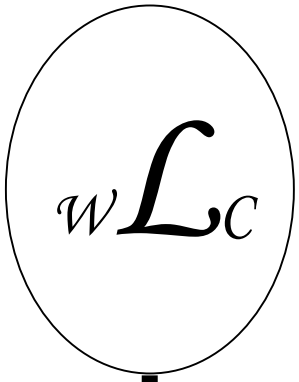
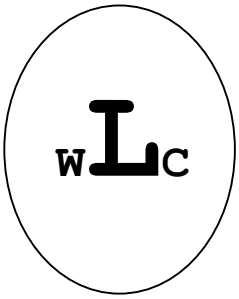


WCL ENTERPRISES

Final Report of the School Efficiency Review of the

Portsmouth Public Schools

April 2005



WCL ENTERPRISES

April 4, 2005

Pamela A. Currey
Deputy Secretary of Finance
Office of the Governor
P.O. Box 1475
Richmond, Virginia 23218

Dr. David C. Stuckwisch
Superintendent
Portsmouth Public Schools
P.O. Box 998
Portsmouth, VA 23705-0998

Dear Ms. Currey and Dr. Stuckwisch:

WCL ENTERPRISES has completed the school efficiency review of the Portsmouth Public Schools (PPS).

The report contains commendations on the best practices employed by PPS in many of their functions. The report also contains recommendations in key areas: educational services delivery, district management, human resource management, financial management, purchasing, facilities management, transportation and technology.

We appreciate the opportunity to work with PPS and the Commonwealth of Virginia on this important project. We especially wish to thank Dr. Stuckwisch and his staff for their assistance and cooperation throughout the project.

Very truly yours,

WCL ENTERPRISES

William C. Lenhart, Jr.
Managing Principal

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EXECUTIVE SUMMARY

Overview

In September 2003, Governor Mark Warner announced his intent to establish a pilot program to measure school efficiencies in three school divisions as part of his larger *Education for a Lifetime* initiative. The efficiency reviews consist of two components: 1) deploying consultants to conduct intensive reviews of individual school systems, helping them realize greater efficiencies and identifying good practices that can be shared with other school divisions; and 2) conducting a statewide performance review to give parents, policymakers, and all taxpayers a clear picture of how their schools are performing.

This report reflects efforts of the first component. In FY 2002-03, Virginia spent almost $9.5 billion in state, federal and local money for K-12 education, approximately $1,300 for every man, woman, and child in the Commonwealth. For this reason, Governor Warner wants to assist local school divisions in finding savings in non-instructional areas that can be redirected to classroom instruction.

The individual school system reviews are modeled after successful programs in Texas and Arizona. Since its inception in 1991, the Texas program has conducted nearly 100 audits of public school districts and recommended net savings totaling $750 million. The goal of the reviews is to identify administrative savings that can be gained through best practices in organization, service delivery, human resources, facilities, finance, transportation, technology management, and other non-instructional expenditures, thereby allowing divisions to put administrative savings back into the classroom. This is not a review of classroom instruction or student achievement.

Following three pilot studies conducted by the Best Management Practices Division of the Virginia Department of Planning and Budget, six divisions were selected for review using external consultants from among divisions volunteering to be participants in the school efficiency review process. Portsmouth Public Schools (PPS) was one of the first three to be conducted using external consultants. This report identifies PPS' exemplary operating practices and suggests concrete ways to improve division management and operations to increase efficiencies in non-instructional areas. If fully implemented, the recommendations contained herein could result in net savings of more than $2.1 million annually.

Commendations

The review team noted the following commendations, or best practices, within PPS:

- By creating an administrative handbook, PPS helps ensure that all situations and issues are handled consistently and within the parameters of school board policy.

- PPS' school policy update process ensures that local policies are current and in compliance with state and federal legal requirements.

- By involving a broad base of community and staff members, PPS created a six-year plan that reflects the input of all sections of the community and reflects the needs of the division.

- By emphasizing principals as instructional leaders, modifying grade groupings and reorganizing the instructional team, PPS is increasing student performance.

- PPS offers programs designed for students of differing abilities and provides opportunities for students to earn college credit while in high school.

- By placing responsibility on principals and subject content personnel for identification of student learning needs, PPS has focused the accountability for student performance.

- PPS special education staff has developed a series of programs/techniques to assist students in improving their SOL scores.

- PPS' Human Resource Department has improved the process to recruit teachers by streamlining the process, automating the application method and providing continuous communication and information to principals.

- The continued opportunity for staff training in OSHA-related issues and safety training classes will provide real cost savings in reducing possible long-term absences due to injury.

- Direct delivery of supplies and materials to each school provides cost savings in terms of reduced staff time for delivery, warehousing, double handling of supplies and materials and promotes efficiency of effort in the delivery of materials and supplies every two weeks.

- By bar coding all equipment, inventory control is well maintained. This control along with scheduled repair and replacement increases the efficiency of the operation as well as reduces cost in equipment use and purchase.

- By establishing a rotating audit schedule of activity fund accounts, PPS' staff accountant ensures that the division complies with all requirements.

- By properly separating duties and functions, PPS' Purchasing Office maintains checks and balances to avoid abuses to the purchasing process.

- By pooling the quantities of buses needed by four area school divisions, one of the state-contract bus vendors offered a lower price to all four divisions.

- PPS has developed an effective, multi-faceted approach to technology training to help PPS teachers meet state technology standards for instructional personnel.

- PPS and the City of Portsmouth are using a collaborative effort to obtain a joint-use automated system for administrative and business functions will provide efficiencies in costs and support activities for both as a result of a planned requirements definition study and vendor selection process.

- PPS has developed an effective, multi-faceted approach to technology training to help PPS teachers meet state technology standards for instructional personnel.

Key Recommendations

Among the recommendations made by the review team, the following merit emphasis:

- PPS should implement the superintendent's reorganization of central administration staff and responsibilities.
- PPS should develop an annual assessment of the extent to which six-year plan objectives are being achieved.
- PPS should incorporate specific annual budget information in required six-year plans for the division and local schools and link the budget information to annual budget planning activities and funding requests.
- PPS should revise the process used for development of required annual school improvement plans to provide a direct link to needed budget funding.
- PPS should use a qualified survey instrument to assess organizational health and enhance recruiting and retention strategies.
- PPS should design professional development offerings that are directly aligned with student achievement goals.
- PPS should implement a program evaluation process for all programs that are not specifically tied to SOL core subjects.
- PPS should continue the reorganization of the Department of Curriculum and Instruction.
- PPS should establish base staffing formulas for non-teaching positions at each grade level.
- PPS should provide nurses in accordance with state standards or national guidelines.
- PPS should develop a process to monitor the use of counselor time for key counseling responsibilities.
- PPS should apply state guidelines to determine appropriate staffing standards for special education paraprofessionals funded by local funds.
- PPS should work with the City and area businesses to develop a program of incentives that will supplement teacher salaries.
- PPS should develop a compensation strategy to guide its recruitment of teachers.
- PPS should develop a position control system that numbers each position and automate the process using software that can be integrated with the payroll system.
- PPS should review the currency of all job descriptions.
- PPS should increase its current maintenance staff.

- PPS should conduct a facilities audit to evaluate future facility needs, both in the short- and long-term, and to determine priorities for repair, replacement, and new projects to facilitate the preparation of current and projected budgets.

- PPS should develop a comprehensive maintenance plan to show when maintenance issues at each school will be addressed.

- PPS should reduce custodial staffing to meet industry standards.

- PPS should consolidate certain financial functions with the City.

- PPS should establish a clear return to work policy for employees who are absent due to a worker's compensation injury.

- PPS should comply with the overtime requirements of the Fair Labor Standards Act.

- PPS should consolidate its purchasing function with the City of Portsmouth and reassign purchasing staff to report to the City Purchasing Agent.

- PPS should expand the use of the purchasing card system and train school personnel on how to enter purchase orders directly into its automated system.

- PPS should reduce the number of unassigned bus drivers.

- PPS should eliminate bus driver positions by scheduling buses to run four routes each.

- PPS should rescind the current policy allowing bus drivers to take their vehicle home at night and require all drivers to leave their bus in the division bus lot between routes.

- PPS should establish a review committee, composed of technology and administrative staff from the city and the division, to identify technology functions that might be consolidated and recommend a plan of consolidation.

- PPS should develop and implement a communication process to ensure the timely and appropriate implementation of PPS technology.

Summary of Fiscal Impact

The fiscal impact of implementing the recommendation in this report would provide a net savings of approximately $2.1 million annually to PPS in addition to a one-time savings exceeding $360,000. Salaries for any added or deleted positions were calculated using the entry-level salary for that position. Only positions funded by local or state discretionary revenues were considered when making recommendations for position deletions, i.e., no positions funded by federal funds or state categorical grants were considered.

Recommendation	Recurring Annual Savings/(Cost)	One-Time Savings/(Cost)
Division Leadership, Organization and Management		
PPS should use a qualified survey instrument to assess organizational health and enhance recruiting and retention strategies.	($10,000)	($25,000)
Educational Services Delivery		
PPS should continue the reorganization of the Department of Curriculum and Instruction.	$236,414	$0
PPS should assign nurses according to state standards or national guidelines.	$238,440	$0
PPS should apply state guidelines to determine appropriate staffing standards for special education paraprofessionals.	$425,221	$0
Facilities Use and Management		
PPS should increase its current maintenance staff.	($259,304)	$0
PPS should reduce custodial staffing to meet industry standards.	$610,721	$0
Financial Management		
PPS should consolidate certain financial functions with the City.	$440,491	$0
PPS should comply with the overtime requirements of the Fair Labor Standards Act.	$0	($20,000)
Purchasing		
PPS should expand the use of the purchasing card system and train school personnel on how to enter purchase orders directly on the ACT system.	$13,950	$0
PPS should eliminate two vacant service crew positions in the warehouse.	$38,278	$0
Transportation		
PPS should reduce the number of unassigned bus drivers from 16 to 12.	$46,707	$0
PPS should eliminate eight bus driver positions by scheduling buses to run four routes each and not be required to replace eight buses.	$278,496	$420,664
PPS should rescind the current policy allowing bus drivers to take their vehicle home at night and require all drivers to leave their bus in the division bus lot between routes.	$58,407	$0
PPS should contract with Edulog to perform a transportation efficiency and route optimization review	$0	($15,000)
PPS should negotiate with the city to eliminate the fueling fee charge.	$15,000	$0
Totals	**$2,132,821**	**$360,664**

FINDINGS, RECOMMENDATIONS AND COMMENDATIONS

I. INTRODUCTION

Scope

The PPS study included the following areas:

- Division leadership, organization, and management, which included organization and management, policies and procedures, planning at both the division and school level, and budgeting.
- Educational service delivery, which included the organization and staffing of the curriculum and instruction central support function, school non-teaching support and staffing, curriculum management, program evaluation, health services, staff development, and management of programs.
- Human resources management, which included the management and organization of the function, policies and procedures, recruitment efforts, retention strategies, compliance with No Child Left Behind (NCLB), and compensation.
- Facilities use and management, which included facilities planning, maintenance operations, custodial operations and energy management.
- Financial management, which included organization and staffing, purchasing and asset and risk management.
- Transportation, which included management and staffing, equipment use, vehicle maintenance, planning, vehicle replacement planning, safety and training.
- Computers and technology, which included both administrative and instructional technology.

Due to the relationship of PPS with the City of Portsmouth, the review team evaluated opportunities in all areas within the scope of work for review with the City of Portsmouth.

Topics outside the scope of this review included student performance, facilities construction, community involvement, warehousing, food service, and student safety and security.

Methodology

In conducting this review the study team:

- Interviewed PPS staff;
- Obtained and reviewed budgets, organization charts, policies, and procedures manuals, reports by external vendors (e.g., workers' compensation), plans and other documents pertaining to the operation of PPS;
- Compiled and analyzed data about the operations of PPS;
- Interviewed professionals with the City of Portsmouth;
- Interviewed professionals in other school divisions that are statistically similar to PPS;
- Conducted focus groups with PPS staff, City of Portsmouth personnel, community representatives, business leaders, and the PPS school board;
- Documented the key processes and organization of each function within PPS;
- Reviewed recommendations and best practices contained in a 2004 report prepared by the Joint Legislative Audit and Review Commission; and
- Compared the expenditures and revenues of PPS with those of statistically similar school

divisions.

About Portsmouth Public School Division

PPS is an urban school division with declining enrollment. For 2004-05, the official count as of September 30, 2004 was 15,418 students, a decrease of 2.9 percent from 2003-04 (**Exhibit 1**). From 2000-01 through 2004-05, PPS student enrollment declined 1,010 students or 6.1 percent.

Exhibit 1
PPS Enrollment
2000-01 through 2004-05

Year	Enrollment (*)	Change from Prior Year	Percentage Change from Prior Year
2004-05	15,418	(457)	(2.9%)
2003-04	15,875	(102)	(0.6%)
2002-03	15,977	(285)	(1.8%)
2001-02	16,262	(166)	(1.0%)
2000-01	16,428	N/A	N/A

Source: PPS director of Research and Evaluation.
(*) Enrollment as of September 30.

PPS manages 14 elementary schools, four middle schools and three high schools. Two former elementary schools (**Exhibit 2**, which is presented in Appendix A due to its length), Spong and Mt. Hermon, serve as preschools, the DAC Center serves only preschool students with disabilities, the Excel Campus provides diploma programs for older high school students and adults and the New Directions Center serves as a discipline/behavior modification center for elementary and middle school students. For 2004-05, 72.0 percent of PPS students are black, 25.4 percent are white, 1.4 percent are Hispanic and the remaining 1.2 percent are Native American, Asian/Pacific Islander or unspecified. Fifty-seven percent of PPS students are eligible for free and reduced-price meals.

PPS' staffing by position from 2000-01 through 2003-04, the latest year for which information is available, is shown in **Exhibit 3**. While average daily membership declined 3.4 percent, instructional staffing increased 9.9 percent and total staffing increased 1.1 percent. The largest increase in numbers was in teacher positions, while the largest percentage increase was in administrative positions and counselors and librarians. A portion of the staff increase can be attributable to changes in the Standards of Quality, such as requiring elementary resource teachers in certain areas and additional instructional technology staff. Also, the state's grades K-3 class size initiative will influence the number of required teachers.

Exhibit 3
PPS FTE Employees by Position
2000-2001 through 2002-03

Position	2000-01	2001-02	2002-03	2003-04	Percentage Change, 2000-01 to 2002-03
Average daily membership	16,428	16,282	15,977	15,875	(3.4%)
Instructional positions					
Principals and assistant principals	58.00	58.00	55.60	62.36	7.5%
Teachers	1,102.95	1,125.49	1,210.00	1,223.99	11.0%
Technology instructors	0.00	0.00	35.09	40.60	N/A
Teacher aides	336.22	407.52	361.65	382.05	13.6%
Guidance counselors and librarians	59.80	84.31	80.12	78.53	31.3%
Division-wide instructors	76.43	31.63	37.65	7.49	(90.2%)
Total instructional positions	1,633.40	1,706.95	1,780.12	1,795.02	9.9%
Other positions					
Administrative	25.56	18.48	19.73	37.25	45.7%
Technical/clerical	315.61	255.68	227.28	141.75	(55.1%)
Instructional support	74.24	58.34	53.06	45.64	(38.5%)
Technology development/support	10.94	N/A	N/A	14.40	31.6%
Other professional	90.80	83.58	81.42	70.07	(22.8%)
Trades/service	523.57	573.60	563.70	599.19	14.4%
Total other positions	1,040.72	989.68	945.19	908.30	(12.7%)
Total positions	2,674.12	2,696.63	2,725.31	2,703.32	1.1%

Source: VDOE Superintendents Annual Report, 2000-01 through 2002-03, Table 17 and 18 and PPS director of Research and Evaluation. For 2003-04, PPS accounting supervisor and director of Research and Evaluation.

