing department provides me with what I need.	52/28	62/10	29/20
6. The purchasing process is easy.	41/38	62/19	26/20
7. Textbooks are distributed to students in a timely manner.	22/30	58/25	51/20
8. The books and resources in the school library adequately meet the needs of students.	38/6	67/20	54/24

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-11  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART H: TRANSPORTATION**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. Students are often late arriving at or departing from school because the buses do not arrive at school on time.	5/54	18/70	23/56
2. The division has a simple method of requesting buses for special events and trips.	57/5	80/12	46/16
3. Bus drivers maintain adequate discipline on the buses.	44/5	64/19	30/12
4. Buses are clean.	55/0	80/2	44/2
5. Buses arrive early enough for students to eat breakfast at school.	48/3	72/19	52/17
6. Buses are safe.	62/0	77/7	41/9

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-12  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART I1: TECHNOLOGY**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. Our school division provides adequate technology-related staff development.	62/19	79/11	71/13
2. Our school division requests input on the long-range technology plan.	55/22	61/13	35/20
3. Our school division provides adequate technical support.	76/10	85/10	67/16
4. I have adequate equipment and computer support to conduct my work.	89/8	84/14	61/26
5. Administrative computer systems are easy to use.	76/10	89/7	60/7
6. Technology is effectively integrated into the curriculum in our division.	49/8	73/14	63/16

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-13  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART I2: TECHNOLOGY**

STATEMENT	(%G + E) / (%F + P) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. The school division's job of providing adequate instructional technology.	73/13	78/20	65/31
2. The school division's use of technology for administrative purposes.	84/13	86/12	62/18

<sup>1</sup>Percentage responding *good* or *excellent* / Percentage responding *fair* or *poor*. The *don't know* responses are omitted.

**EXHIBIT A-14  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART J: FOOD SERVICES**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. The food services department provides nutritious and appealing meals and snacks.	51/8	55/26	35/35
2. The food services department encourages student participation through customer satisfaction surveys.	16/5	32/25	20/23
3. Cafeteria staff are helpful and friendly.	46/0	69/13	60/19
4. Cafeteria facilities are clean and neat.	54/0	85/5	71/12
5. Parents/guardians are informed about the menus.	65/0	92/2	78/3

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-15  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART K: SAFETY AND SECURITY**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. Our schools are safe and secure from crime.	51/11	78/10	47/36
2. Our schools effectively handle misbehavior problems.	49/19	77/9	37/46
3. There is administrative support for managing student behavior in our schools.	70/11	81/12	48/33
4. If there were an emergency in my school/office, I would know how to respond appropriately.	79/0	99/0	81/9
5. Our division has a problem with gangs.	67/8	70/11	62/11
6. Our division has a problem with drugs, including alcohol.	43/19	30/29	47/17
7. Our division has a problem with vandalism.	32/22	41/24	53/14
8. Our school enforces a strict campus access policy.	37/21	70/9	49/22

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-16  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART L1: PARENTS/GUARDIANS AND THE COMMUNITY**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. In general, parents/guardians take responsibility for their children's behavior in our schools.	27/41	44/44	23/60
2. Parents/guardians in this school division are satisfied with the education their children are receiving.	62/8	80/5	49/9
3. Most parents/guardians seem to know what goes on in our schools.	51/19	64/18	39/37
4. Parents/guardians play an active role in decision making in our schools.	24/30	45/27	20/42
5. This community really cares about its children's education.	65/14	64/14	47/25
6. Our division works with local businesses and groups in the community to help improve education.	87/0	91/2	60/9
7. Parents/guardians receive regular communications from the division.	63/6	82/5	70/5
8. Our school facilities are available for community use.	87/3	97/1	67/4

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-17  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART L2: PARENTS/GUARDIANS AND THE COMMUNITY**

STATEMENT	(%G + E) / (%F + P) <sup>1</sup>		
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
1. Parent/Guardians/guardians' efforts in helping their children to do better in school.	35/49	46/54	26/72
2. Parent/Guardians/guardians' participation in school activities and organizations.	24/63	41/58	20/75
3. How well relations are maintained with various groups in the community.	46/35	65/32	37/40

<sup>1</sup>Percentage responding *good* or *excellent* / Percentage responding *fair* or *poor*. The *don't know* responses are omitted.

**EXHIBIT A-18  
COMPARISON OF RESPONSES WITHIN THE DIVISION  
PART M: SCHOOL DIVISION OPERATIONS**

SCHOOL DIVISION PROGRAMS AND FUNCTIONS	%(NEEDS SOME IMPROVEMENT + NEEDS MAJOR IMPROVEMENT) <sup>1</sup>	/	%(ADEQUATE + OUTSTANDING) <sup>1</sup>
	CENTRAL OFFICE ADMINISTRATOR	PRINCIPAL/ ASSISTANT PRINCIPAL	TEACHER
a. Budgeting	59/33	42/53	47/20
b. Strategic planning	38/46	22/79	34/33
c. Curriculum planning	14/49	22/79	42/48
d. Financial management and accounting	54/38	24/70	28/30
e. Grants administration	46/44	31/54	21/32
f. Community relations	33/52	33/64	37/39
g. Program evaluation, research, and assessment	24/59	17/81	30/39
h. Instructional technology	24/62	25/72	32/54
i. Administrative technology	30/68	19/78	19/44
j. Internal Communication	70/30	34/61	39/43
k. Instructional support	16/65	23/75	41/52
l. Coordination of Federal Programs (e.g., Title I, Special Education)	33/49	30/55	34/37
m. Personnel recruitment	46/46	39/61	31/39
n. Personnel selection	49/43	40/58	35/40
o. Personnel evaluation	38/54	27/72	29/57
p. Staff development	32/65	26/74	34/62
q. Data processing	21/65	9/83	14/48
r. Purchasing	40/55	24/69	20/35
s. Safety and security	40/54	33/65	47/42
t. Plant maintenance	46/49	49/48	34/39
u. Facilities planning	51/41	43/49	34/28
v. Transportation	11/79	22/77	25/50
w. Food service	16/67	34/62	42/42
x. Custodial services	27/62	39/59	30/59
y. Risk management	8/71	17/79	23/40