II. DIVISION LEADERSHIP, ORGANIZATION AND MANAGEMENT

Background

For 2002-03, the latest year for which comparison data is available, PPS ranked third among the 10 divisions in its comparison cluster in administration expenditures per pupil (**Exhibit 4**). The division spent 1.7 percent on administration in 2002-03, which was fourth among the 10 divisions in Cluster 1. Administration expenses "represent 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 4
PPS and Cluster 1 School Division Administration Expenditures
Per Pupil and as a Percentage of the Total Budget
2002-03

School Division	Administration Expenditures Per Pupil	Rank	Administration Expenditures as a Percentage of Total Expenditures	Rank
Petersburg	$336.77	10	3.6%	10
Richmond City	$317.78	9	2.5%	8
Hopewell	$234.50	8	2.3%	6
Hampton	$231.07	7	2.9%	9
Norfolk	$223.95	6	2.5%	8
Danville	$215.14	5	2.2%	5
Roanoke City	$155.97	4	1.5%	2
Portsmouth	**$143.58**	**3**	**1.7%**	**4**
Newport News	$143.27	2	1.6%	3
Lynchburg	$109.89	1	1.3%	1

Source: Table 13 of the 2002-03 Superintendent's Annual Report from the VDOE.

For 2002-03, compared to the other school divisions in Cluster 1, PPS had the highest number of administrative, service and support personnel per 1,000 students (**Exhibit 5**). The largest component of this group in PPS is trades/services personnel, such as custodians, maintenance workers, bus drivers and cafeteria workers. As noted in the Facilities Use and Management section of this report, PPS is extremely overstaffed in custodians, which exacerbates this total.

Exhibit 5
PPS and Cluster 1 School Division
Administrative, Service and Support Personnel per 1,000 Students By Position
2002-03

School Division	ADM	Administrative	Technical/ Clerical	Instructional Support	Other Professional	Trades/ Services	Total Administrative, Service and Support Positions Per 1,000 Students
Portsmouth	**15,476**	**1.27**	**14.69**	**3.43**	**5.26**	**36.42**	**61.07**
Richmond City	24,456	1.08	13.08	5.75	5.93	27.48	53.32
Newport News	31,382	3.13	18.42	0.76	3.68	26.61	52.60
Hopewell	3,786	4.95	19.47	0.79	3.04	21.39	49.64
Lynchburg	8,843	3.69	12.03	1.98	3.84	26.80	48.35
Roanoke City	13,003	2.20	14.80	2.21	2.18	26.22	47.60
Danville	7,325	1.79	16.59	3.39	2.47	23.03	47.27
Norfolk	34,259	2.39	13.20	2.97	2.18	21.75	42.49
Hampton	22,845	2.99	17.75	1.23	3.26	16.48	41.71
Petersburg	5,371	4.84	13.59	5.54	2.70	14.15	40.82

Source: VDOE Superintendent's Annual Report, 2002-03, Table 18.

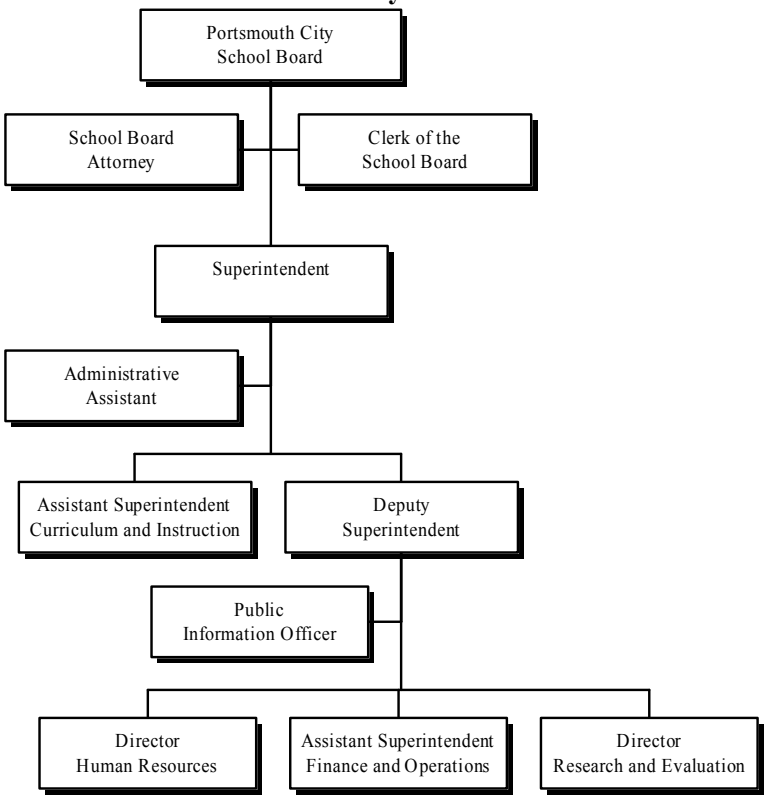
Central Office Organization

Dr. David Stuckwisch became superintendent of the Portsmouth Public Schools (PPS) in January 2003. Since that time, Dr. Stuckwisch has made, or initiated, the following changes:

- Realigned the Curriculum and Instruction Department to conform to core testing areas (see Education Services Delivery for further explanation).
- Consolidated administrative and instructional technology in one department.
- Moved the finance, purchasing and budget functions from the Operations Department to report directly to the superintendent.
- Reorganized the student (discipline) placement system.
- Replaced all employees in the Human Resources Department with the exception of licensure and benefits specialists.
- Made two elementary schools into preschool centers, will close one middle school in June 2005 and will expand the elementary schools from grades K-5 to K-6 beginning in September 2005.

PPS's organization structure when Dr. Stuckwisch came to the division is shown in **Exhibit 6**.

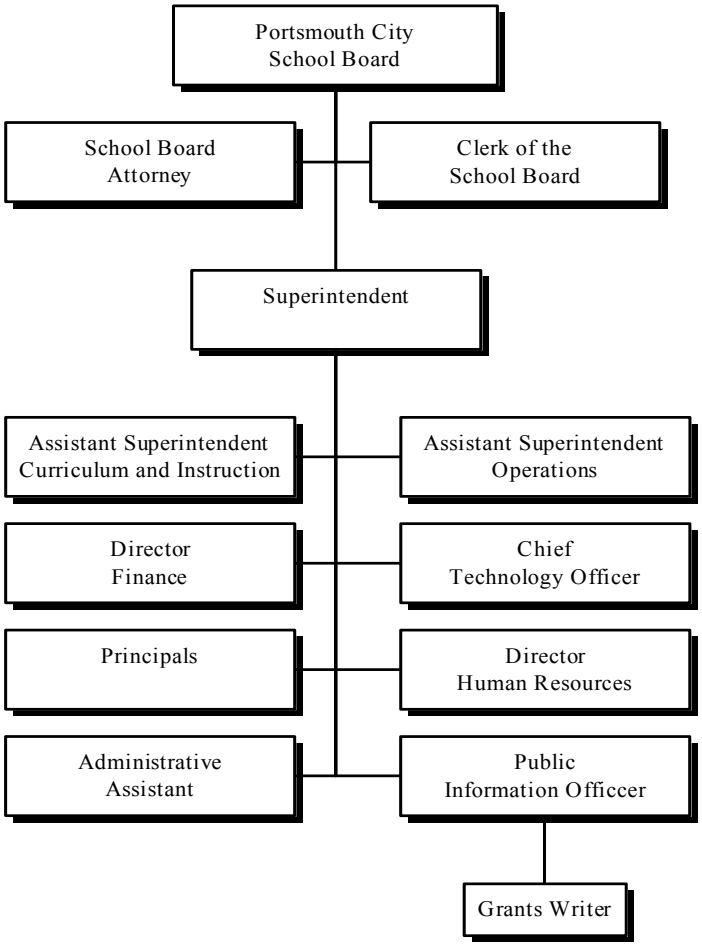
Exhibit 6
PPS Organization
January 2003



Source: PPS superintendent.

Exhibit 7 shows the current organization structure.

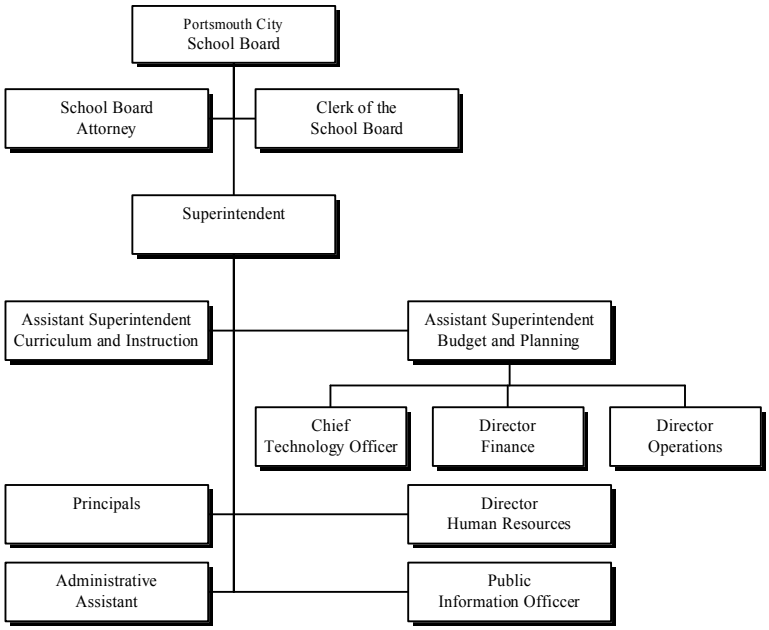
Exhibit 7
PPS Organization
October 2004



Source: PPS superintendent.

On October 7, 2004, the superintendent presented a plan to reorganize the functions and responsibilities of key central administrative positions, effective with the upcoming retirement of an incumbent in one of those positions (**Exhibit 8**). The plan calls for adding an assistant superintendent for Budget and Planning to supervise the Finance, Operations and Information Technology areas while reducing the assistant superintendent of Operations position to the director level. This reorganization will assist in making PPS' operations more effective by providing needed expertise in the long term financial planning area and reducing the superintendent's span of control. The reorganization will reduce the number of direct reports to the superintendent from seven to five and "push down" accountability and decision-making to the lowest effective level in the organization.

Exhibit 8
Superintendent's Plan to Reorganize PPS Central Office
Presented to the PPS School Board October 2004



Source: PPS superintendent.

City schools are facing many limitations on financial sources. The City of Portsmouth provides approximately 17 percent of its general fund revenue to support PPS schools, the lowest in its area. The City of Virginia Beach provides 31 percent to its public schools, the City of Suffolk provides 32 percent, the City of Chesapeake provides 33 percent and the City of Norfolk provides 40 percent.

Compared to the Cluster 1 districts PPS is second in the percentage of local funds received (**Exhibit 9**).

Exhibit 9
PPS and Cluster 1 Divisions Percentage of Local City's General Revenue Fund
2002-03

School Division	Percentage of Budget from Local City General Revenue Funds	Rank
Norfolk	39.8%	10
Danville	36.4%	9
Hopewell	32.3%	8
Newport News	32.2%	7
Richmond City	25.8%	6
Hampton	25.6%	5
Roanoke City	24.2%	4
Lynchburg	23.8%	3
Portsmouth	**17.8%**	**2**
Petersburg	0.0%	1

Source: PPS superintendent.

A primary factor affecting the amount of local funds that PPS receives is the local community's ability to pay, which is measured by the composite index. For 2004-06, PPS' composite index is

0.2100, which ranks as the lowest by comparison to other Cluster 1 divisions and to other area divisions (**Exhibit 10**). The lower the composite index the less the locality's ability to pay toward funding public education is deemed to be.

Exhibit 10
PPS Composite Index Compared to Cluster 1 and Area Divisions' Composite Indices
2004-06

School Division	Composite Index	Rank
Cluster 1 Divisions		
Richmond City	0.4255	10
Lynchburg	0.3830	9
Roanoke City	0.3765	8
Danville	0.2741	7
Norfolk	0.2632	6
Newport News	0.2598	5
Hampton	0.2521	4
Hopewell	0.2343	3
Petersburg	0.2197	2
Portsmouth	**0.2100**	**1**
Other Portsmouth Area School Divisions		
Virginia Beach	0.3353	
Chesapeake	0.3215	
Suffolk	0.3012	
Norfolk	0.2632	
Portsmouth	**0.2100**	

Source: PPS superintendent.

Among the other pressures on PPS finances are:

- More emphasis on teacher recruitment and salary increases to remain competitive with area school divisions. To combat high teacher turnover (see Human Resources Management section), PPS increased teacher salaries by over six percent in 2004-005, but still has the lowest average teacher salary in the area.
- The impact of the No Child Left Behind Act, which requires use of federal funding from Title I programs to provide choice-related transportation of students to other PPS schools due to federal NCLB requirements for schools to make "adequate yearly progress". For 2004-05, PPS accommodated over 400 requests for "choice" transfers.
- Declining enrollment resulting in less future state funding.

As a result, the budget and planning function will be more important to PPS in providing long-term financial planning.

The assistant superintendent of Planning and Budgeting position will be responsible in working with the City and within state requirements as PPS makes necessary adjustments to PPS' staffing, which is 80 percent of the division's cost structure.

Administration

The assistant superintendent for Curriculum and Instruction developed an administrative handbook with information necessary for each school administrator to handle daily operations of their school and serve as instructional leaders for classroom teachers and instructional aides. Administrative

guidelines, or standard operating procedures, establish the framework to increase the consistency with which day-to-day issues are handled and to ensure that board policies are carried out.

The handbook includes the following sections:

- Introduction
- Administrative Job Descriptions
- Administrative Information
- Instructional Leadership
- School Improvement
- Financial Accountability
- Attendance Handbook
- Student Services
- Code Of Student Conduct
- Field Trip Guidelines
- Calendars And Schedules
- Performance Assessment

According to principals interviewed, the administrative handbook is helpful in identifying responsibilities of each school position (e.g., department heads, resource teachers), providing information on testing dates and required information and answering routine questions about employee leave.

Policy Process

PPS' school policy update process is implemented to ensure compliance with state legal requirements.

This process is a collaborative effort between division administrators and board members designed to ensure that school policies are continuously updated and available to school personnel, parents, students and the general public. PPS' school policies are available on the division's website at http://info.pps.k12.va.us/policy/Table%20of%20Contents.spml. The PPS policy manual is organized according to the classification system developed by the Educational Policies Services of the National School Boards Association. The system provides an efficient means of coding, filing and finding policies, regulations, and other documents. There are 12 major policy classifications, each bearing an alphabetical code, including: school board governance and operations, general school administration, fiscal management, support services, foundations and basic commitments, facilities development, personnel, negotiations, instructional program, students, school-community relations, and education agency relations.

Virginia laws related to public education are found in Title 22.1 of the Code of Virginia. Chapter 13.2 of Title 22.1 and specifically sections 22.1-253.13:1 through 22.1-253.13:8 contain the Standards of Quality with which Virginia school divisions must comply in accordance with Virginia law. Standard of Quality No. 7 in section 22.1-253.13:7 contain requirements related to local school board policies.