<sup>1</sup>Percentage responding *needs some improvement* or *needs major improvement* / Percentage responding *adequate* or *outstanding*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-19  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS**

STATEMENT	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. How long have you worked in the district?  Five years or less 6-10 years 11-20 years 21 years or more	32 11 24 32	N/A	8 15 35 42	N/A	42 25 17 16	N/A
2. How long have you been in your current position?  Five years or less 6-10 years 11-20 years 21 years or more	49 30 22 0	N/A	61 23 13 3	N/A	62 19 12 8	N/A
3. Overall quality of public education in our school district is:  Good or Excellent Fair or Poor	87 11	85 14	95 5	89 11	75 25	74 25
4. Overall quality of education in our school district is:  Improving Staying the Same Getting Worse Don't Know	76 16 3 5	69 20 2 3	86 10 2 1	78 15 7 1	54 24 16 6	53 27 16 4
5. Grade given to our school district teachers:  Above Average (A or B) Below Average (D or F)	70 0	78 1	82 1	85 1	77 2	83 1
6. Grade given to our school district school level administrators:  Above Average (A or B) Below Average (D or F)	71 0	76 3	88 1	91 1	54 16	59 11
7. Grade given to our school district central office administrators:  Above Average (A or B) Below Average (D or F)	65 5	76 5	68 4	73 7	41 19	44 21

\*Percentages may add up to over 100 percent due to rounding.

**EXHIBIT A-20  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART B: SCHOOL/DISTRICT CLIMATE**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. I feel that I have the authority to adequately perform my job responsibilities.	78/13	79/15	92/3	80/13	71/19	81/12
2. I am actively looking for a job outside of this school division.	17/60	8/78	7/80	8/78	17/59	11/74
3. I am very satisfied with my job in this school division.	76/8	77/12	86/3	83/8	56/23	70/15
4. The work standards and expectations in this school district are equal to or above those of most other school districts.	70/11	75/7	79/10	83/6	56/21	63/14
5. This school district's officials enforce high work standards.	70/10	73/12	89/3	81/9	69/12	63/15
6. Workload is evenly distributed.	32/43	32/46	61/30	45/35	32/51	36/43
7. I feel that my work is appreciated by my supervisor(s).	84/11	75/13	75/10	74/15	62/23	65/21
8. Teachers who do not meet expected work standards are disciplined.	33/24	26/33	70/18	48/31	31/34	25/39
9. Staff (excluding teachers) who do not meet expected work standards are disciplined.	35/38	37/34	67/20	54/25	23/27	23/36
10. I feel that I am an integral part of this school division team.	89/3	74/11	85/6	74/12	65/17	59/20

<sup>1</sup>Percentage responding agree or strongly agree/Percentage responding disagree or strongly disagree. The neutral and don't know responses are omitted.

**EXHIBIT A-21  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART C1: DISTRICT ORGANIZATION**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. Teachers and administrators in our district have excellent working relationships.	54/11	54/14	67/13	76/7	39/29	45/26
2. Most administrative practices in our school district are highly effective and efficient.	54/22	54/23	73/7	69/18	38/32	34/36
3. Administrative decisions are made promptly and decisively.	24/49	44/33	72/13	62/21	41/29	36/36
4. Central Office Administrators are easily accessible and open to input.	62/17	65/18	62/19	71/15	31/33	39/35
5. Authority for administrative decisions is delegated to the lowest possible level.	35/35	28/44	33/30	36/38	18/27	15/29
6. Teachers and staff are empowered with sufficient authority to perform their responsibilities effectively.	40/19	52/18	80/8	77/12	44/34	55/27



**EXHIBIT A-21 (Continued)  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART C1: DISTRICT ORGANIZATION**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
7. The extensive committee structure in our school district ensures adequate input from teachers and staff on most important decisions.	38/22	50/20	57/24	60/21	28/39	29/39
8. Our school district has too many committees.	52/17	37/32	30/43	35/34	37/13	43/13
9. Our school district has too many layers of administrators.	22/57	19/64	29/56	27/57	38/22	53/15
10. Most of district administrative processes (e.g., purchasing, travel requests, leave applications, personnel, etc.) are highly efficient.	35/51	54/25	63/23	57/26	43/20	35/28
11. Central office administrators are responsive to school needs.	81/0	76/8	68/17	65/20	29/28	27/34
12. School-based personnel play an important role in making decisions that affect schools in our school district.	46/11	48/23	68/16	61/24	36/26	35/33

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-22  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART C2: DISTRICT ORGANIZATION**

STATEMENT	(%G + E) / (%F + P) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. Board of Education members' knowledge of the educational needs of students in this school division.	60/32	40/51	74/23	39/57	34/35	24/64
2. Board of Education members' knowledge of operations in this school division.	38/52	36/58	74/22	41/56	33/34	29/55
3. Board of Education members' work at setting or revising policies for this school division.	46/46	44/48	70/19	50/47	32/32	27/58
4. The School Division Superintendent's work as the educational leader of this school division.	90/11	78/18	93/7	81/17	59/22	49/40
5. The School Division Superintendent's work as the chief administrator (manager) of this school division.	87/14	77/20	94/5	81/17	63/20	50/38
6. Principals' work as the instructional leaders of their schools.	68/5	70/29	90/9	89/11	64/34	63/36
7. Principals' work as the managers of the staff and teachers.	63/19	74/25	91/8	94/6	63/34	67/32

<sup>1</sup>Percentage responding *good* or *excellent* / Percentage responding *fair* or *poor*. The *don't know* responses are omitted.