The requirements of section 22.1-253.13:7 require each local school board to maintain and follow up-to-date policies. All school board policies are required to be reviewed at least every five years and revised more frequently if needed. Policies are to be developed giving consideration to the views of teachers, parents, and other concerned citizens and addressing the following:

1. A system of two-way communication between employees and the local school board and its administrative staff whereby matters of concern can be discussed in an orderly and constructive manner;
2. The selection and evaluation of all instructional materials purchased by the school division, with clear procedures for handling challenged controversial materials;
3. The standards of student conduct and attendance and enforcement procedures designed to provide that public education be conducted in an atmosphere free of disruption and threat to persons or property and supportive of individual rights;
4. School-community communications and community involvement;
5. Guidelines to encourage parents to provide instructional assistance to their children in the home, which may include voluntary training for the parents of children in grades K through three;
6. Information about procedures for addressing concerns with the school division and recourse available to parents pursuant to Code of Virginia section 22.1-87;
7. A cooperatively developed procedure for personnel evaluation appropriate to tasks performed by those being evaluated; and
8. Grievances, dismissals, etc., of teachers, and the implementation procedure prescribed by the General Assembly and the Board of Education, as provided in Code of Virginia section 22.1-306 et seq., and the maintenance of copies of such procedures.

The division's process to update school policy is coordinated by the administrative assistant to the superintendent. PPS uses the Virginia School Boards Association (VSBA) policy update service. When updated school policies are received from VSBA, the administrative assistant to the superintendent forwards the updates to the division's leadership team and school attorney for initial review and input. The school attorney is also the deputy City Attorney. In addition to the administrative assistant to the superintendent and the superintendent, PPS' leadership team includes the assistant superintendents for Operations and for Curriculum and Instruction, the directors of Human Resources and of Finance and the chief Technology Officer

Once the administrative assistant to the superintendent receives input and comments on the new policies, he summarizes the comments, makes any needed edits to the policy updates and forwards the policies and comments to the PPS Policy Review Committee that includes two division school board members, the superintendent and the administrative assistant to the superintendent.

The PPS Policy Review Committee then meets to review and approve all updated policies. Once the PPS Policy Review Committee has reviewed and approved the updated policies they are submitted for approval to the entire PPS school board.

Planning

School division planning in Virginia centers around the preparation of a six-year improvement plan.

Virginia laws related to public education are found in Title 22.1 of the Code of Virginia. Chapter 13.2 of Title 22.1 and specifically sections 22.1-253.13:1 through 22.1-253.13:8 contain the Standards of Quality with which Virginia school divisions must comply in accordance with Virginia law. Standard of Quality No. 6 in section 22.1-253.13:6 contain requirements related to planning and public involvement at state and local levels.

Standard of Quality No. 6 requires the state Board of Education to revise, extend and adopt biennially a statewide six-year plan that shall be developed with statewide participation. As part of this process, local school boards are required to revise, extend and adopt biennially a division wide six-year plan

developed with staff and community involvement. As part of the adoption of the division wide six-year plan, each local school board shall conduct at least one public hearing to solicit public comment on the division wide plan. PPS local policy AF contains these requirements.

At minimum, the division wide six-year plan should include the following elements:

- The objectives of the school division;
- An assessment of the extent to which these objectives are being achieved;
- A forecast of enrollment changes;
- A plan for projecting and managing enrollment changes including consideration of the consolidation of schools to provide for a more comprehensive and effective delivery of instructional services to students and economies in school operations;
- An evaluation of the appropriateness of establishing regional programs and services in cooperation with neighboring school divisions;
- A plan for implementing such regional programs and services when appropriate;
- A technology plan designed to integrate educational technology into the instructional programs of the school division, including the school division's career and technical education programs, consistent with the six-year technology plan for Virginia adopted by the Board of Education;
- An assessment of the needs of the school division and evidence of community participation in the development of the plan; and
- Any corrective action plan required pursuant to Standard of Quality No. 3 in section 22.1-253.13:3 related to accreditation, other standards, and evaluation.

State law does not require local school divisions to submit the six-year plans to the Virginia Department of Education for compliance review. School divisions are required, however, to sign off that they have complied with all Standards of Quality annually by affidavit.

PPS uses a broad based committee for the review and update of the existing six-year plan. The committee is comprised of school leaders, parents, community members and City leaders. The coordination of this process has recently been assigned to the administrative assistant to the superintendent.

PPS' mission is to educate all students to meet high academic standards and to prepare all students for responsible citizenship.

To fulfill this mission, the School Board adheres to the following educational philosophy:

- The staff shall provide a safe learning environment that stimulates intellectual curiosity, develops positive personal qualities and well being, fosters respect for individual differences, encourages and welcomes parental involvement, and emphasizes high expectations for student achievement and behavior.
- The foundation of the school system shall be a strong and rigorous general education program that emphasizes a dynamic environment for reading, writing, speaking, thinking, mathematics, social studies, science, foreign language, technology and the arts. The program shall support a rigorous core curriculum that is enriched with a wide range of non-core subjects and activities and that accommodate individual students, and local, state or national priorities.
- Excellence of education is highly dependent upon the ability of the classroom teacher and upon the quality of administrative and parental support of the teacher's task. Therefore, the Board pledges the resources of the school division to the cultivation of an effective teacher climate.

- Schools, teachers, administrators, programs, students and curricula shall be subject to regular, measurable and quantifiable assessment to ensure student achievement.
- The school system's comprehensive education program shall be developed with parent and community participation.

PPS organizes the effort for completing the six-year plan through the use of a development calendar. The six-year plan development starts in February and ends in School Board Approval in September. Small groups of committee members were used for the identification of needs and drafting of vision statements in different areas. Facilitators for these small group sessions are principals with assistance from PPS administrative personnel.

PPS' six-year plan is organized by major area visions with related goals for each. Action steps that include timeframes for achieving the goals, how the action steps will be evaluated and persons responsible for the action steps further support the goals. Major area visions include funding, student achievement, and technology.

The current six-year plan is prepared biennially in accordance with state requirements and is based on developed visions and related objectives by major area. PPS' visions and related objectives by major area are required under state guidelines. Major areas that must be included in the plan are funding, teacher quality and development, student achievement, technology, curriculum and instruction, parental involvement and community relations, facilities and capital improvements and discipline, safety and security.

The review team's analysis of PPS' compliance with six-year plan requirements is included in **Exhibit 11**. The only item that was not present was an evaluative assessment of the extent to which objectives were being achieved in requirement number two.

Exhibit 11
Review Team Evaluation of PPS Six-Year Plan Content with SOQ No. 6 Requirements
October 2004

Requirement	Element Present (Yes/No)
1. The objectives of the school division	Yes
2. An assessment of the extent to which these objectives are being achieved	No
3. A forecast of enrollment changes	Yes – included as part of the PPS CIP plan attached to the plan.
4. A plan for projecting and managing enrollment changes including consideration of the consolidation of schools to provide for a more comprehensive and effective delivery of instructional services to students and economies in school operations	Yes – included as part of the PPS CIP plan attached to the plan. The facilities section discusses related issues
5. An evaluation of the appropriateness of establishing regional programs and services in cooperation with neighboring school divisions	Yes - the curriculum and instruction section includes a related goal for regional programs
6. A plan for implementing such regional programs and services when appropriate	Yes – although not specific related to neighboring school divisions
7. A technology plan designed to integrate educational technology into the instructional programs of the school division, including the school division's career and technical education programs, consistent with the six-year technology plan for Virginia adopted by the Board of Education	Yes –attached to the plan. The technology section of the plan refers to the same PPS Technology Plan
8. An assessment of the needs of the school division and evidence of community participation in the development of the plan	Yes
9. Any corrective action plan required pursuant to Standard of Quality No. 3 in section 22.1-253.13:3 related to accreditation, other standards and evaluation	Yes

10. Each division school shall prepare a biennial plan, which the relevant school board shall consider in the development of its division wide six-year plan.	Yes - the schools do prepare three year rolling school improvement plans annually –how these were used in developing the six-year plan document.

Source: PPS Six-Year Improvement Plan 2004-10 Academic Sessions, administrative assistant to the superintendent and Standard of Quality No. 6 in Code of Virginia Section 22.1-253.13:6.

The current process for preparation and update of required six-year plans does not provide for direct linkage to the annual budgeting process. The budget requests used by PPS for annual budgeting are submitted separately by principals and department heads to the finance area based on historical and projected spending rather than on strategies and plans outlined in the six-year planning documents.

Effective planning should be aligned with annual budget activities to ensure all planning strategies are being addressed and funded. This linkage is very important to ensure that the correct number of teacher positions is in place as teacher costs are the major focus of the annual budgeting process.

School Improvement Plans

PPS prepares individual School Improvement Plans (SIP) that cover a three-year period. SIPs are designed to assist schools in addressing student achievement needs, to comply with Standard of Quality (SOQ) 6 related to six-year plan requirements and to comply with Virginia Department of Education (VDOE) requirements for schools lacking accreditation in any core subject area. The SIP preparation process starts in the summer and concludes in the fall of the year prior to the next fiscal year of school operations beginning July 1 of the succeeding summer. Data used for student achievement in this planning process is based on student achievement for the immediately preceding school year. PPS prescribes that the SIP process starts in June and concludes the following October to correspond with VDOE school ratings by core subject area.

PPS uses school improvement teams to develop annual rolling three year school improvement plans. The plans are based on evaluation of student performance in the previous year and the success of strategies in place to achieve student achievement increases. A school-based data analyst assists the PPS school improvement teams in collecting information and assists in preparing the school improvement plan.

PPS' current school improvement plan process is primarily compliance oriented and apparently not based on the assessment of needs of students. In many cases, strategies are repeated from year to year even though student performance has changed.

The review team examined PPS elementary, middle and high school three-year SIPs submitted in the 2004-05, 2003-04 and 2002-03 school years. Specific goal sections were compared, and the review team noted that many had the same strategies in all years with some differentiation in action steps, although some action steps were virtually the same (**Exhibit 12**, which is included in Appendix A at the conclusion of this report due to its length). Two goal areas for each high school were selected while one was selected for each elementary and middle school. Brighton Elementary, Churchland Academy Elementary, Stephen H. Clark Academy and Hunt-Mapp Middle did have changes in strategies, but not in all years. A limited number of financial resources were listed in most plans in all years.

For the goal areas reviewed for PPS elementary, middle and high schools, evaluative criteria were reviewed and compared as well. These criteria are listed in SIP documents as evidences of need for the goal areas and related strategies. For the goal areas reviewed, many of the elementary campuses experienced gains in achievement with only two campuses, Churchland Elementary and John Tyler

Elementary, showing declines in SOL pass rates. For the four middle schools, two, Churchland and Craddock Middle Schools, showed declines in the SOL pass rates for the goal areas selected, while the pass rate reached no higher than 62 percent at Hunt-Mapp Middle School. Woodrow Wilson High School was the only one of the three high schools that showed declines in SOL pass rates for goal areas selected for the three-year period.

Principals, teachers and instructional directors, supervisors and specialists indicated that the plans are seldom used or followed in the classroom. Instructional directors, supervisors and specialists, who are responsible for assisting schools in achieving fully accredited status, said they weren't consulted on the plans until after they were completed and filed.

Staff development is not tied to the plans. Principals, often in concert with instructional directors, supervisors and specialists, develop targeted staff development to meet specific student achievement gaps, which may or may not be noted in the SIP for the school. Also, instructional directors, supervisors and specialists may recommend specific staff development based upon their work in the school, again, whether it is related to the plan or not.

According to selected school improvement committee chairs, the school improvement plan process is not uniformly administered at all schools, and centralized instructional content directors have not been specifically involved in assisting with strategy development as required under PPS operating policies. Focus group participants indicated that teachers in the same subject areas at a selected campus do not apply the plans uniformly.

According to one principal who has been assigned to a middle school specifically to improve student achievement under state guidelines, teachers were not knowledgeable about school improvement plan strategies in general.

Organizational Health

There is no formal process through which the superintendent and board can identify reasons that may contribute to why turnover is consistently high among teachers, can gauge the morale of teachers at each school, or can assess "customer satisfaction" for key services provided to each school, such as maintenance and custodial operations. Given the competitive disadvantage the division experiences regarding teacher salaries (see Exhibit 52, Human Resources Management section, for specific information on salary disparity with area districts), knowledge of key working conditions and attitudes of the division's key personnel resources would be a valuable tool to enhance employee recruiting and retention strategies as well as to assist in determining professional development needs.

Continuous quality improvement programs, such as DuPont or Demming, focus on feedback as a basis for continuous improvement. Without an independent process to gauge employee needs and perceptions about PPS working conditions, especially among teachers, this continuous improvement cannot occur.

According to the National School Board Association's (NSBA) *The Key Work of School Boards*, "effective school boards give priority attention to climate...because it factors importantly in what students and teachers are able to accomplish. Climate also is a critical determinant of how parents and others in the community view schools."

Many school systems use the Organizational Health Instrument (OHI) as a way to assess organizational climate, or how teachers feel about their work environment. OHI is a tool developed

by Organizational Health Diagnostic and Development Corporation, which defines a healthy school as follows:

> "A healthy school is protected from unreasonable community and parental pressures...The principal of a healthy school is a dynamic leader, integrating both task-oriented and relations-oriented leader behavior. Such behavior is supportive of teachers, yet provides high standards for performance...Moreover, the principal has influence with his or her superiors, which is demonstrated by the ability to get what is needed for the effective operation of the school..."

The OHI is comprised of 80 items, eight each in 10 dimensions that are measured: goal focus, communication adequacy, power equalization, resource utilization, cohesiveness, morale, innovativeness, autonomy, adaptation, and problem solving adequacy, The instrument is a valid and reliable instrument that was copyrighted in 1979. Also, companies that have instruments, such as OHI, have longitudinal data from other school divisions with which to provide comparison profiles and tendencies.

All members of a school complete the instrument, The principal receives two profiles the first year: one contrasts the perceptions of the principal with the composite view of the teachers in the school, and one is a percentile score which compares the school with similar schools across the country. During each of the following years, principals also receive a percentile graph which contrasts the data from the previous year. OHI helps principals understand perceptions of the teachers, develop initiatives to address areas of concern, and measure the success of those initiatives from one year to the next.

Principals and teachers and appropriate central administrative staff also complete the instrument to gauge how central departments (e.g., purchasing, maintenance, custodial operations) are serving the schools and departments.

A profile is prepared for each school and department/function addressing the areas noted above. Areas of strength as well as improvement are identified and serve as the basis for improving the effectiveness of a principal as a leader and in strengthening his or her working relationship with teachers, staff, and students.

The principal or department head can then request staff development tailored to address any problems or develop new initiatives or performance standards to increase service levels.

Findings and Recommendations

Finding:
The superintendent proposed a central office reorganization designed to streamline reporting relationships, reduce his span of control, and reduce the number of positions.

Recommendation #1:
PPS should implement the superintendent's reorganization of central administration staff and responsibilities.

Finding:
The assistant superintendent for Curriculum and Instruction created an administrative handbook to provide principals with specific procedures in key areas that are tied to division policy.

Commendation #1:

By creating an administrative handbook, PPS helps ensure that all situations and issues are handled consistently and within the parameters of school board policy.

Finding:
The division is updating its policies to ensure currency and compliance with state and federal requirements.

Commendation #2:
PPS' school policy update process ensures that local policies are current and in compliance with state and federal legal requirements.

Finding:
PPS involved community members and staff in an extensive process to develop the 2004-10 six-year PPS improvement plan.

Commendation #3:
By involving a broad base of community and staff members, PPS created a six-year plan that reflects the input of all sections of the community and reflects the needs of the division.

Finding:
The six-year plan does not include an evaluation of whether objectives included in the plan are being met.

Recommendation #2:
PPS should develop an annual assessment of the extent to which six-year plan objectives are being achieved.

Finding:
The six-year plan is not linked to the budget, so priorities in the six-year plan may not be properly funded.

Recommendation #3:
PPS should incorporate specific annual budget information in required six-year plans for the division and local schools and link the budget information to annual budget planning activities and funding requests.

Finding:
School improvement plans do not tie needs assessments for each school to the strategies necessary to improve student performance. In some instances, strategies have not been changed even though student performance has changed.