**EXHIBIT A-23  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART D1: CURRICULUM AND INSTRUCTION**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. The emphasis on learning in this school district has increased in recent years.	82/5	83/6	90/4	89/4	69/12	71/13
2. Sufficient student services are provided in this school district (e.g., counseling, speech therapy, health).	48/11	57/26	78/12	56/36	60/26	53/34
3. Our schools have the materials and supplies necessary for instruction in basic skills programs such as writing and mathematics.	73/5	63/17	83/9	75/14	57/27	54/31
4. I know who to contact in the central office to assist me with curriculum and instruction matters.	78/0	N/A	98/2	N/A	69/15	N/A
5. Lessons are organized to meet students' needs.	43/0	56/10	86/5	86/6	76/12	79/9
6. The curriculum is broad and challenging for most students.	60/0	70/8	85/11	86/7	69/13	77/11
7. Teachers in our schools know the material they teach.	62/0	69/6	84/2	90/4	83/5	88/4
8. Teachers and staff are given opportunities to participate in the textbook and material adoption processes.	51/3	N/A	91/2	N/A	53/16	N/A
9. Teachers have adequate supplies and equipment needed to perform their jobs effectively.	54/11	N/A	80/7	N/A	47/35	N/A
10. Our district provides curriculum guides for all grades and subject areas.	62/0	N/A	94/5	N/A	88/3	N/A
11. Our district uses the results of benchmark tests to monitor student performance and identify performance gaps.	89/0	N/A	98/1	N/A	89/1	N/A
12. Our district has effective educational programs for the following:						
i. Reading and Language Arts	68/0	N/A	90/7	N/A	70/12	N/A
ii. Writing	65/0	N/A	90/4	N/A	65/15	N/A
iii. Mathematics	62/8	N/A	84/7	N/A	70/11	N/A
iv. Science	65/3	N/A	88/2	N/A	69/9	N/A
v. Social Studies (history or geography)	65/0	N/A	90/2	N/A	67/8	N/A
vi. Foreign Language	70/3	N/A	55/6	N/A	34/6	N/A
vii. Basic Computer Instruction	57/0	N/A	77/8	N/A	55/13	N/A
viii. Advanced Computer Instruction	40/3	N/A	60/6	N/A	31/10	N/A
ix. Music, Art, Drama, and other Fine Arts	68/3	N/A	88/6	N/A	59/8	N/A
x. Physical Education	59/8	N/A	86/5	N/A	66/7	N/A
xi. Career and Technical (Vocational) Education	62/5	N/A	53/10	N/A	37/8	N/A
xii. Business Education	54/5	N/A	46/7	N/A	34/5	N/A

**EXHIBIT A-23 (Continued)**  
**COMPARISON OF RESPONSES WITH OTHER DISTRICTS**  
**PART D1: CURRICULUM AND INSTRUCTION**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
13. The district has effective programs for the following:						
i. Special Education	54/16	N/A	52/29	N/A	47/32	N/A
ii. Literacy Program	65/3	N/A	78/10	N/A	55/17	N/A
iii. Advanced Placement Program	65/0	N/A	55/4	N/A	41/7	N/A
iv. Drop-out Prevention Program	14/43	N/A	29/27	N/A	16/24	N/A
v. Summer School Programs	64/5	N/A	75/14	N/A	57/12	N/A
vi. Honors and Gifted Education	54/14	N/A	72/7	N/A	51/18	N/A
vii. Alternative Education Programs	19/49	N/A	33/39	N/A	23/25	N/A
viii. Career Counseling Program	46/14	N/A	44/11	N/A	23/12	N/A
ix. College Counseling Program	54/3	N/A	45/4	N/A	25/9	N/A
14. The students-to-teacher ratio is reasonable.	68/8	N/A	72/20	N/A	42/43	N/A
15. Our district provides a high quality education that meets or exceeds state and federal mandates.	79/3	N/A	86/5	N/A	61/14	N/A
16. The school division adequately implements policies and procedures for the administration and coordination of special education.	54/14	N/A	70/23	N/A	41/24	N/A
17. There is generally cooperation and collaboration regarding special education issues in our school division.	46/13	N/A	58/31	N/A	45/26	N/A
18. The evaluation and eligibility determination process for special education is timely and comprehensive.	38/3	N/A	76/17	N/A	41/25	N/A
19. Special education teachers receive adequate staff development in cooperative planning and instruction.	38/3	N/A	53/29	N/A	30/30	N/A
20. The school division adequately implements policies and procedures for the administration and coordination of the English Language Learner Program	32/13	N/A	49/20	N/A	21/16	N/A
21. The school division adequately identifies students who are English language learners.	49/3	N/A	63/10	N/A	33/12	N/A
22. The school division provides appropriate and mandated assessments for English language learners.	40/3	N/A	57/9	N/A	24/13	N/A
23. The school division provides documents to parents in their native language.	14/16	N/A	23/22	N/A	15/16	N/A
24. The school division provides adequate translation services.	14/21	N/A	23/28	N/A	13/21	N/A

<sup>1</sup>Percentage responding agree or strongly agree/Percentage responding disagree or strongly disagree. The neutral and don't know responses are omitted.

**EXHIBIT A-24  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART D2: CURRICULUM AND INSTRUCTION**

STATEMENT	(%G + E) / (%F + P) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. Teachers' work in meeting students' individual learning needs.	65/5	62/32	74/25	80/20	79/21	79/20
2. Teachers' work in communicating with parents/guardians.	54/13	49/41	73/25	68/32	84/15	75/24
3. How well students' test results are explained to parents/guardians.	49/6	36/44	58/40	51/47	60/31	38/52
4. The amount of time students spend on task learning in the classroom.	57/3	49/34	76/23	72/27	66/31	60/37

<sup>1</sup>Percentage responding *good* or *excellent* / Percentage responding *fair* or *poor*. The *don't know* responses are omitted.

**EXHIBIT A-25  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART E1: HUMAN RESOURCES**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. Salary levels in this school district are competitive.	30/60	45/40	23/62	40/48	26/59	33/53
2. Our district has an effective employee recognition program.	43/33	N/A	64/21	N/A	34/37	N/A
3. Our district has an effective process for staffing critical shortage areas of teachers.	30/24	N/A	39/36	N/A	16/41	N/A
4. My supervisor evaluates my job performance annually.	84/8	N/A	88/9	N/A	79/9	N/A
5. Our district offers incentives for professional advancement.	59/19	N/A	68/17	N/A	45/26	N/A
6. I know who to contact in the central office to assist me with professional development.	86/8	N/A	98/2	N/A	60/21	N/A
7. I know who to contact in the central office to assist me with human resources matters such as licensure, promotion opportunities, employee benefits, etc	100/0	N/A	99/0	N/A	83/9	N/A
8. My salary level is adequate for my level of work and experience.	21/54	42/45	24/60	32/58	19/67	20/69
9. Our district has an effective teacher recruitment plan.	59/5	N/A	68/14	N/A	36/19	N/A
10. I have a professional growth plan that addresses areas identified for my professional growth.	78/11	N/A	83/8	N/A	79/7	N/A

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-26  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART E2: HUMAN RESOURCES**

STATEMENT	(%G + E) / (%F + P) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. Staff development opportunities provided by this school division for teachers.	70/3	N/A	86/15	N/A	73/25	N/A
2. Staff development opportunities provided by this school division for school administrators.	68/32	N/A	75/25	N/A	31/9	N/A
3. Staff development opportunities provided by this school division for support staff.	55/46	N/A	71/23	N/A	36/14	N/A

<sup>1</sup>Percentage responding *good* or *excellent* / Percentage responding *fair* or *poor*. The *don't know* responses are omitted.

**EXHIBIT A-27  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART F: FACILITIES MANAGEMENT**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. Our school buildings provide a healthy environment in which to teach.	59/19	N/A	58/25	N/A	40/41	N/A
2. Our schools have sufficient space and facilities to support the instructional programs.	29/43	26/62	38/45	30/59	34/51	28/62
3. Our facilities are clean.	81/3	70/30	80/8	65/34	60/22	52/47
4. Our facilities are well maintained.	55/19	70/30	70/16	65/34	51/27	52/47
5. Our district plans facilities in advance to support growing enrollment.	30/30	N/A	41/23	N/A	21/32	N/A
6. Parents, citizens, students, faculty, and staff have opportunities to provide input into facility planning.	48/8	N/A	55/11	N/A	29/19	N/A
7. Our school buildings and grounds are free of hazards that can cause accidental injury.	60/3	N/A	72/18	N/A	49/25	N/A

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-28  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART G: FINANCIAL MANAGEMENT/PURCHASING AND WAREHOUSING**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. Funds are managed wisely to support education in this school district.	62/22	68/18	66/16	67/19	27/25	28/46
2. The budgeting process effectively involves administrators and staff.	54/33	N/A	66/17	N/A	18/31	N/A
3. School administrators are adequately trained in fiscal management techniques.	13/43	N/A	41/36	N/A	19/8	N/A
4. My school allocates financial resources equitably and fairly.	38/8	N/A	77/7	N/A	32/18	N/A
5. The purchasing department provides me with what I need.	52/28	N/A	62/10	N/A	29/20	N/A
6. The purchasing process is easy.	41/38	N/A	62/19	N/A	26/20	N/A
7. Textbooks are distributed to students in a timely manner.	22/30	N/A	58/25	N/A	51/20	N/A
8. The books and resources in the school library adequately meet the needs of students.	38/6	N/A	67/20	N/A	54/24	N/A

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-29  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART H: TRANSPORTATION**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. Students are often late arriving at or departing from school because the buses do not arrive at school on time.	5/54	8/55	18/70	18/68	23/56	17/60
2. The district has a simple method of requesting buses for special events and trips.	57/5	N/A	80/12	N/A	46/16	N/A
3. Bus drivers maintain adequate discipline on the buses.	44/5	N/A	64/19	N/A	30/12	N/A
4. Buses are clean.	55/0	N/A	80/2	N/A	44/2	N/A
5. Buses arrive early enough for students to eat breakfast at school.	48/3	N/A	72/19	N/A	52/17	N/A
6. Buses are safe.	62/0	N/A	77/7	N/A	41/9	N/A

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-30  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART I1: TECHNOLOGY**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. Our school district provides adequate technology-related staff development.	62/19	N/A	79/11	N/A	71/13	N/A
2. Our school district requests input on the long-range technology plan.	55/22	N/A	61/13	N/A	35/20	N/A
3. Our school district provides adequate technical support.	76/10	N/A	85/10	N/A	67/16	N/A
4. I have adequate equipment and computer support to conduct my work.	89/8	70/22	84/14	74/19	61/26	54/36
5. Administrative computer systems are easy to use.	76/10	N/A	89/7	N/A	60/7	N/A
6. Technology is effectively integrated into the curriculum in our district.	49/8	N/A	73/14	N/A	63/16	N/A

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-31  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART I2: TECHNOLOGY**

STATEMENT	(%G + E) / (%F + P) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. The school district's job of providing adequate instructional technology.	73/13	54/43	78/20	46/52	65/31	47/51
2. The school district's use of technology for administrative purposes.	84/13	53/46	86/12	54/45	62/18	45/31

<sup>1</sup>Percentage responding *good* or *excellent* / Percentage responding *fair* or *poor*. The *don't know* responses are omitted.

**EXHIBIT A-32  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART J: FOOD SERVICES**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. The food services department provides nutritious and appealing meals and snacks.	51/8	62/14	55/26	58/26	35/35	43/34
2. The food services department encourages student participation through customer satisfaction surveys.	16/5	N/A	32/25	N/A	20/23	N/A
3. Cafeteria staff are helpful and friendly.	46/0	N/A	69/13	N/A	60/19	N/A
4. Cafeteria facilities are clean and neat.	54/0	N/A	85/5	N/A	71/12	N/A
5. Parents/guardians are informed about the menus.	65/0	N/A	92/2	N/A	78/3	N/A

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-33  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART K: SAFETY AND SECURITY**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. Our schools are safe and secure from crime.	51/11	66/16	78/10	81/9	47/36	53/28
2. Our schools effectively handle misbehavior problems.	49/19	54/24	77/9	74/14	37/46	37/48
3. There is administrative support for managing student behavior in our schools.	70/11	69/12	81/12	89/6	48/33	55/29
4. If there were an emergency in my school/office, I would know how to respond appropriately.	79/0	78/7	99/0	96/2	81/9	87/7
5. Our district has a problem with gangs.	67/8	N/A	70/11	N/A	62/11	N/A
6. Our district has a problem with drugs, including alcohol.	43/19	N/A	30/29	N/A	47/17	N/A
7. Our district has a problem with vandalism.	32/22	N/A	41/24	N/A	53/14	N/A
8. Our school enforces a strict campus access policy.	37/21	N/A	70/9	N/A	49/22	N/A

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.