Recommendation #4:
PPS should revise the process used for development of required annual school improvement plans to provide a direct link to needed funding. The review team believes this recommendation can be accomplished within the department's and the division's current budget. The result of implementing this recommendation will be an ability to allocate more state and federal funds to instructional activities over time and increase the focus of instructional goals and strategies toward improving annual evaluative criteria.

Finding:

The superintendent and school board do not have a process that provides information on key variables, such as leadership and morale, at each school and on the quality of service provided by central departments, such as maintenance and purchasing, to the schools.

Recommendation #5:
PPS should use a qualified survey instrument to assess organizational health and enhance recruiting and retention strategies. The assistant superintendent for Curriculum and Instruction and the director of Human Resources should oversee the annual assessment of the organizational health of the schools and departments. An annual summary report should be presented to the superintendent and shared with the board. Once several years of data are accumulated, trends should be identified and analyzed.

Initial use of a tool, such as OHI, will cost PPS approximately $25,000 for the first year and $10,000 for each subsequent year of use.

Fiscal Impact

Recommendation	Recurring Annual Savings/(Cost)	One-Time Savings/(Cost)
PPS should use a qualified survey instrument to assess organizational health and enhance recruiting and retention strategies.	($10,000)	($25,000)

III. EDUCATIONAL SERVICES DELIVERY

Background

The Portsmouth Public School (PPS) division provides regular educational services in 21 schools: 14 elementary, four middle and three high schools. Additional services are provided through three preschools and two alternative schools.

For 2002-03, compared to the 10 divisions in its cluster, PPS ranked second lowest in per pupil expenditures on instruction but the fourth highest in instructional expenditures as a percentage of total expenditures (**Exhibit 13**).

Exhibit 13
PPS and Cluster 1 Divisions Instruction Expenditures
Per Pupil and as a Percentage of the Total Budget
2002-03

School Division	Instruction Expenditures Per Pupil	Rank	Instruction Expenditures as a Percentage of Total Expenditures	Rank
Richmond City	$6,908.31	10	53.4%	1
Roanoke City	$6,205.72	9	59.6%	4
Norfolk	$5,955.57	8	66.2%	9
Hopewell	$5,954.94	7	58.0%	2
Lynchburg	$5,839.07	6	70.8%	10
Danville	$5,816.76	5	59.6%	4
Petersburg	$5,519.73	4	58.4%	3
Newport News	$5,438.61	3	59.8%	6
Portsmouth	**$5,326.49**	**2**	**62.8%**	**7**
Hampton	$5,259.68	1	65.7%	8

Source: Table 13 of the 2002-03 Superintendent's Annual Report from the VDOE.

For 2002-03, compared to the other school divisions in Cluster 1, PPS had the third highest number of instructional positions per 1,000 students (**Exhibit 14**).

Exhibit 14
PPS and Cluster 1 Divisions Instructional Staffing per 1,000 Students by Position
2002-03

School Division	ADM	Principals and Assistant Principals	Teachers	Technology Instructors	Teacher Aides	Guidance Counselors and Librarians	Division Wide Instructors	Total Instructional Positions per 1,000 Students
Lynchburg	8,843	3.83	82.15	1.36	20.76	5.48	9.05	122.63
Roanoke City	13,003	3.75	79.23	0.77	21.20	6.02	7.59	118.56
Portsmouth	**15,476**	**3.59**	**78.19**	**2.27**	**23.37**	**5.18**	**2.43**	**115.02**
Norfolk	34,259	3.02	81.46	0.09	14.54	4.35	8.17	111.63
Richmond City	24,456	5.03	77.75	0.78	13.33	5.97	8.22	111.08
Danville	7,325	3.40	81.46	0.23	14.61	5.41	5.57	110.68
Hopewell	3,786	3.83	80.18	0.26	17.70	4.23	4.23	110.42
Hampton	22,845	3.75	75.77	1.07	17.70	5.56	1.18	105.03
Petersburg	5,371	4.65	79.69	0.56	11.40	4.47	3.54	104.31
Newport News	31,382	4.14	71.71	0.83	12.52	4.33	2.96	96.50
State Average		**3.50**	**74.88**	**0.75**	**13.71**	**4.74**	**2.88**	**100.46**

Source: VDOE Superintendent's Annual Report, 2002-03, Table 17.

Since coming to PPS in January 2003, Dr. David Stuckwisch has made several changes to impact educational service delivery, including:

- Replaced or reassigned nine principals to increase the role of principal as instructional leader in low performing schools.
- Changed two elementary schools to preschool centers.
- Extended elementary schools from grades K-5 to K-6.
- Convened a high school task force that recommended changes in the course of studies focused on assisting struggling students with core subjects.
- Convened a middle school task force focused on offering more academically challenging programs of study, especially math and foreign language.
- Implemented a reading remediation program for students reading below grade level.
- Convened an elementary school task force focused on restructuring elementary schools as grades K-3 and 4-6 "schools within schools".
- Convened a Career and Technical Education (CATE)/Adult Education task force to focus on CATE in Adult Education and more dual enrollment with Tidewater Community College.

Educational Achievement

PPS has demonstrated significant improvement in student achievement since 2002-03. In 2002-03, only three elementary schools were fully accredited. Based upon benchmark tests and student performance in 2003-04, PPS projects that by the end of 2004-05, nine elementary schools and one high school will be fully accredited.

Within the core subjects, PPS student performance on the Standards of Learning (SOL) tests has steadily improved (**Exhibits 15** through **18**). Exceptions to the increased student performance are: third grade reading (declined from 2001-02 through 2003-04); eighth grade reading (declined from 2000-01 through 2003-04); EOC reading and writing (declined from 2002-03 to 2003-04); eighth grade algebra (declined from 2002-03 to 2003-04); and eighth grade history (declined from 2002-03 to 2003-04).

Exhibit 15
Percentage of PPS Students Passing English SOL Tests
2000-01 through 2003-04

	Grade Level						
	Elementary			Middle		High	
Year	3rd Reading	5th Reading	5th Writing	8th Reading	8th Writing	EOC Reading	EOC Writing
2003-04	62.8%	77.7%	84.0%	52.7%	59.9%	87.3%	84.5%
2002-03	63.2%	76.8%	80.3%	54.0%	56.4%	92.6%	88.4%
2001-02	63.8%	69.2%	76.1%	54.9%	57.4%	86.9%	82.4%
2000-01	52.0%	61.7%	68.3%	58.7%	56.7%	72.1%	76.5%

Source: PPS Office of Research and Evaluation.

Exhibit 16
Percentage of PPS Students Passing Math SOL Tests
2000-01 through 2003-04

	Grade Level						
	Elementary		Middle		High		
Year	3rd	5th	8th	8th Algebra I	EOC Algebra I	EOC Algebra II	EOC Geometry
2003-04	80.1%	66.8%	62.1%	88.2%	74.3%	89.7%	72.0%
2002-03	72.9%	57.2%	59.7%	89.6%	69.8%	70.8%	63.5%
2001-02	65.4%	56.7%	41.7%	82.5%	72.8%	62.6%	46.4%
2000-01	53.0%	41.2%	41.9%	72.9%	56.5%	48.7%	46.6%

Source: PPS Office of Research and Evaluation.

Exhibit 17
Percentage of PPS Students Passing Science SOL Tests
2000-01 through 2003-04

	Grade Level					
	Elementary		Middle	High		
Year	3rd	5th	8th	EOC Earth Science	EOC Biology	EOC Chemistry
2003-04	77.9%	75.5%	71.8%	60.5%	72.1%	74.7%
2002-03	73.5%	60.9%	65.6%	56.9%	61.5%	63.2%
2001-02	64.0%	57.4%	66.9%	52.5%	66.8%	51.4%
2000-01	52.7%	55.3%	68.7%	57.4%	70.9%	43.3%

Source: PPS Office of Research and Evaluation.

Exhibit 18
Percentage of PPS Students Passing History SOL Tests
2000-01 through 2003-04

	Grade Level					
	Elementary		Middle	High		
Year	3rd	5th	8th	EOC History I	EOC History II	EOC US History
2003-04	81.9%	88.8%	48.8%	68.6%	73.3%	80.0%
2002-03	75.5%	73.8%	63.2%	56.5%	61.8%	72.6%
2001-02	57.7%	51.2%	61.7%	59.5%	56.6%	74.4%
2000-01	50.1%	34.9%	31.9%	59.1%	49.5%	32.1%

Source: PPS Office of Research and Evaluation.

For 2004-05, three PPS elementary schools are included in Governor Warner's Partnership for Achieving Successful Schools (PASS), which began in July 2002: Clarke, Hodges Manor and Hurst. PASS is a statewide initiative that fosters intense community involvement with schools that are having difficulty reaching targeted levels of academic performance and specific SOL goals. Through partnerships with the civic, educational, and business community surrounding each PASS school, students and their families receive focused assistance to help them boost SOL scores and otherwise improve their overall schooling experience.

- PASS Instructional Assistance Teams target the PASS priority schools to achieve immediate increases in student achievement in reading and mathematics.
- The level of assistance provided to each PASS priority schools is reached through an agreement with the school divisions and the Virginia Department of Education. This assistance can vary in the amount of time and the nature of the technical assistance provided to each school.
- Technical assistance is provided in the form of outside expertise. One of the unique forms of assistance provided to some PASS priority schools is a paired partner school. PASS partner teams are led by a principal from a cooperating school with a record of raising the academic achievement of at-risk students. Other team members include teachers with expertise in reading

and mathematics. Other PASS Priority schools benefit from visits from retired experienced principals who led high poverty but high achieving schools.

- PASS priority schools agree to use the Curriculum Framework, pacing guide, and nine-week assessment developed by the Virginia Department of Education. This ensures that curriculum is aligned with the Standards of Learning and that PASS schools have assessment data that can be used to improve instruction by monitoring pacing as well as providing a profile of a student's content deficits, which can be used to plan remediation.

From 2001-02, the year prior to PASS, through 2003-04, PPS PASS schools have accomplished the following on SOL tests (**Exhibits 19** and **20**):

- Clarke Academy: the percentage of students passing increased in all subjects and at all grade levels.
- Hodges Manor: the percentage of students passing increased in all subjects and at all grade levels, except fifth grade writing, where the percentage of students passing remained constant.

Hurst Elementary School had not been designated a PASS school prior to 2004-05.

Exhibit 19
PPS' Clarke Academy Percentage of Students Passing SOL Tests
2001-02 through 2003-04

	Reading		Writing	Math		Science		History	
Year	3rd	5th	5th	3rd	5th	3rd	5th	3rd	5th
2003-04	52.9%	62.9%	94.6%	71.2%	53.6%	74.2%	55.8%	87.1%	86.2%
2002-03	40.3%	49.3%	79.7%	68.2%	36.8%	67.2%	30.2%	56.9%	58.6%
2001-02 (*)	38.9%	48.1%	67.3%	55.4%	43.6%	41.7%	41.5%	40.3%	21.3%

Source: PPS Office of Research and Evaluation.
(*) Prior to PASS.

Exhibit 20
PPS' Hodges Manor Elementary Percentage of Students Passing SOL Tests
2001-02 through 2003-04

	Reading		Writing	Math		Science		History	
Year	3rd	5th	5th	3rd	5th	3rd	5th	3rd	5th
2003-04	53.8%	73.9%	68.9%	75.0%	73.9%	69.1%	71.6%	72.8%	82.6%
2002-03	46.1%	61.4%	72.3%	64.9%	43.2%	65.8%	44.4%	61.8%	69.2%
2001-02 (*)	44.2%	58.9%	69.0%	57.5%	34.2%	61.3%	30.1%	57.5%	35.7%

Source: PPS Office of Research and Evaluation.
(*) Prior to PASS.

Course Offerings

PPS offers a variety of course offerings for various achievement levels. The PPS Course of Study Guide for Middle and High school lists general core subjects and electives for the average student, middle and high school honors courses in the core subjects and foreign languages for the above average student and advanced placement (AP) courses for the college bound student.

Students may simultaneously earn high school, college and technical credit at Tidewater Community College. This dual enrollment program is open to juniors and seniors who are at least 16 years old. Students pay only a tuition fee, not any other college fees or travel costs, and pass the Tidewater Community College placement test. Dual enrollment opportunities include the following courses:

- English Composition I, II
- Honors French 5
- Honors Spanish 5
- Man in his Environment
- Virginia and US Government
- Sociology
- Air Conditioning and Refrigeration I and II
- Introduction to Automotive Shop Practices Part I and II
- Automotive Diagnostics I and II, III and IV
- Principles of Accounting II
- Computerized Accounting
- Introduction to Early Childhood Education
- Creative Activities for Children
- Computer Aided Drafting and Design I and II
- Oxyacetylene Welding and Cutting
- Arc Welding I

Advanced Placement (AP) courses give students another avenue for earning college credit while in high school. Students enrolled in AP classes must take the AP exam in May of each year. Students scoring 3 – 5 earn college credit for the course. The College Board determines the cost for the AP exam. PPS offers the following AP Courses: Art Studio 2D Design, Art Studio 3D Design, Drawing Studio, English 12, Statistics, Calculus AB, Biology, Chemistry, United States History and United States Government.

PPS also has special articulation agreements with Tidewater Community College and Norfolk State University. These agreements allow PPS students to receive college credit for certain technical-vocational courses successfully completed in high school.

Technical Education/College Preparation (Tech Prep), a federal initiative, requires partnerships of technical and academic educators and business representatives, along with secondary and post-secondary educators. A sequence of academic and technical courses results in a minimum of two years of community college leading to an Associate's Degree or an apprenticeship of at least two years following high school.

PPS offers "school within school" magnet programs at one middle school and all high schools. The middle school magnet concentrates on Aerospace and is offered at Hunt-Mapp Middle School. Each high school offers a magnet program; Norcom High School has a Math, Science and Technology program; Churchland High School, a Visual and Performing Arts program and Wilson High School, an International Studies magnet.

Curriculum Management

In 2000, Phi Delta Kappa (PDK) International Curriculum Management Center conducted a curriculum management audit of PPS. In July 2000, PDK issued a report with four recommendations:

- Design a curriculum management framework to ensure effective operational practices.
- Operationalize the curriculum management framework with an in-depth analysis of the Virginia Standards of Learning to ensure effective organizational practices.

- Develop quality guides that are built around the operational framework that follow the operational processes identified.
- Develop and implement a program evaluation framework and process for the initiation, implementation, and monitoring of interventions and innovations related to the four core academic areas.

Instructional staff teams were assigned to review the findings and recommendations and prepare an "action plan" to implement the report. After studying the findings and recommendations, these teams developed a curriculum management plan in May 2002, which included five areas: curriculum, professional development, technology, assessment, and budget requirements. The plan includes a response to how each finding identified by PDK was to be addressed and implemented.

PPS' six-year improvement plan, 2004-10, includes goals and objectives in the section on curriculum and instruction that incorporate the original PDK findings and the PPS curriculum management plan implementation document.

Staff Development

School divisions are required to provide learning opportunities for staff that supports increased student performance. Many divisions develop plans based on state and national standards identified for quality professional development programs.

The Virginia Department of Education (VDOE) defined high-quality professional development as rich in content that broadens the knowledge and skills of educators and that is based on well-defined objectives. VDOE also developed the following criteria: high-quality professional development should:

- Improve and increase teachers' knowledge of the academic subjects the teachers teach and enable teachers to become highly qualified if they are teaching in a federal core content area (i.e., English, reading or language arts, math, science, foreign languages, civics and government, economics, arts, history, and geography);
- Be sustained, intensive, and classroom-focused in order to have a positive and lasting impact on classroom instruction and teachers' performance in the classroom;
- Be based on, aligned with, and directly related to Virginia's Standards of Learning;
- Be structured on scientifically-based research demonstrated to improve student academic achievement or substantially increase the knowledge and teaching skills of teachers;
- Be sponsored by school divisions, colleges, universities, organizations, associations, or other entities experienced in providing professional development activities to teachers and instructors;
- Be delivered by individuals who have demonstrated qualifications and credentials in the focus area of the professional development;
- Support the success of all learners including children with special needs and limited English proficiency;
- Provide training for teachers in the use of technology so that technology and technology applications are effectively used in the classroom to improve teaching and learning in the curricula and federal core academic subjects in which the teachers teach;
- Promote the use of data and assessments to improve instruction; and
- Be reviewed for high quality and evaluated after completion to determine if the intended results were achieved.

PPS' campus improvement plans include professional development that is not developed nor coordinated with central office curriculum directors. As a result these professional development plan do not tie directly to division goals relating to student performance. Without a focused plan for professional development tied specifically to student performance, teachers may not have the skills necessary to identify gaps in student performance and provide the instruction necessary to address those performance gaps.

Core subject content directors, supervisors, and specialists said they designed and conducted staff development based upon specific needs or the request of a principal. Principals indicated that there was no uniform assessment of staff development needs, and, as a result, one school that had similar needs may not know about specific programs presented in another school.

Teacher focus group participants said that staff development was not beneficial and often geared to the high number of new teachers (e.g., classroom management) rather than student achievement needs.

PPS's six-year plan, 2004-10 identifies staff development as an objective but it identifies the evaluation criteria as "increases in the percentage of teachers receiving high-quality professional development as defined by national, state, and local standards."

Program Evaluation

There is no formal evaluation process of the education programs in PPS. As a result, PPS does not know what programs are effective, which may result in unnecessary or excessive costs for programs.

With the development of statewide student achievement testing in the core subjects, school divisions can place less emphasis on the evaluation of their programs in these areas because the SOL tests provide sufficient feedback to enable evaluation of the effectiveness of the core programs. Where program evaluation is increasingly important is in the ancillary programs, such as those targeted to address specific needs. These programs may develop on one campus to meet a short-term need, such as reading skills improvement, but are not eliminated when the goal has been achieved. Also, they often are extended to other campuses as principals find out what programs are offered in other schools and request "equity" in the treatment of their schools. With no method to evaluate the effectiveness of the program, divisions increasingly incur costs without knowing whether there is accompanying gain.

PPS has not developed, implemented or approved a policy or procedure to measure the individual effectiveness of supplemental programs offered to students in at-risk, adult education, and Career and Technical programs. According to the director of Research and Evaluation, who is responsible for program evaluation, the division does not have formal program evaluations or mechanisms to continually modify and upgrade the programs offered. According the director, the last program evaluation he conducted was in 1999.

Program evaluation is comprehensive; focuses on program results and effectiveness; is independently conducted; and examines the following issues:

- Economy, efficiency, or effectiveness of the program;
- Structure or design of the program to accomplish its goals and objectives;
- Adequacy of the program to meet its needs identified by the school board, governmental agencies, or law;

- Alternative methods of providing program services or products;
- Program goals and objectives clearly link to and support department and division priorities and strategic goals and objectives;
- Adequate benchmarks and comparisons have been set for student outcomes, program cost efficiency, and cost effectiveness;
- Compliance with appropriate policies, rules, and laws; and
- Adequacy and appropriateness of goals, objectives, and performance measures used by the program to monitor, assess, and report on program accomplishments.

Program objectives are measurable and adequately define the specific effect the program is expected to have on student achievement, especially on student performance.

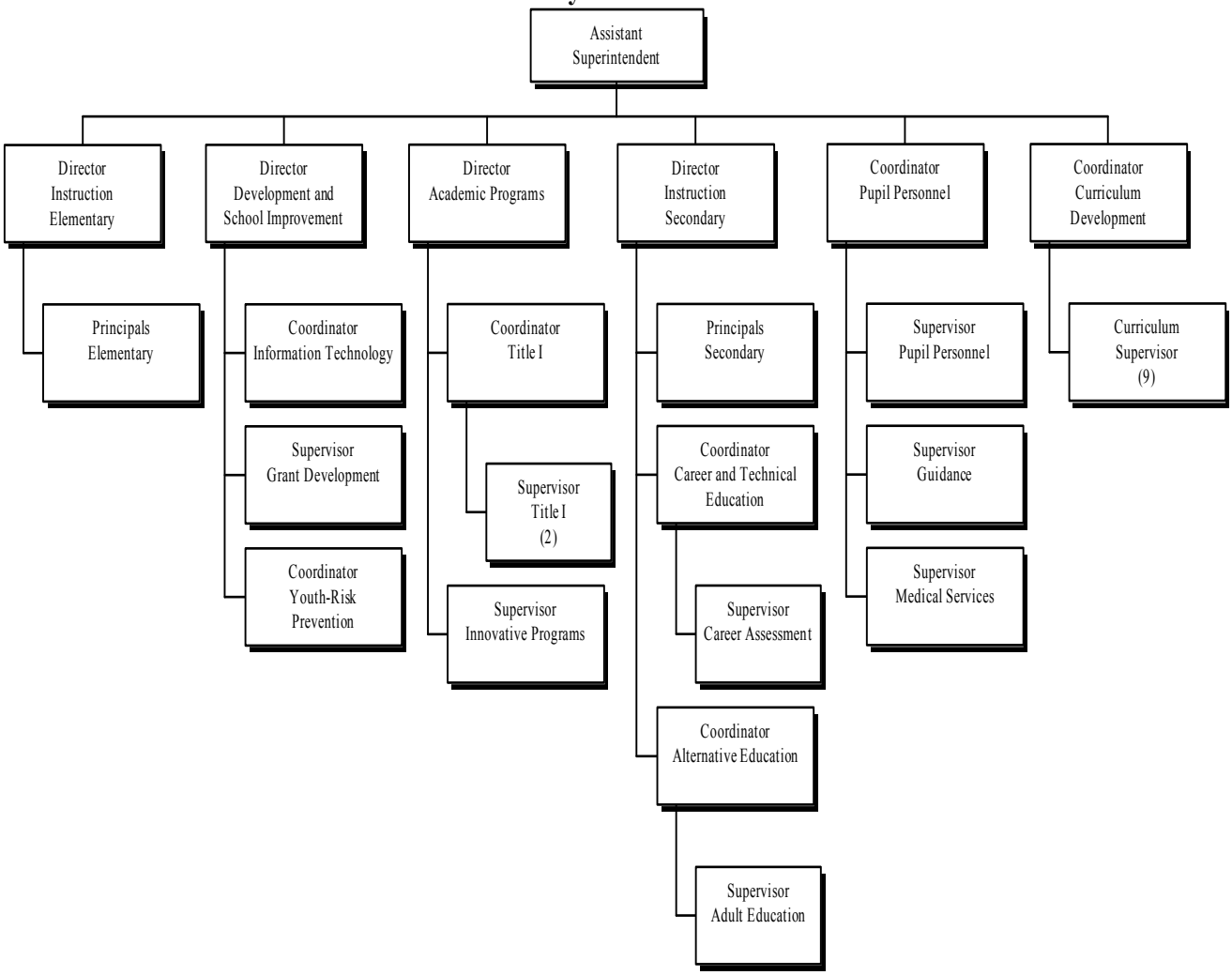
Standards for Evaluation of Educational Programs, Projects and Materials, produced by the Joint Committee on Standards for Educational Evaluation, identifies variables to be addressed in the program evaluation process include:

- Measures of the degree of program implementation,
- Measures of student performance,
- Measures of the quality of teacher preparation and development,
- Measures of teacher satisfaction and concern,
- Measures of the use, the quantity, and the quality of materials and resources,
- Measures of unintended effects,
- Measures of student, parent, and community satisfaction, and
- Measures of adequacy of staffing, facilities, and equipment.

Organization

According to Dr. Stuckwisch, when he came to PPS, the division's Department of Curriculum and Instruction was not organized with an emphasis on improving student achievement and holding principals and core subject content personnel accountable for increasing performance. **Exhibit 21** shows the department's organization in January 2003. Principals reported to directors of Elementary and Secondary Instruction, who primarily handled school and parent questions and issues; curriculum development was under a separate director; and research and evaluation was not in the department and was even located at a different facility.

Exhibit 21
PPS Department of Curriculum and Instruction Organization
January 2003

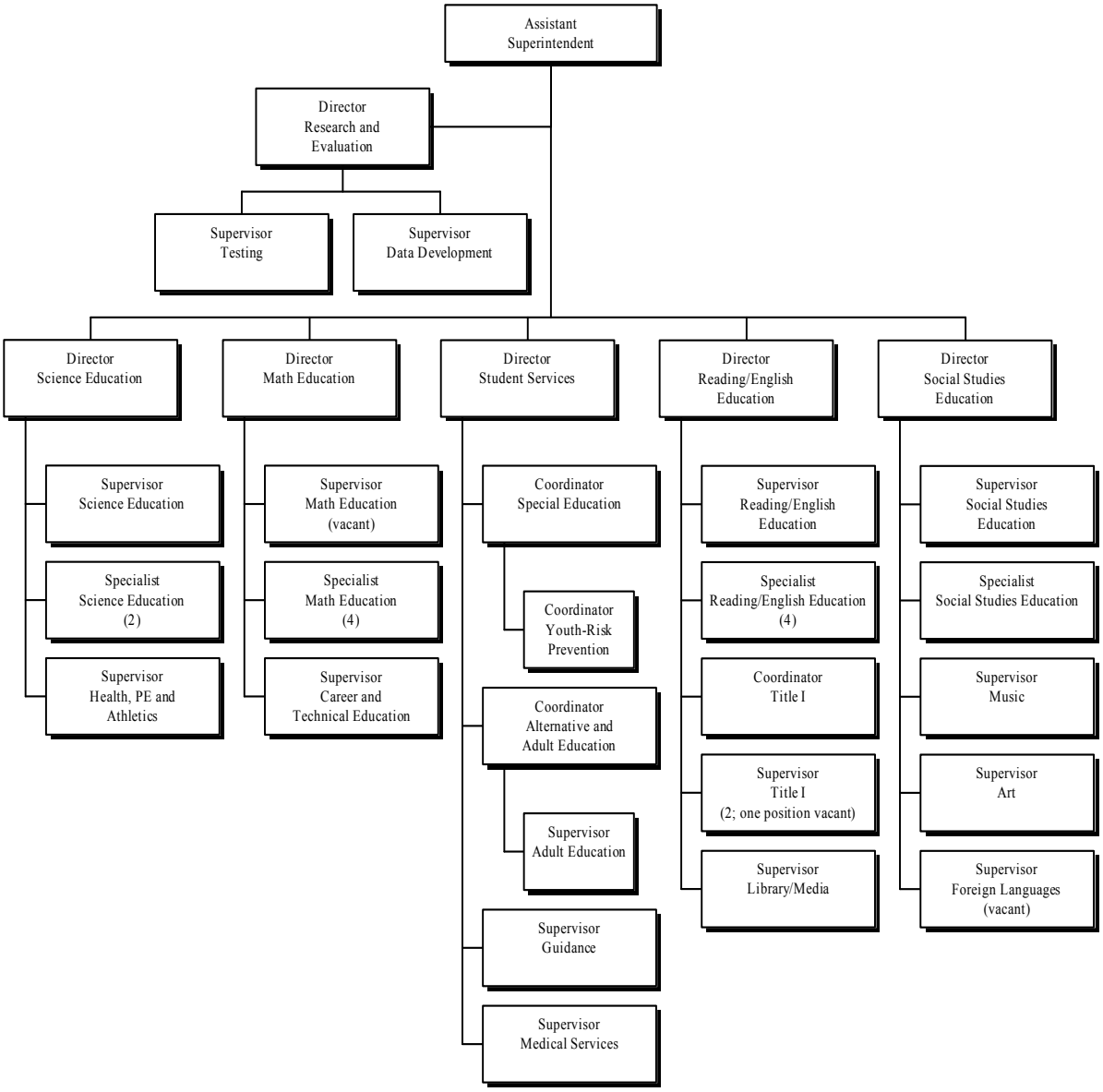


Source: PPS assistant superintendent for Curriculum and Instruction.

In order to make principals and content personnel more accountable, Dr. Stuckwisch reorganized the Department of Curriculum and Instruction (**Exhibit 22**) by:

- Creating directors for each of the SOL content areas and incorporating management and oversight of school operations and responsibility for addressing parental issues and questions as part of their responsibilities.
- Having principals report to the superintendent.
- Moving research and evaluation under curriculum and instruction and relocating it to the same facility with the content personnel.

Exhibit 22
PPS Department of Curriculum and Instruction Organization
October 2004



Source: PPS assistant superintendent for Curriculum and Instruction.

As a result of this reorganization, principals and content personnel are both held accountable for student performance.

However, the current organization for the Department of Curriculum and Instruction presents some issues:

- The directors of the four core subject areas spend approximately one-third of their time handling questions, problems, and requests from individual schools. According to the directors, these issues are not primarily related to the curriculum, teaching methods, or student performance. Instead, they deal with issues such as school zoning, complaints, discipline infractions, and other related issues. This responsibility detracts from the directors' primary role of increasing student

performance.

- The roles of director, supervisor, and specialist/facilitator often overlap, especially between the latter two positions. All of the groups indicated they work as teams, with the primary distinction in responsibility being the grade levels served (i.e., elementary versus secondary). Yet, they are paid at different levels. As a result, PPS may be incurring more cost than necessary by maintaining different titles and pay grades for the supervisor and specialist positions.
- According to the assistant superintendent for Curriculum and Instruction, given the declining student enrollment and closure of schools in PPS, the workload is declining for four supervisor positions, one each for guidance, librarian/media, music, and art.
- Also according to the assistant superintendent for Curriculum and Instruction, the supervisor of Data Development is a combination of unrelated responsibilities (e.g., census, school choice and attendance zone hearings) that was created for a former secondary career assessment professional. No job description was available for this position. The type of "data" developed by this position does not relate to student achievement or school performance, which is handled by the director of Research and Evaluation.

School Non-Teaching Staffing

PPS does not have staffing formulas to provide a base staffing level of non-teaching positions, such as assistant principals, counselors and clerical staff to a school. PPS does not have performance criteria to assist in making variations to base staffing patterns, such as level of student achievement, number of discipline infractions, and/or percentage of free-and-reduced meal participants. As a result, the current staffing patterns may not represent the true needs of each particular school.

Virginia's Standards of Quality (SOQ) provide specific minimum levels for non-teaching positions at elementary, middle and high schools (**Exhibit 23**).

Exhibit 23
SOQ Minimum Full-Time Equivalent Staffing for Non-Teaching Positions
Effective July 1, 2004

	Grade Level		
Position	**Elementary**	**Middle**	**High**
Principal	1-299 students: 0.5	1.0	1.0
	300+ students: 1.0		
Assistant principal	0-599 students: 0	1.0 for each 600 students	1.0 for each 600 students
	600-899 students: 0.5		
	900+ students: 1.0		
Librarian	1-299 students: 0.5 *	1-299 students: 0.5 *	1-299 students: 0.5
	300+ students: 1.0	300-999 students: 1.0	300-999 students: 1,0
		1,000+ students: 2.0	1,000+ students: 2.0
Counselor	0-499 students: 1 day per week per 100 students	1.0 for every 400 students	1.0 for every 350 students
	500 students: 1.0		
	For every 100 students above 500 students: 1 additional hour per day		
Clerical staff	1-299 students: 0.5 *	1.0 plus1.0 for each 600 students beyond first 200 students	1.0 plus1.0 for each 600 students beyond first 200 students
	300+ students: 1.0	1.0 for library at 750 students	1.0 for library at 750 students

Source: Standards of Quality, 2004.
(*) SOQ states "part-time"; the review team assumed one-half time.