**EXHIBIT A-34  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART L1: PARENTS/GUARDIANS AND THE COMMUNITY**

STATEMENT	(%A + SA) / (%D + SD) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. In general, parents/guardians take responsibility for their children's behavior in our schools.	27/41	42/34	44/44	51/31	23/60	27/53
2. Parents/guardians in this school district are satisfied with the education their children are receiving.	62/8	57/16	80/5	73/9	49/9	53/14
3. Most parents/guardians seem to know what goes on in our schools.	51/19	36/38	64/18	43/36	39/37	29/50
4. Parents/guardians play an active role in decision making in our schools.	24/30	35/24	45/27	60/20	20/42	36/38
5. This community really cares about its children's education.	65/14	63/15	64/14	72/14	47/25	49/27
6. Our district works with local businesses and groups in the community to help improve education.	87/0	N/A	91/2	N/A	60/9	N/A
7. Parents/guardians receive regular communications from the district.	63/6	N/A	82/5	N/A	70/5	N/A
8. Our school facilities are available for community use.	87/3	N/A	97/1	N/A	67/4	N/A

<sup>1</sup>Percentage responding *agree* or *strongly agree*/Percentage responding *disagree* or *strongly disagree*. The *neutral* and *don't know* responses are omitted.

**EXHIBIT A-35  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART L2: PARENTS/GUARDIANS AND THE COMMUNITY**

STATEMENT	(%G + E) / (%F + P) <sup>1</sup>					
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
1. Parent/Guardians/guardians' efforts in helping their children to do better in school.	35/49	29/56	46/54	35/64	26/72	21/76
2. Parent/Guardians/guardians' participation in school activities and organizations.	24/63	27/59	41/58	33/66	20/75	23/75
3. How well relations are maintained with various groups in the community.	46/35	60/35	65/32	66/32	37/40	43/44

<sup>1</sup>Percentage responding *good* or *excellent* / Percentage responding *fair* or *poor*. The *don't know* responses are omitted.

**EXHIBIT A-36  
COMPARISON OF RESPONSES WITH OTHER DISTRICTS  
PART M: SCHOOL DISTRICT OPERATIONS**

SCHOOL DISTRICT PROGRAMS AND FUNCTIONS	%(NEEDS SOME IMPROVEMENT + NEEDS MAJOR IMPROVEMENT) <sup>1</sup>		/		% (ADEQUATE + OUTSTANDING) <sup>1</sup>	
	CENTRAL OFFICE ADMINISTRATOR	CENTRAL OFFICE ADMINISTRATOR IN OTHER DISTRICTS	PRINCIPAL/ ASSISTANT PRINCIPAL	PRINCIPAL/ ASSISTANT PRINCIPAL IN OTHER DISTRICTS	TEACHER	TEACHER IN OTHER DISTRICTS
a. Budgeting	59/33	47/45	42/53	49/48	47/20	65/16
b. Strategic planning	38/46	44/42	22/79	38/53	34/33	47/24
c. Curriculum planning	14/49	30/50	22/79	40/59	42/48	52/41
d. Financial management and accounting	54/38	36/53	24/70	35/60	28/30	49/23
e. Grants administration	46/44	24/49	31/54	34/49	21/32	53/38
f. Community relations	33/52	39/53	33/64	37/61	37/39	42/38
g. Program evaluation, research, and assessment	24/59	34/50	17/81	32/65	30/39	53/40
h. Instructional technology	24/62	48/41	25/72	60/39	32/54	65/16
i. Administrative technology	30/68	42/49	19/78	48/49	19/44	24/34
j. Internal Communication	70/30	N/A	34/61	N/A	39/43	N/A
k. Instructional support	16/65	32/51	23/75	48/49	41/52	48/45
l. Coordination of Federal Programs (e.g., Title I, Special Education)	33/49	24/52	30/55	32/57	34/37	36/40
m. Personnel recruitment	46/46	47/42	39/61	47/48	31/39	40/35
n. Personnel selection	49/43	46/48	40/58	41/57	35/40	42/37
o. Personnel evaluation	38/54	47/49	27/72	40/58	29/57	41/48
p. Staff development	32/65	48/49	26/74	43/57	34/62	42/52
q. Data processing	21/65	38/45	9/83	39/51	14/48	21/34
r. Purchasing	40/55	34/53	24/69	37/58	20/35	33/30
s. Safety and security	40/54	26/61	33/65	29/67	47/42	40/46
t. Plant maintenance	46/49	43/48	49/48	55/43	34/39	41/37
u. Facilities planning	51/41	38/48	43/49	51/43	34/28	41/28
v. Transportation	11/79	21/65	22/77	43/54	25/50	32/46
w. Food service	16/67	18/67	34/62	35/65	42/42	41/47
x. Custodial services	27/62	37/54	39/59	47/52	30/59	44/49
y. Risk management	8/71	20/54	17/79	23/63	23/40	22/32

<sup>1</sup>Percentage responding *needs some improvement* or *needs major improvement* / Percentage responding *adequate* or *outstanding*. The *neutral* and *don't know* responses are omitted.

***APPENDIX B:***  
***PEER COMPARISON DATA***

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## APPENDIX B PEER COMPARISON DATA

Exhibits B-1 through B-17 illustrate how the comparison school divisions compare to Norfolk Public Schools in terms of enrollment, demographics, staffing, and funding for the 2006-07 school year from the Virginia Department of Education's Web site.

### EXHIBIT B-1 OVERVIEW OF PEER PUBLIC SCHOOL DIVISIONS 2006-07 SCHOOL YEAR

SCHOOL DIVISION	CLUSTER	END-OF-YEAR MEMBERSHIP	STUDENT POPULATION PER 1,000 GENERAL POPULATION*	PERCENTAGE STUDENTS WITH DISABILITIES	PERCENTAGE ECONOMICALLY DISADVANTAGED	TOTAL NUMBER OF SCHOOLS**
Norfolk City	1	32,516	153.8	13.3%	59.3	52
Hampton City	1	21,733	155.7	13.7%	40.0	35
Newport News City	1	29,368	184.0	16.1%	24.8	45
Portsmouth City	1	14,588	157.8	12.3%	56.6	21
Richmond City	1	22,453	136.8	19.6%	34.8	39
Roanoke City	1	11,981	140.0	12.7%	66.0	29
<b>DIVISION AVERAGE</b>	<b>N/A</b>	<b>22,107</b>	<b>154.6</b>	<b>14.6%</b>	<b>46.9</b>	<b>36</b>

Sources: 2006-2007 Superintendent's Annual Report for Virginia, Virginia Department of Education Web site, 2008; United States Census Bureau, 2000 Census Data; <http://www.schooldatairect.org/>.

\*Based on 2000 Census Data.

\*\*Number of Schools from the Division Report Card.

### EXHIBIT B-2 TEACHER STAFFING LEVELS AND PUPIL: TEACHER RATIOS PEER SCHOOL DIVISIONS 2006-07 SCHOOL YEAR

SCHOOL DIVISION	TOTAL TEACHERS PER 1,000 STUDENTS*	RATIO OF PUPILS TO CLASSROOM TEACHING POSITIONS FOR GRADES K-7**	RATIO OF PUPILS TO CLASSROOM TEACHING POSITIONS FOR GRADES 8-12
Norfolk City	80.77	7.4	13.5
Hampton City	89.26	10.0	9.7
Newport News City	70.95	8.3	7.8
Portsmouth City	95.12	11.4	9.2
Richmond City	86.57	8.5	12.2
Roanoke City	77.04	7.2	12.6
<b>DIVISION AVERAGE</b>	<b>83.29</b>	<b>8.8</b>	<b>10.8</b>

Source: 2006-2007 Superintendent's Annual Report for Virginia, Virginia Department of Education Web site, 2008.

\*Based on End-of-Year Average Daily Membership.

\*\*Pupil/teacher ratios for elementary and secondary may vary because of the reporting of teaching positions for middle school grades 6 - 8.

**EXHIBIT B-3  
RECEIPTS BY FUND SOURCE  
PEER SCHOOL DIVISIONS  
2006-07 FISCAL YEAR**

SCHOOL DIVISION	SALES AND USE TAX	STATE FUNDS	FEDERAL FUNDS	LOCAL FUNDS	OTHER FUNDS <sup>1</sup>	LOANS, BONDS, ETC. <sup>3</sup>
<b>Norfolk City</b>	<b>8.5%</b>	<b>46.6%</b>	<b>13.5%</b>	<b>28.6%</b>	<b>2.4%</b>	<b>0.4%</b>
Newport News City	9.3%	45.3%	9.4%	30.5%	2.1%	3.4%
Hampton City	10.0%	50.5%	9.1%	27.5%	2.5%	0.8%
Roanoke City	6.9%	36.7%	7.9%	38.4%	2.4%	7.8%
Richmond City	8.3%	34.0%	13.5%	42.3%	1.7%	0.2%
Portsmouth City	7.0%	49.1%	14.0%	26.8%	2.7%	0.4%
<b>DIVISION AVERAGE</b>	<b>8.3%</b>	<b>43.7%</b>	<b>11.2%</b>	<b>32.3%</b>	<b>2.3%</b>	<b>2.1%</b>

Source: 2006-2007 Superintendent's Annual Report for Virginia, Virginia Department of Education Web site, 2008.

<sup>1</sup> Includes funds from private sources, food service receipts, transportation revenues, the sale of assets and supplies, rebates and refunds, and receipts from other agencies.

<sup>2</sup> Represents the total amount of beginning-year balances as reported by school divisions and regional programs on the Annual School Report Financial Section.

<sup>3</sup> Represents proceeds from Literary Fund loans, the sale of bonds, and interest earned on bank notes and/or investments.

**EXHIBIT B-4  
DISBURSEMENTS PER PUPIL FOR  
INSTRUCTION AND ADMINISTRATION  
PEER SCHOOL DIVISIONS  
2006-07 FISCAL YEAR**

SCHOOL DIVISION	INSTRUCTION PER PUPIL <sup>1</sup>	ADMINISTRATION PER PUPIL <sup>2,3</sup>
Norfolk City	\$7,848	\$512
Hampton City	\$7,334	\$581
Newport News City	\$7,214	\$480
Portsmouth City	\$7,548	\$341
Richmond City	\$9,753	\$343
Roanoke City	\$7,965	\$277
<b>DIVISION AVERAGE</b>	<b>\$7,944</b>	<b>\$422</b>

Source: 2006-2007 Superintendent's Annual Report for Virginia, Virginia Department of Education Web site, 2008.

<sup>1</sup> Represents expenditures for classroom instruction, guidance services, social work services, homebound instruction, improvement of instruction, media services, and office of the principal. This column does not include expenditures for technology instruction, summer school, or adult education, which are reported in separate columns within this table. This column also excludes local tuition revenues received for divisions 001 - 207, and prorates the deduction of these revenues across administration, instruction, attendance and health, pupil transportation, and operations and maintenance categories. Local tuition is reported in the expenditures of the school division paying tuition.

<sup>2</sup> Represents expenditures for activities related to establishing and administering policy for division operations including board services, executive administration, information services, personnel, planning services, fiscal services, purchasing, and reprographics.

**EXHIBIT B-5  
STAFF PER 1,000 STUDENTS  
PEER SCHOOL DIVISIONS  
2006-07 SCHOOL YEAR**

SCHOOL DIVISION	END-OF-YEAR AVERAGE DAILY MEMBERSHIP	PRINCIPALS/ ASSISTANT PRINCIPALS PER 1,000 STUDENTS	TEACHERS PER 1,000 STUDENTS	TECHNOLOGY INSTRUCTORS PER 1,000 STUDENTS	TEACHER AIDES PER 1,000 STUDENTS	GUIDANCE COUNSELORS/ LIBRARIANS PER 1,000 STUDENTS
<b>Norfolk City</b>	<b>34,853</b>	<b>3.07</b>	<b>80.77</b>	<b>0.00</b>	<b>16.81</b>	<b>7.43</b>
Hampton City	22,487	4.14	89.26	2.06	18.03	6.12
Newport News City	31,707	3.75	70.95	0.00	12.55	4.18
Portsmouth City	15,519	3.88	95.12	1.92	20.49	4.77
Richmond City	23,785	5.09	86.57	0.92	12.99	5.76
Roanoke City	12,786	3.65	77.04	1.36	21.31	7.54
<b>DIVISION AVERAGE</b>	<b>23,522</b>	<b>3.93</b>	<b>83.29</b>	<b>1.04</b>	<b>17.03</b>	<b>5.97</b>

Source: 2006-2007 Superintendent's Annual Report for Virginia, Virginia Department of Education Web site, 2008.