Using the SOQ guidelines, the review team compared PPS staffing to those guidelines (**Exhibit 24**). Overall, PPS school-based non-teaching staffing exceeded the SOQ minimums by 52.5 full time equivalent positions, primarily at the elementary schools. The positions included in this analysis are only funded through general fund revenues and do not include any federal programs.

Exhibit 24
PPS School Administrative Staffing Compared to SOQ Guidelines
October 2004

		Administrative Positions *												
School	Total Enrollment	Principal/ Assistant Principal			Counselor			Librarians			Paraprofessionals			
		C	R	V	C	R	V	C	R	V	C	R	V	Total
Elementary Schools														
Brighton	571	2.0	1.0	**1.0**	1.0	1.0	**0.0**	2.0	1.0	**1.0**	1.0	1.0	**0.0**	**2.0**
Churchland Academy	990	3.0	2.0	**1.0**	2.0	2.0	**0.0**	3.0	1.0	**2.0**	3.0	1.0	**2.0**	**5.0**
Churchland	573	2.0	1.0	**1.0**	1.0	1.0	**0.0**	2.0	1.0	**1.0**	2.0	1.0	**1.0**	**3.0**
Churchland Primary and Intermediate	563	2.0	1.0	**1.0**	1.0	1.0	**0.0**	2.0	1.0	**1.0**	2.0	1.0	**1.0**	**3.0**
Clarke Academy	523	2.0	1.0	**1.0**	2.0	1.0	**1.0**	2.0	1.0	**1.0**	2.0	1.0	**1.0**	**4.0**
Douglas Park	647	2.0	1.5	**0.5**	1.0	1.0	**0.0**	1.0	1.0	**0.0**	2.0	1.0	**1.0**	**1.5**
Hodges Manor	428	1.0	1.0	**0.0**	2.0	1.0	**1.0**	2.0	1.0	**1.0**	1.0	1.0	**0.0**	**2.0**
Hurst	618	3.0	1.5	**1.5**	2.0	1.0	**1.0**	2.0	1.0	**1.0**	2.0	1.0	**1.0**	**4.5**
Lakeview	485	2.0	1.0	**1.0**	1.0	1.0	**0.0**	2.0	1.0	**1.0**	2.0	1.0	**1.0**	**3.0**
Olive Branch	354	1.0	1.0	**0.0**	1.0	0.5	**0.5**	1.5	1.0	**0.5**	1.0	1.0	**0.0**	**1.0**
Park View	393	1.0	1.0	**0.0**	1.0	1.0	**0.0**	2.0	1.0	**1.0**	1.0	1.0	**0.0**	**1.0**
Simonsdale	282	1.0	1.0	**0.0**	1.0	0.5	**0.5**	2.0	0.5	**1.5**	1.0	0.5	**0.5**	**2.5**
Tyler	634	2.0	1.5	**0.5**	1.0	1.0	**0.0**	2.0	1.0	**1.0**	2.0	1.0	**1.0**	**2.5**
Westhaven	541	2.0	1.0	**1.0**	1.0	1.0	**0.0**	2.0	1.0	**1.0**	2.0	1.0	**1.0**	**3.0**
Subtotal – Elementary		26.0	16.5	**9.5**	18.0	14.0	**4.0**	27.5	13.5	**14.0**	24.0	13.5	**10.5**	**38.0**
Middle Schools														
Churchland	1,139	3.0	3.0	**0.0**	3.0	3.0	**0.0**	3.0	2.0	**1.0**	3.0	4.0	**(1.0)**	**0.0**
Cradock	631	3.0	2.0	**1.0**	2.0	1.5	**0.5**	2.0	1.0	**1.0**	3.0	2.0	**1.0**	**3.5**
Hunt-Mapp	1,073	4.0	3.0	**1.0**	4.0	3.0	**1.0**	3.0	2.0	**1.0**	3.0	3.5	**(0.5)**	**2.5**
Waters	719	3.0	2.0	**1.0**	2.0	2,0	**0.0**	2.0	1.0	**1.0**	3.0	2.0	**1.0**	**3.0**
Subtotal - Middle		13.0	10.0	**3.0**	11.0	9.5	**1.5**	10.0	6.0	**4.0**	12.0	11.5	**0.5**	**9.0**
High Schools														
Churchland	1,723	4.0	4.0	**0.0**	5.0	5.0	**0.0**	3.0	2.0	**1.0**	4.0	4.5	**(0.5)**	**0.5**
Norcom	1,259	4.0	3.0	**1.0**	4.0	4.0	**0.0**	3.0	2.0	**1.0**	5.0	3.5	**1.5**	**3.5**
Wilson	1,280	4.0	3.0	**1.0**	4.0	4.0	**0.0**	3.0	2.0	**1.0**	3.0	3.5	**(0.5)**	**1.5**
Subtotal – High		12.0	10.0	**2.0**	13.0	13.0	**0.0**	9.0	6.0	**3.0**	12.0	11.5	**0.5**	**5.5**
Total variance				**14.5**			**5.5**			**21.0**			**11.5**	**52.5**

Source: PPS list of schools with principals and assistant principals, Department of Human Resources, principals and director of Research and Evaluation.
Note: C = current staffing, R = SOQ recommended staffing and V = variance.
(*) All position totals rounded to nearest 0.5 FTE.

Generic school staffing guidelines exist that provide beginning points for school divisions to assess their own staffing patterns. The North Central Association - Commission on Accreditation and School Improvement (NCA-CASI) and the Southern Association of Colleges and Schools (SACS) prepare

minimum staffing guidelines and criteria for all school-based positions. Using the SACS guidelines, the review team compared PPS staffing to those guidelines (**Exhibit 25**). Overall, PPS school-based non-teaching staffing exceeded the SACS minimums by 52.0 full time equivalent positions, primarily at the elementary schools. The positions included in this analysis are only funded through general fund revenues and do not include any federal programs.

Exhibit 25
PPS School Administrative Staffing Compared to SACS Guidelines
October 2004

		Administrative Positions												
School	Total Enrollment	Principal/ Assistant Principal			Counselor			Librarians/ Media Specialists/ Library Clerks			Paraprofessionals			
		C	R	V	C	R	V	C	R	V	C	R	V	Total
Elementary Schools														
Brighton	571	2.0	1.0	**1.0**	1.0	1.0	**0.0**	2.0	1.5	**0.5**	1.0	1.0	**0.0**	**1.5**
Churchland Academy	990	3.0	2.0	**1.0**	2.0	1.5	**0.5**	3.0	2.0	**1.0**	3.0	1.5	**1.5**	**4.0**
Churchland	573	2.0	1.0	**1.0**	1.0	1.0	**0.0**	2.0	1.5	**0.5**	2.0	1.0	**1.0**	**2.5**
Churchland Primary and Intermediate	563	2.0	1.0	**1.0**	1.0	1.0	**0.0**	2.0	1.5	**0.5**	2.0	1.0	**1.0**	**2.5**
Clarke Academy	523	2.0	1.0	**1.0**	2.0	1.0	**1.0**	2.0	1.5	**0.5**	2.0	1.0	**1.0**	**3.5**
Douglas Park	647	2.0	1.0	**1.0**	1.0	1.0	**0.0**	1.0	1.5	**(0.5)**	2.0	1.0	**1.0**	**1.5**
Hodges Manor	428	1.0	1.0	**0.0**	2.0	0.5	**1.5**	2.0	1.0	**1.0**	1.0	1.0	**0.0**	**2.5**
Hurst	618	3.0	1.0	**2.0**	2.0	1.0	**1.0**	2.0	1.5	**0.5**	2.0	1.0	**1.0**	**4.5**
Lakeview	485	2.0	1.0	**1.0**	1.0	1.0	**0.0**	2.0	1.5	**0.5**	2.0	1.0	**1.0**	**2.5**
Olive Branch	354	1.0	1.0	**0.0**	1.0	0.5	**0.5**	1.5	1.0	**0.5**	1.0	1.0	**0.0**	**1.0**
Park View	393	1.0	1.0	**0.0**	1.0	0.5	**0.5**	2.0	1.0	**1.0**	1.0	1.0	**0.0**	**1.5**
Simonsdale	282	1.0	1.0	**0.0**	1.0	0.5	**0.5**	2.0	1.0	**1.0**	1.0	1.0	**0.0**	**1.5**
Tyler	634	2.0	1.0	**1.0**	1.0	1.0	**0.0**	2.0	1.5	**0.5**	2.0	1.0	**1.0**	**2.5**
Westhaven	541	2.0	1.0	**1.0**	1.0	1.0	**0.0**	2.0	1.5	**0.5**	2.0	1.0	**1.0**	**2.5**
Subtotal – Elementary		26.0	15.0	**11.0**	18.0	12.5	**5.5**	27.5	19.5	**8.0**	24.0	14.5	**9.5**	**34.0**
Middle Schools														
Churchland	1,139	3.0	2.5	**0.5**	3.0	2.5	**0.5**	3.0	2.0	**1.0**	3.0	2.0	**1.0**	**3.0**
Cradock	631	3.0	2.0	**1.0**	2.0	1.0	**1.0**	2.0	2.0	**0.0**	3.0	1.5	**1.5**	**3.5**
Hunt-Mapp	1,073	4.0	2.5	**1.5**	4.0	2.5	**1.5**	3.0	2.0	**1.0**	3.0	2.0	**1.0**	**5.0**
Waters	719	3.0	2.0	**1.0**	2.0	1.0	**1.0**	2.0	2.0	**0.0**	3.0	1.5	**1.5**	**3.5**
Subtotal - Middle		13.0	9.0	**4.0**	11.0	7.0	**4.0**	10.0	8.0	**2.0**	12.0	7.0	**5.0**	**15.0**
High Schools														
Churchland	1,723	4.0	4.5	**(0.5)**	5.0	3.0	**2.0**	3.0	3.0	**0.0**	4.0	4.5	**(0.5)**	**1.0**
Norcom	1,259	4.0	3.5	**0.5**	4.0	3.0	**1.0**	3.0	3.0	**0.0**	5.0	4.5	**0.5**	**2.0**
Wilson	1,280	4.0	3.5	**0.5**	4.0	3.0	**1.0**	3.0	3.0	**0.0**	3.0	4.5	**(1.5)**	**0.0**
Subtotal – High		12.0	11.5	**0.5**	13.0	9.0	**4.0**	9.0	9.0	**0.0**	12.0	13.5	**(1.5)**	**3.0**
Total variance				**15.5**			**13.5**			**10.0**			**13.0**	**52.0**

Source: PPS list of schools with principals and assistant principals, Department of Human Resources, principals and director of Research and Evaluation.
Note: C = current staffing, R = SACS recommended staffing and V = variance.

The additional PPS staff at the schools represents approximately $1.5 million annually in salaries and benefits. This area represents a prime opportunity for PPS to review its staffing costs.

Non-teaching staffing formulas give schools the staff deemed "necessary" to perform basic responsibilities. Additional staff beyond base staffing formulas should be provided based on the unique characteristics of a particular school (e.g., number/percentage of children who qualify for free and reduced meals, the number of discipline infractions and/or the results of reading inventories such as the Qualitative Reading Index). Additional staff should be tied to an accountability requirement to measure the effective use of the additional staff. For example, those schools that currently have more non-teaching staff than is recommended by the Virginia Standards of Quality or by SACS should have to justify how that staff is being used or such staff should be reallocated to positively impact student achievement in light of SOL and AYP requirements.

Such accountability requirements are necessary otherwise once positions are given to schools it will be very difficult to take them away unless there are clear, well defined guidelines for the allocation of additional staff.

Health Services

PPS's medical services program provides services designed to support the medical needs of its students. PPS' 2004-05 budget authorizes 34 positions to support the health/medical services function: 32 registered nurses (26 regularly assigned to school clinics, two to preschools, three team leader nurses and a supervisor of Nursing Services) and two clerical positions. The 2004-05 budget is $1.2 million.

PPS's school nurses make the students' health and safety their first priority during the school day. The school nurses provide services in the school clinics for illness or first aid, administer medication, make parent contacts, and complete the state mandated screenings for vision, hearing, blood pressure, and scoliosis. In addition, the nurses also see employees for first aid and other medical issues. The division also contracts with a physician who completes physicals for students who have been referred to special education or who are having triennial evaluations. In addition, the physician gives athletic and special Olympics physicals on an as needed basis, conducts bus driver physicals and serves in a consultant capacity whenever a situation arises where medical expertise is necessary.

PPS expenditures for health services, as a percentage of total expenditures, ranked eighth among the Cluster 1 divisions in 2002-03. Expenditures for health services in PPS totaled 1.42 percent of total expenditures (**Exhibit 26**).

Exhibit 26
PPS and Cluster 1 School Division Health Expenditures As a Percentage of Total Expenditures
2002-03

School Division	Health Expenditures As a Percentage of Total Expenditures	Rank
Hampton	1.55%	**9**
Portsmouth	**1.42%**	8
Richmond City	1.08%	7
Danville	0.90%	6
Hopewell	0.88%	5
Newport News	0.75%	4
Roanoke City	0.69%	3
Lynchburg	0.61%	2
Norfolk	0.02%	1
Petersburg	N/A	NA

Source: VDOE Annual School Report, 2003-04.

One of the primary causes of this high percentage of health services costs is PPS' nurse staffing. PPS' nurse staffing of 1 to 482 students is greater than that set out in state statues (Virginia Code 22.1-274. School Health Services), which provide guidelines relating to providing support services which are necessary for the efficient and cost-effective operation and maintenance of its public schools and states: "each school board may strive to employ, or contract with local health departments for, nursing services consistent with a ratio of at least one nurse … per 1,000 students by July 1, 1999. In those school divisions in which there are more than 1,000 students in average daily membership in school buildings, this section shall not be construed to encourage the employment of more than one nurse per school building. Further, this section shall not be construed to mandate the aspired-to-ratios."

PPS's overall nurse staffing level is also greater than the 1 to 750-student ratio recommended by the National Association of School Nurses (NASN). As a result, PPS may be incurring more costs than necessary. **Exhibit 27** (which is included in Appendix A due to its length) shows the staffing by school and centrally. Based on NASN requirements, PPS has five more school-based nurses than NASN requires and over 11 more when compared to state statute requirements.

Determining staffing for school nurses is generally a local function and varies throughout the United States. According to NASN multiple factors such as: geographic location and number of school buildings, social, economic, and cultural status of the community, special medical problems, the mobility of the people in the community, and licensed or unlicensed assistive personnel influence caseloads.

With a decreasing student population, a reduction in the number of schools, and potential reduction in the required number of school-based nurses, the need for supervisory positions will also diminish.

Guidance and Counseling

PPS does not have a process to monitor counselors' time to ensure that they are using a majority of their time helping students in need of counseling. As a result of not having such a process, the division cannot ensure that guidance counselors are available to students in need of counseling. Also, counselors indicated that their time for counseling was being limited due to excessive administrative responsibilities, such as testing.

PPS employs a supervisor of counseling services, 13 counselors at the three high schools, 11 at the four middle schools, one at New Directions Center/EXCEL Center, and 18 at the elementary schools. Based upon minimum staffing requirements contained in the SOQs, PPS high schools meet the minimum standards, the middle schools have 1.5 FTEs above the minimum (and will have four additional counselors available when Hunt-Mapp Middle School is closed at the end of the 2004-05 school year), and the elementary schools have 4.0 FTEs above the minimum standards.

In January 2004 the Virginia Board of Education adopted Standards for School Counseling Programs in Virginia public schools comprised of three domains: academic counseling, career counseling, and personal/social counseling. Professional school counselors collaborate with parents, teachers, administrators, and other school and community members to foster, promote, and improve student success and achievement in schools. The counselor's role is to provide the leadership necessary to manage the school-counseling program and ensure effective strategies to implement counseling standards.