**EXHIBIT B-6  
INSTRUCTIONAL PERSONNEL  
PEER SCHOOL DIVISIONS  
2006-07 SCHOOL YEAR**

SCHOOL DIVISION	INSTRUCTION			
	ADMINISTRATIVE	TECHNICAL AND CLERICAL	INSTRUCTIONAL SUPPORT	OTHER PROFESSIONAL
<b>Norfolk City</b>	<b>40.15</b>	<b>218.55</b>	<b>33.00</b>	<b>21.00</b>
Hampton City	33.36	281.58	0.00	25.50
Newport News City	75.60	348.34	20.70	0.40
Portsmouth City	2.26	192.73	45.60	12.64
Richmond City	9.00	173.75	123.00	32.00
Roanoke City	13.18	111.92	37.20	0.00
<b>DIVISION AVERAGE</b>	<b>28.92</b>	<b>221.15</b>	<b>43.25</b>	<b>15.26</b>

Source: 2006-2007 Superintendent's Annual Report for Virginia, Virginia Department of Education Web site, 2008.

**EXHIBIT B-7  
ADMINISTRATIVE, ATTENDANCE AND HEALTH PERSONNEL  
PEER SCHOOL DIVISIONS  
2006-07 SCHOOL YEAR**

SCHOOL DIVISION	ADMINISTRATION, ATTENDANCE AND HEALTH		
	ADMINISTRATIVE	TECHNICAL AND CLERICAL	OTHER PROFESSIONAL
<b>Norfolk City</b>	<b>26.85</b>	<b>82.00</b>	<b>75.50</b>
Hampton City	23.70	60.64	88.73
Newport News City	31.25	65.50	140.10
Portsmouth City	11.13	30.39	85.08
Richmond City	18.79	67.29	122.00
Roanoke City	15.26	27.70	33.67
<b>DIVISION AVERAGE</b>	<b>21.16</b>	<b>55.59</b>	<b>90.85</b>

Source: 2006-2007 Superintendent's Annual Report for Virginia, Virginia Department of Education Web site, 2008.

**EXHIBIT B-8  
TECHNOLOGY PERSONNEL  
PEER SCHOOL DIVISIONS  
2006-07 SCHOOL YEAR**

SCHOOL DIVISION	TECHNOLOGY		
	ADMINISTRATIVE	TECHNICAL AND CLERICAL	INSTRUCTIONAL SUPPORT
<b>Norfolk City</b>	<b>3.80</b>	<b>78.50</b>	<b>14.00</b>
Hampton City	2.00	73.97	0.00
Newport News City	6.5	39.25	50.00
Portsmouth City	1.13	47.00	9.00
Richmond City	1.14	47.14	5.00
Roanoke City	1.00	12.56	0.00
<b>DIVISION AVERAGE</b>	<b>2.56</b>	<b>47.74</b>	<b>13.00</b>

Source: 2006-2007 Superintendent's Annual Report for Virginia, Virginia Department of Education Web site, 2008.



**EXHIBIT B-9  
TRANSPORTATION PERSONNEL  
PEER SCHOOL DIVISIONS  
2006-07 SCHOOL YEAR**

SCHOOL DIVISION	TRANSPORTATION			
	ADMINISTRATIVE	TECHNICAL AND CLERICAL	OTHER PROFESSIONAL	TRADES, OPERATIVES AND SERVICE
<b>Norfolk City</b>	<b>1.00</b>	<b>12.00</b>	<b>7.00</b>	<b>314.00</b>
Hampton City	1.00	147.53	1.00	209.48
Newport News City	10.50	32.00	0.60	520.00
Portsmouth City	0.00	7.95	4.85	155.57
Richmond City	1.14	11.14	7.00	272.00
Roanoke City	1.00	67.67	0.00	178.53
<b>DIVISION AVERAGE</b>	<b>2.44</b>	<b>46.38</b>	<b>3.40</b>	<b>274.93</b>

Source: 2006-2007 Superintendent's Annual Report for Virginia, Virginia Department of Education Web site, 2008.

**EXHIBIT B-10  
FOOD SERVICE DISBURSEMENTS  
PEER SCHOOL DIVISIONS  
2006-07 SCHOOL YEAR**

SCHOOL DIVISION	FOOD SERVICES	PER PUPIL COST
<b>Norfolk City</b>	<b>\$13,510,342</b>	<b>\$409.22</b>
Hampton City	\$8,223,385	\$375.98
Newport News City	\$12,544,686	\$413.12
Portsmouth City	\$6,501,539	\$438.02
Richmond City	\$10,488,966	\$460.65
Roanoke City	\$4,968,900	\$403.58
<b>DIVISION AVERAGE</b>	<b>\$9,372,970</b>	<b>\$416.76</b>

Source: Virginia Department of Education School Nutrition Program Web site 2008.

**EXHIBIT B-11  
FREE AND REDUCED LUNCH  
PEER SCHOOL DIVISIONS  
2006-07 YEAR**

SCHOOL DIVISION	SCHOOL NUTRITION PROGRAM MEMBERSHIP	TOTAL FREE LUNCH	PERCENT FREE LUNCH	TOTAL REDUCED LUNCH	PERCENT REDUCED LUNCH	PERCENT FREE/REDUCED LUNCH
<b>Norfolk City</b>	<b>37,005</b>	<b>17,152</b>	<b>46.35</b>	<b>4,192</b>	<b>11.33</b>	<b>57.68</b>
Hampton City	23,305	7,766	33.32	2,131	9.14	42.47
Newport News City	31,803	12,601	39.62	3,055	9.61	57.68
Portsmouth City	15,807	6,988	44.21	1,211	7.66	51.87
Richmond City	24,555	16,408	66.82	1,768	7.20	74.02
Roanoke City	13,300	7,169	53.90	1,017	7.65	61.55
<b>DIVISION AVERAGE</b>	<b>24,296</b>	<b>11,347</b>	<b>47.37</b>	<b>2,229</b>	<b>8.77</b>	<b>57.55</b>

Source: Virginia Department of Education School Nutrition Program Web site, 2008.

**EXHIBIT B-12  
FREE AND REDUCED BREAKFAST PRICES  
PEER SCHOOL DIVISIONS  
2006-07 SCHOOL YEAR**

SCHOOL DIVISION	ELEMENTARY STUDENT BREAKFAST	MIDDLE STUDENT BREAKFAST	HIGH SCHOOL STUDENT BREAKFAST	ELEMENTARY REDUCED BREAKFAST	MIDDLE REDUCED BREAKFAST	HIGH SCHOOL REDUCED BREAKFAST
<b>Norfolk City</b>	<b>\$0.60</b>	<b>\$0.60</b>	<b>\$0.60</b>	\$0.00	\$0.00	\$0.00
Hampton City	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Newport News City	\$0.80	\$0.80	\$0.80	\$0.30	\$0.30	\$0.30
Portsmouth City	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Richmond City	\$0.00	\$0.75	\$0.75	\$0.00	\$0.30	\$0.30
Roanoke City	\$0.70	\$0.70	\$0.70	\$0.30	\$0.30	\$0.30
<b>DIVISION AVERAGE</b>	<b>\$0.35</b>	<b>\$0.48</b>	<b>\$0.48</b>	<b>\$0.10</b>	<b>\$0.15</b>	<b>\$0.15</b>

Source: Virginia Department of Education Web site School Nutrition Program Web site, 2008.

**EXHIBIT B-13  
FREE AND REDUCED LUNCH PRICES  
PEER SCHOOL DIVISIONS  
2006-07 SCHOOL YEAR**

SCHOOL DIVISION	ELEMENTARY STUDENT LUNCH	MIDDLE STUDENT LUNCH	HIGH SCHOOL STUDENT LUNCH	ELEMENTARY REDUCED LUNCH	MIDDLE REDUCED LUNCH	HIGH SCHOOL REDUCED LUNCH
Norfolk City	\$1.10	\$1.25	\$1.25	\$0.00	\$0.00	\$0.00
Hampton City	\$1.20	\$1.40	\$1.40	\$0.40	\$0.40	\$0.40
Newport News City	\$1.50	\$1.65	\$1.65	\$0.40	\$0.40	\$0.40
Portsmouth City	\$0.85	\$0.95	\$0.95	\$0.30	\$0.30	\$0.30
Richmond City	\$1.75	\$1.75	\$1.75	\$0.40	\$0.40	\$0.40
Roanoke City	\$1.65	\$1.65	\$1.65	\$0.40	\$0.40	\$0.40
<b>DIVISION AVERAGE</b>	<b>\$1.34</b>	<b>\$1.44</b>	<b>\$1.44</b>	<b>\$0.32</b>	<b>\$0.32</b>	<b>\$0.32</b>

Source: Virginia Department of Education School Nutrition Program Web site, 2008.

**EXHIBIT B-14  
GRADUATES BY DIPLOMA TYPE  
PEER SCHOOL DIVISIONS  
2006-07 SCHOOL YEAR**

SCHOOL DIVISION	STANDARD DIPLOMA	ADVANCED STUDIES DIPLOMA	SPECIAL DIPLOMA	CERTIFICATE OF PROGRAM COMPLETION	GED CERTIFICATE	ISAEP	GAD DIPLOMA	MODIFIED STANDARD DIPLOMA	TOTAL GRADUATES AND COMPLETERS BY DIPLOMA TYPE
Norfolk City	901	571	116	0	50	0	0	11	1,649
Hampton City	743	536	31	19	0	169	0	37	1,535
Newport News City	1,000	791	81	0	71	0	0	33	1,976
Portsmouth City	397	330	44	4	8	3	0	11	797
Richmond City	615	339	90	15	37	0	0	85	1,181
Roanoke City	299	210	55	22	15	73	0	19	693
<b>DIVISION AVERAGE</b>	<b>659</b>	<b>463</b>	<b>70</b>	<b>10</b>	<b>30</b>	<b>41</b>	<b>0</b>	<b>33</b>	<b>1,305</b>

Source: Virginia Department of Education Web site, 2008.

**EXHIBIT B-15  
GRADUATES BY CONTINUING EDUCATION PLANS  
PEER SCHOOL DIVISIONS  
2006-07 SCHOOL YEAR**

<b>SCHOOL DIVISION</b>	<b>ATTENDING TWO-YEAR COLLEGES</b>	<b>ATTENDING FOUR- YEAR COLLEGES</b>	<b>OTHER CONTINUING EDUCATION PLANS</b>	<b>EMPLOYMENT</b>	<b>MILITARY</b>	<b>NO PLANS</b>
<b>Norfolk City</b>	<b>405</b>	<b>789</b>	<b>181</b>	<b>152</b>	<b>87</b>	<b>35</b>
Hampton City	341	673	158	172	65	126
Newport News City	200	1,176	84	58	79	379
Portsmouth City	270	349	34	92	39	13
Richmond City	258	522	44	217	14	126
Roanoke City	201	236	23	157	20	56
<b>DIVISION AVERAGE</b>	<b>279</b>	<b>624</b>	<b>87</b>	<b>141</b>	<b>51</b>	<b>123</b>

Source: Virginia Department of Education, Web site, 2007.

**EXHIBIT B-16  
DROPOUT PERCENTAGE  
PEER SCHOOL DIVISIONS  
2006-07 SCHOOL YEAR**

SCHOOL DIVISION	GRADES 7-12 MEMBERSHIP*	TOTAL DROPOUTS	DROPOUT PERCENTAGE
<b>Norfolk City</b>	<b>14,474</b>	<b>447</b>	<b>3.09%</b>
Hampton City	10,653	314	2.95%
Newport News City	14,380	95	0.66%
Portsmouth City	6,745	317	4.70%
Richmond City	10,167	406	3.99%
Roanoke City	5,544	202	3.64%
<b>DIVISION AVERAGE</b>	<b>10,327</b>	<b>297</b>	<b>3.17%</b>

Source: Virginia Department of Education Web site, 2008.

\*September 30, 2006 Membership.