Special Education

In 1975 the federal government passed the first Individuals with Disabilities Education Act (IDEA) to address the education of children with disabilities. The law requires divisions to provide a free appropriate education for all children with disabilities regardless of the severity of the disability in the least restrictive environment. "Appropriate education" means a program designed to provide "educational benefit."

In 1997 the federal government re-authorized IDEA. The amendments of this Act strengthen academic expectations and accountability for the nation's children with disabilities and bridge the gap that too often existed between what children with disabilities learn and what is required in regular education. These amendments specifically address the following:

- Raising expectations for children with disabilities;
- Increasing parental involvement in the education of their children;
- Ensuring that regular education teachers are involved in planning and assessing children's progress;
- Including children with disabilities in assessments, performance goals, and reports to the public;
- Supporting quality professional development for all personnel who are involved in educating children with disabilities.

The Virginia Administrative Code 8VAC20-80-60 requires a free and appropriate education be available to all children with disabilities who are in need of special education and related services even though they are advancing from grade to grade or who have been suspended or expelled from school. The Virginia Department of Education has a goal of providing full educational opportunities to all children with disabilities aged birth through 21, inclusive, by 2010.

For 2002-03, compared to the 10 Cluster 1 divisions, PPS per pupil special education expenditures ranked fifth (**Exhibit 28**).

Exhibit 28
PPS and Cluster 1 School Divisions Per Pupil and Total Special Education Expenditures
2002-03

School Division	Special Education Expenditures Per Pupil	Rank
Richmond	$1,314.63	10
Norfolk	$1,211.50	9
Hopewell	$1,108.91	8
Lynchburg	$1,099.27	7
Newport News	$1,054.51	6
Portsmouth	**$1,034.22**	**5**
Roanoke City	$909.85	4
Hampton	$885.08	3
Petersburg	$821.16	2
Danville	$733.17	1

Source: The special education expenditure data does not come from The DOE Superintendent's Annual Report Table 13 but from DOE data on special education expenditures. The "total expenditure" column includes state, federal, local and Medicaid – Comprehensive Services expenditures.

For 2004-05, according to information provided by the coordinator of Special Education, PPS identified 2,100 students, or 13.6 percent of the division's total student enrollment, with special education needs in grades K-12 (**Exhibit 29**, which is included in Appendix A due to its length).

Exhibit 30, which is included in Appendix A, lists the abbreviations and corresponding disability categories used in **Exhibit 29**.

Students with disabilities are expected to participate in the SOL tests based upon the student's individualized program. The Virginia Alternate Assessment Program (VAAP) provides alternative testing if it is determined that a student's performance cannot be assessed appropriately using the SOL testing.

Exhibits 31 through **34** show the percentage of students with disabilities passing the SOL tests and the number of students tested for each test. According to the coordinator of Special Education the department studied past test data and focused assistance in areas where student performance was weak in order to increase student performance. The department trained behavior teams composed of a special education supervisor, psychologist, social worker, instructional specialist, teachers, and administrators to provide hands on assistance to classroom teachers. Through inclusion, special education students received the opportunity to participate in programs designed to increase scores for general education students.

Exhibit 31
PPS Students with Disabilities Grade 3 SOL Passing Rates and Participation
2001-02 through 2003-04

	Percentage of Students Passing				Number of Students Participating			
Subject	2001-02	2002-03	2003-04	Increase/ Decrease	2001-02	2002-03	2003-04	Increase/ Decrease
English	21	32	38	+17	53	144	174	+85
Math	35	39	70	+35	85	11	178	+93
Science	26	51	66	+40	93	106	153	+60
History	24	49	64	+40	95	102	155	+60

Source: PPS coordinator of Special Education.

Exhibit 32
PPS Students with Disabilities Grade 5 SOL Passing Rates and Participation
2001-02 through 2003-04

	Percentage of Students Passing				Number of Students Participating			
Subject	2001-02	2002-03	2003-04	Increase/ Decrease	2001-02	2002-03	2003-04	Increase/ Decrease
English RLR	33	53	47	+14	77	122	177	+100
Writing	29	51	51	+22	69	83	119	+50
Math	15	31	35	+20	82	141	176	+94
Science	21	36	46	+25	95	121	143	+48
History	10	44	64	+54	80	135	141	+61

Source: PPS coordinator of Special Education.

Exhibit 33
PPS Students with Disabilities Grade 8 SOL Passing Rates and Participation
2001-02 through 2003-04

	Percentage of Students Passing				Number of Students Participating			
Subject	2001-02	2002-03	2003-04	Increase/ Decrease	2001-02	2002-03	2003-04	Increase/ Decrease
English RLR	14	19	23	+9	83	134	141	+58
Writing	11	18	19	+8	96	76	136	+40
Math	5	15	23	+18	86	139	138	+52
Science	30	29	38	+8	84	123	131	+47
History	10	27	65	+55	89	111	NA	+22

Source: PPS coordinator of Special Education.

Exhibit 34
PPS Students with Disabilities End of Course SOL Passing Rates and Participation
2001-02 through 2003-04

	Percentage of Students Passing				Number of Students Participating			
Subject	2001-02	2002-03	2003-04	Increase/ Decrease	2001-02	2002-03	2003-04	Increase/ Decrease
English RLR	36	81	67	+31	14	16	6	-8
Writing	33	63	43	+10	18	16	14	-4
Algebra I	30	48	63	+33	27	54	26	-1
Algebra II	50	67	100	+50	6	6	2	-4
Geometry	32	50	57	+25	28	22	21	-7
Earth Science	19	41	26	+7	59	87	43	-16
Biology	34	28	47	+13	35	51	30	-5
Chemistry	43	17	50	+7	7	6	4	-3
World History I	23	32	45	+22	44	65	49	+5
World History II	39	42	40	+1	38	24	5	-33
VA& US History	19	39	52	+33	21	36	27	+6

Source: PPS coordinator of Special Education.

A coordinator, who reports to the director of Student Services, five special education supervisors and two instructional specialists, manage PPS' special education program. **Exhibit 35** shows the staff responsible for the education and related services of children with disabilities.

Exhibit 35
PPS Special Education Staff
September 2004

Position	Number
Coordinator	1
Supervisors	4
Instructional Specialists	2
Special Education Teachers	168
Adaptive Physical Education Teachers	1
Hearing/Audiologist/Interpreter	8
Homebound Teachers	30
Occupational Therapists	1 + 3 contract
Physical Therapists	2 + 3 contract
Psychologists	10
Speech Therapists	13 + 6 contract
Vision Specialists	2
Paraprofessionals and attendants	176
Vocational Assessors	
Visiting Teachers/Social Workers	8
Total	476

Source: PPS coordinator of Special Education.

PPS assigns one paraprofessional to each special education teacher in the division. Since these paraprofessional positions are neither required by the state nor by the local school Admission, Review and Dismissal (ARD) process that assigns students to special education, they are therefore funded completely with local funds, causing PPS to potentially incur greater costs than necessary.

In its *Regulations Governing Special Education Programs for Children with Disabilities in Virginia,* the Virginia Board of Education distinguishes between Level I and Level II services for special education students. To determine paraprofessional staffing, points are assigned to each student based upon the type of disability and level of service required. A student receiving Level I service receives

one point regardless of the disability. A student receiving Level II services receives 2.0 or 2.5 points based upon the disability (**Exhibit 36**).

Exhibit 36
Disability Categories and Level II Points per Student

Disability Category	Level II Points per Student
Developmental Delay: age 5-8	2.0
Educable Mentally Retarded	2.0
Multiple Disabilities	2.5
Other Heath Impairment	2.0
Learning Disability	2.0
Emotional Disturbance	2.0
Traumatic Brain Injury	2.0
Hearing Impairment/Deaf	2.0
Orthopedic Impairment	2.0
Severe Disabilities	2.0
Speech or Language Impairment	2.0
Visual Impairment	2.0
Trainable Mental Retardation	2.0
Autism	2.5
Deaf-Blindness	2.5

Source: Regulations Governing Special Education Programs for Children with Disabilities in Virginia.

Exhibit 37, which is included in Appendix A due to its length, shows the number of Level I and II students by school, the paraprofessional staffing at the school, and the staffing using the state point totals as a guideline. The calculation assumes a paraprofessional serves students totaling no more than 20 points and that any fraction of a position automatically results in a full position. Also, the speech or language impairment (SLI) students are considered on an itinerant basis, i.e., not at a school, and one paraprofessional can support 68 students.

Based upon the application of the aforementioned guidelines, PPS has 35 more paraprofessional positions at the schools than required by state guidelines. To address the itinerant SLI students, an additional five paraprofessional positions (i.e., one for every 68 students; 311 SLI students/68 per paraprofessional = 5 paraprofessional positions) would have to be allocated centrally, reducing the potential overstaffing to 30 positions.

Findings and Recommendations:

Finding:
With limited exceptions, PPS is making steady progress in student performance at all grade levels.

Commendation #4:
By emphasizing principals as instructional leaders, modifying grade groupings, and reorganizing the instructional team, PPS is increasing student performance.

Finding:
PPS offers a diverse array of courses that address not only those students who are college-bound but also those students seeking technical careers.

Commendation #5:
PPS offers programs designed for students of differing abilities and provides opportunities for students to earn college credit while in high school, which future reduces costs such as college fees and travel.

Finding:
PPS' campus improvement plans include profession development that is not developed nor coordinated with central office curriculum directors. As a result these professional development plan do not tie directly to division goals relating to student performance.

Recommendation #6:
PPS should design professional development offerings that are directly aligned with student achievement goals and coordinated with the curriculum directors in the central office.

Finding:
PPS does not have a program evaluation process to determine the effectiveness of programs not related to SOL core subjects.

Recommendation #7:
PPS should implement a program evaluation process for all programs that are not specifically tied to SOL core subjects. A select number of programs should be reviewed each year. These program evaluations should identify both strengths and concerns. Instructional and administrative staff and the board should use the evaluation results as the basis for program planning and revision.

The assistant superintendent for Curriculum and Instruction should work with central office Curriculum and Instruction Department staff, principals, and teachers in developing a rotational schedule of programs. A standard report format should be adopted, and a timeframe for accomplishment of the evaluations should be established.

Finding:
PPS reorganized its Department of Curriculum and Instruction to ensure greater accountability for student performance by principals and subject content personnel.

Commendation #6:
By placing responsibility on principals and subject content personnel for identification of student learning needs, PPS has focused the accountability for student performance.

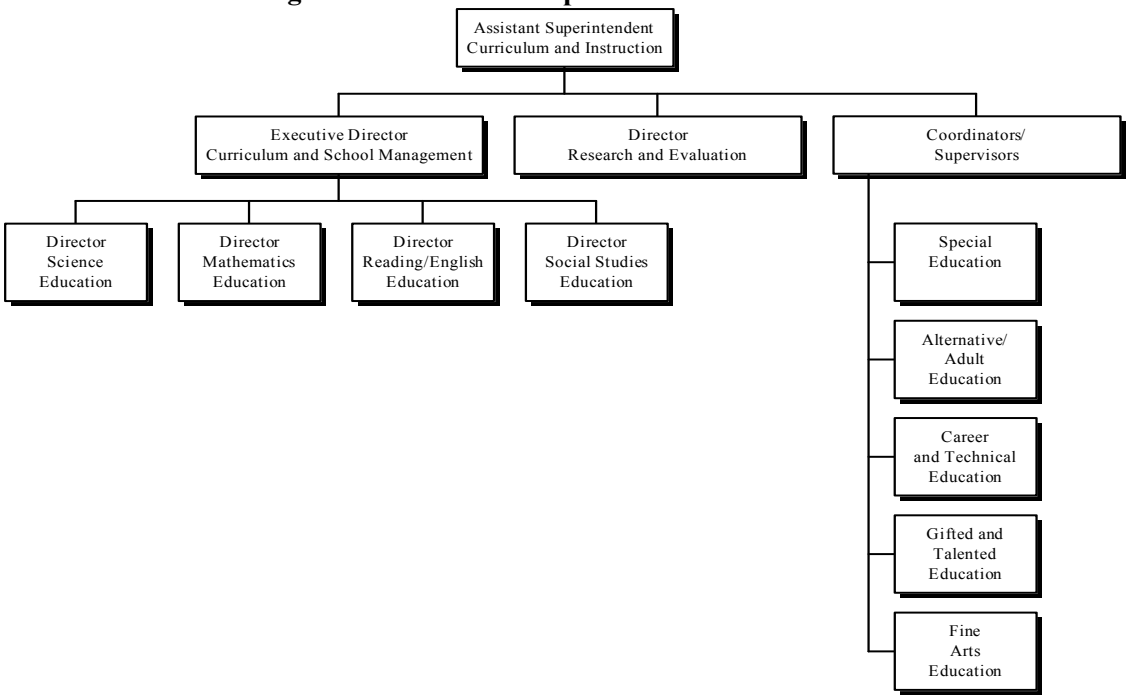
Finding:
While the reorganization of the Department of Curriculum and Instruction has increased accountability for student performance, additional organization issues still exist.

Recommendation #8:
PPS should continue the reorganization of the Department of Curriculum and Instruction as noted in **Exhibit 38**. This recommended structure would accomplish the following:

- In addition to the assistant superintendent of Curriculum and Instruction, create a position of executive director of Curriculum and School Management that would be responsible for supervising the core subject content personnel, handling issues or problems arising in the schools, overseeing the preparation and usefulness of school improvement plans and coordinating staff development targeted at increasing student performance. Based upon PPS' salaries for an assistant superintendent and director, an executive director position salary would be $73,132 plus benefits of $14,063 (19.23 percent of salary) for an annual total of $87,195.
- Eliminate the position of director of Student Services. Responsibilities for planning and staff development should be transferred to the new executive director position. The elimination of the director position would result in annual salary savings of $69,534 plus benefits of $13,371 for a total annual savings of $82,905.

- Title all instructional supervisors and specialists with the same title, establish one job description, and create one pay grade.
- Consolidate the music and art supervisors into one fine arts supervisor. The elimination of one supervisor position would result in salary savings of $51,729 plus benefits of $9,947 for a total annual savings of $61,676.
- Eliminate the guidance and librarian/media specialist supervisors and identify one school-based position in each area to conduct necessary meetings and complete reports. Those positions would be paid a stipend for assuming the additional responsibilities. The elimination of two supervisor positions would result in annual salary savings of $103,458 (two positions x $51,729 annual salary per position) plus benefits of $19,894 (two positions x $9,947 in benefits per position) for an annual savings of $123,352. We recommend an annual stipend of $3,000 for each of the areas, for a total cost of $6,000. Net savings would be $117,352.
- Eliminate the supervisor of Data Development position and reassign responsibilities to other positions. The elimination of one supervisor position would result in salary savings of $51,729 plus benefits of $9,947 for a total annual savings of $61,676.

Exhibit 38
Recommended Organization for PPS Department of Curriculum and Instruction



Finding:
PPS does not have staffing formulas and does not use student performance or other performance measures to allocate non-teaching staff to schools.

Recommendation #9:
PPS should establish base staffing formulas for each grade level. Any additional staff provided to a school should be based on performance criteria (e.g., student achievement, student discipline infractions, remedial/accelerated classes). Once these criteria are developed, the division should determine appropriate staffing levels in each school based on the criteria.

The review team recommends that the staffing formulas be developed with input from central office and campus staff:

First, the superintendent could inform school principals and his board that the current staffing exceeds the Standards of Quality or SACS or some other similar set of guidelines. He could then announce how he will deal with this in light of the importance of raising student academic performance and accountability expectations.

Next, the superintendent could convene a cross section of principals, assistant principals, teachers and carefully selected central office staff to serve as a committee to create formulas for basic school non-teaching staffing and criteria for the allocation of additional staff to PPS schools. The recommendations that come from this working group will either provide a basis for maintaining the additional staff at existing schools or determine where reductions in staff need to occur.

If additional staff is not currently being used effectively as indicated by a schools academic performance, there would then be an opportunity for the superintendent to make public clear expectations and requirements for keeping the above state recommended staffing at a school and the expectations for improvement in academic performance, i.e. SOL and AYP improvement.

Finding:
PPS exceeds the recognized national ratio of students per health professional. As a result, PPS may be spending more than necessary.

Recommendation #10:
PPS should assign nurses according to the state recommended levels (the more conservative) or NASN guidelines. By using NASN's ratio of 1 nurse to 750 students, PPS could eliminate 5.0 school nurse positions. The elimination of the 5.0 nurse positions would result in annual salary savings of $111,385 plus benefits of $21,419 (salary x 19.23 percent) for a total annual savings of $132,804.

With declining enrollment, fewer schools and the reduction in the number of nurses required, PPS should eliminate the three assistant supervisor nurse positions. The elimination of the three assistant supervisor positions would result in annual salary savings of $88,599 (three positions x $29,533 annual salary) plus benefits of $17,037 (salary x 19.23 percent) for a total annual savings of $105,636.

Total savings would be $238,440.

Finding:
PPS does not monitor how counselors spend their time. As a result, counselors are performing responsibilities that reduce the time spent on their core responsibilities.

Recommendation #11:
PPS should adopt guidelines on the appropriate use of counselor time and develop a process to monitor counselor time to ensure division stakeholders that counselors are using the majority of time helping students in need of counseling. These guidelines also should outline the amount of non-guidance activities appropriate for counselors, such as the counselors' role in the in the administration of testing. Some states set targets for the percentage of time to be used for individual, group, and family counseling, and school divisions monitor such time commitments by having counselors track their time for 3-4 week periods several times during the school year.

Either the assistant superintendent of Curriculum and Instruction or the recommended new position of executive director of Curriculum and School Management should monitor activities reported by counselors to ensure that counselors are spending appropriate time in counseling students and families and not performing inappropriate activities, such as meting out discipline.
If PPS determines that counselors must handle certain administrative functions, such as testing, then the division should employ the same process as included in Recommendation #9 to determine what the appropriate number of counselors is on each campus in order to handle counseling as well as administrative responsibilities.

Finding:
PPS special education student achievement on SOL tests has consistently increased.

Commendation #7:
PPS special education staff has focused on ways to assist special education students in improving their SOL scores, which has resulted in increased scores and increased participation rates.

Finding:
PPS is overstaffed in special education paraprofessionals, positions which are funded by local funds.

Recommendation #12:
PPS should apply state guidelines to determine appropriate staffing standards for paraprofessionals. When applying these guidelines, PPS should take into consideration factors that may mitigate full application of the guidelines at each school, such as:

- For severe disabilities classes, the needs of these students (including physical, medical, toileting, feeding, behavior) are such that they may require staffing above the Virginia Board of Education Regulations. Many of these children are also in wheelchairs and need more assistance than simply one teacher and one paraprofessional
- Additional support for students who are not in severe disabilities classes and have significant emotional/behavioral and/or medical concerns, such as wheelchair-bound, feeding, toileting, visual impairments or other physical needs. In particular these students often need support within the regular education setting to access the classroom and curriculum.

Applying the state requirements would allow PPS to reduce special education paraprofessional staffing by 30 positions for an annual salary savings of $356,640 ($11,888 annual salary x 30 positions) plus benefits of $68,581 (salary x 19.23 percent) for a total annual savings of $425,221.

Fiscal Impact

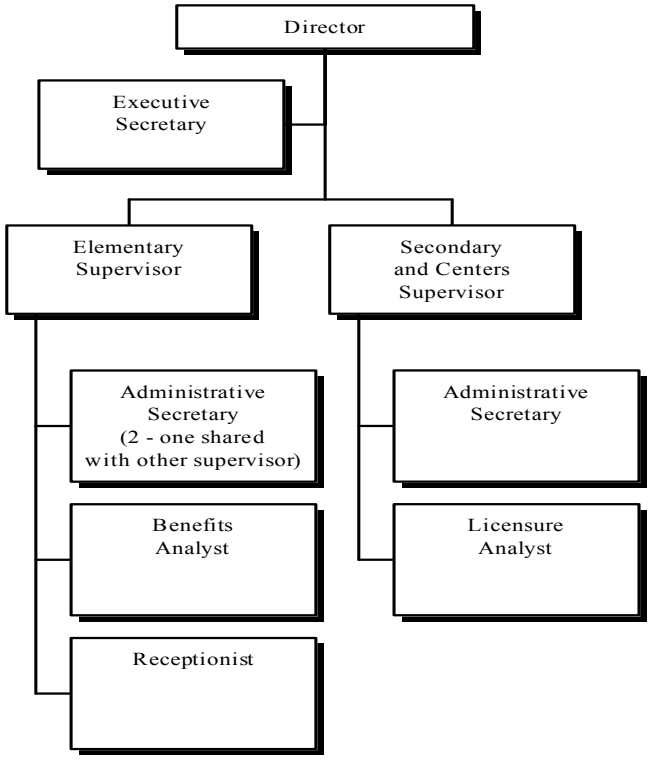
Recommendation	Recurring Annual Savings/(Cost)	One-Time Savings/(Cost)
PPS should continue the reorganization of the Department of Curriculum and Instruction.	$236,414	$0
PPS should assign nurses according to the state recommendations or NASN guidelines.	$238,440	$0
PPS should apply state guidelines to determine appropriate staffing standards for special education paraprofessionals.	$425,221	$0
Total	$900,075	$0

IV. HUMAN RESOURCE MANAGEMENT

Background

The PPS Human Resources Department's (HRD) mission "is to exceed customer expectations while providing quality services with a positive attitude, a friendly demeanor and a professional image". HRD consists of 10 full-time positions (**Exhibit 39**). With the exception of the benefits analyst and licensure analyst, the incumbents in the remaining positions are new to their positions since January 2004 or later. The superintendent replaced the previous administrator and clerical staff largely due to the retirement of the lead administrator and the lack of quality service provided to the schools by the remaining staff.

Exhibit 39
PPS Human Resources Organization
October 2004



Source: PPS director of Human Resources.

The HRD staff is responsible for recruitment of classified positions (e.g., teachers, administrators) and non-exempt positions (e.g., bus drivers, cafeteria workers), classification and compensation, and enforcing federal and state employment laws and local board policy. Key responsibilities by position are described in **Exhibit 40**.

Exhibit 40
PPS HRD Key Position Responsibilities

Position	Key Responsibilities
Director	Administrative appointments, budget, compliance, evaluations, employee handbook, FLSA, new teacher orientation, personnel report, policy development and monitoring, wellness program.
Supervisor, Elementary	Elementary staffing, applications, recruiting, contracts, drug testing, events calendar, FMLA, summer school, pay and classification, TeacherTeacher.com, employee benefits, workers' compensation, substitutes.
Supervisor, Secondary and Centers	Secondary staffing, applications, classified employees, fingerprinting/badges/drug testing, FMLA, licensure/contracts, recruiting, student teachers, webmaster.
Benefits analyst	Virginia retirement benefits and workers' compensation: maintain data, prepare reports, provide information to employees, process changes in employee information, process claims data.
Licensure analyst	Teacher licensure and temporary permits: maintain information on license status, monitor plans to attain full licensure, provide information and respond to questions from teachers.
Executive secretary	Supports the director: maintains files, screens telephone calls, maintains schedules and prepares reports and correspondence.
Administrative secretaries I and II	Supports the two supervisor positions, including scheduling of recruiting trips, support documentation, personnel files and the like. Maintains the automated substitute finder system and reporting. Maintains application database, employment verifications.
Administrative secretary I (part-time)	Conducts criminal background checks and drug testing. Processes ID badges for all employees.
Receptionist	Serves as first access point to central administration offices at City Hall. Performs clerical work as necessary.

Source: PPS HR personnel and job descriptions.

The budget for the HRD is shown in **Exhibit 41**.

Exhibit 41
PPS HRD Budget
2002-03 through 2004-05

Expenditure Category	Year			Percentage Change, 2002-03 to 2004-05
	2002-03	2003-04	2004-05	
Health services	$0	$32,000	$32,000	N/A
Consultants	$56,200	$159,400	$117,400	108.9%
Outside printing	$1,800	$500	$500	(72.2%)
Advertising	$20,000	$30,000	$30,000	50.0%
Miscellaneous services	$12,669	$850	$850	(93.3%)
Travel – local	$500	$1,150	$1,150	130.0%
Travel – out of town	$10,795	$13,583	$13,583	25.8%
Travel - staff development	$3,000	$1,827	$1,827	(39.1%)
Dues/memberships	$1,200	$2,214	$2,214	84.5%
Miscellaneous charges	$10,755	$21,357	$21,357	98.6%
Office supplies	$7,500	$1,900	$1,900	(74.7%)
Food services	$6,000	$5,575	$5,575	(7.1%)
Books/subscriptions	$4,131	$625	$625	(84.9%)
Technology materials	$300	$0	$0	(100.0%)
Technology software	$300	$0	$0	(100.0%)
Replacement equipment	$1,000	$0	$0	(100.0%)
Replacement hardware	$500	$0	$0	(100.0%)
New equipment	$1,500	$44,336	$0	(100.0%)
Total	$138,150	$315,317	$228,981	65.7%

Source: PPS director of Human Resources.

Recruitment and Retention

Strong teacher recruitment and retention programs are vital for any school division to achieve or maintain high student achievement and to comply with the No Child Left Behind (NCLB) Act of 2001.

In order to comply with NCLB, school divisions must employ "highly qualified" teachers in all core subjects (i.e., English, reading or language arts, math, science, foreign languages, civics and government, economics, arts, history, and geography) by the end of the 2005-06 school year. A "highly qualified teacher" is defined as a teacher with "full certification, a bachelor's degree and demonstrated competence in subject knowledge and teaching."

In Virginia, full certification means having a full license to teach. Provisional licenses can also be granted for a three-year period, but teachers obtaining licensure through this method must:

- Have a bachelor's degree;
- Meet Virginia requirements for a license;
- Receive high-quality professional development;
- Participate in a teacher mentoring program;
- Assume functions as a teacher only for a period not to exceed three years;
- Demonstrate satisfactory progress toward full licensure; and
- Demonstrate subject matter competency in each of the academic subjects that the teacher teaches.

Elementary teachers who hold a provisional license will not be considered highly qualified until they have passed the Praxis I or Praxis II. Middle and high school teachers receiving a provisional license and who have not passed either Praxis I or II may be considered highly qualified if they meet all the other criteria noted above.

For 2004-05, PPS budgeted for 2,131.23 FTEs, of which 1,102.83 FTE are classroom teachers, or 51.7 percent of total employees.

Teacher turnover has been a problem in PPS for several years (**Exhibit 42**). From 2001-02 through 2003-04, 969 teachers left the division due to either retirement or resignation. Another 166 teachers have left PPS in 2004-05 through September 30, 2004.

Exhibit 42
PPS Teacher Turnover
2001-02 through 2004-05

Year	Total Teacher FTE	Number of Teachers Retiring or Resigning	Cumulative Number of Teachers Retiring or Resigning	Retiring or Resigning Teachers as a Percentage of Total Teacher FTE
2004-05	1,102	166*	NA	15.1%
2003-04	1,118	292	969	26.1%
2002-03	1,153	359	677	31.1%
2001-02	1,125	318	318	28.3%

Source: PPS director of Human Resources and accounting supervisor.
**Through September 30, 2004.*

Of those teachers that have not achieved full licensure, 60, or 35.5 percent, are in subjects that must be fully licensed under the NCLB by 2005-06 (**Exhibit 43**).

Exhibit 43
PPS' Not Fully Licensed Teachers by Subject or Grade Level
2004-05

Subject or Grade Level	Number
NCLB subjects	
Science	21
Foreign language	5
Art	1
Math	15
Social studies	8
English	10
Subtotal	60
Other areas	
Business education	2
Health and physical education	4
Home economics	4
Elementary	21
Special education	63
Grade 6	2
Marketing	1
Music	2
Work and family studies	2
ROTC	4
Dance	1
Preparatory Academy teacher	1
Technical education	1
Magnet teacher	1
Subtotal	109
Total	169

Source: PPS licensure analyst.

PPS' budget for teacher recruiting is the amount set aside for travel out of town, or $13,583 for 2004-05. Prior to 2004-05, PPS did little if any recruiting at colleges or job fairs. As the current director of the HRD (who came from another area division in January 2004) said during an interview, "we would always ask where Portsmouth was", because they seldom attended such events.

For 2004-05, the supervisor of Secondary and Centers Staffing, who is also in charge of organizing and coordinating the division's teacher recruiting efforts, has developed a schedule of recruiting trips. According to the supervisor, PPS intends to recruit at all Virginia colleges and any within a reasonable distance from Portsmouth. Additional efforts will depend on need and budget availability.

The division involves school administrators in the recruitment process and provides training on interviewing techniques and appropriate questions. Information is also included in the administrator handbook prepared by the Department of Curriculum and Instruction that is distributed to each school.

For the first time this year, the HRD developed standardized questionnaires for each subject and grade level. PPS personnel participating at college/university recruiting visits or at other job fairs must use the questions for the subject area or grade level that applies to a specific candidate. Standardized questionnaires exist in the following areas:

- Elementary
- Art

- English
- Foreign language – Latin
- Math
- Middle and high school – language arts, math, science and social studies
- Physical education

There are also questionnaires for non-teaching positions, including guidance counselor, librarian, reading specialist, and school social worker.

For each question, the questionnaire lists one or more "desired remarks", i.e., statements that you would like to hear from a candidate. For each question, the interviewer takes notes on the applicant's responses and rates the candidate's response as either satisfactory or above (+) or below (-) satisfactory. At the conclusion of the interview the candidate is rated in one of the following categories:

- Highly recommended
- Recommended
- Recommended for a second interview (e.g., with a subject content specialist)
- Not recommended

Candidates receiving a recommended or highly recommended rating are immediately placed on a list distributed to principals. The list is updated as new candidates are added, existing candidates accept positions, or candidates accept positions outside of PPS.

In addition to expanding recruiting efforts, PPS also redesigned its website to focus on teacher recruitment and accept online teacher applications.

During interviews with the review team, principals commented that the HRD's efforts had gotten "much better". Among the comments were the following:

- "Quick turnaround on decisions regarding potential candidates."
- "Frequent updates of applicants."
- "Much better communication [from the HRD to the schools]."
- "There's a specific contact for elementary and secondary schools, so we know where to go for information."
- "The number of teacher applications has increased with the online system.

PPS has not established a set of criteria to evaluate the success versus cost of teacher recruiting events in order to determine whether the effort is justified. Without an ability to assess the value of a trip, the division may be attending events that provide very limited success at a cost of both time and money.

Although the HRD developed standardized questionnaires, there is little guidance on the questionnaire itself or through any training to provide principals and other PPS recruiters with information on how to rate a candidate on a particular question or on the interview itself.

Exhibit 44 provides a partial example of one of the standardized questionnaires, for middle school science.

Exhibit 44
PPS Middle School Science Standardized Teacher Candidate Questionnaire

			Rating		
Question	**Desired Remarks**	**Applicant's Answers**	**+**	**S**	**-**
1. Tell me about your educational background	• Appears to be eligible for licensure				
2. What influenced you to chose a career in education?	• Love of children • Influenced by role model • Ability to communicate • Make a difference				
3. Tell me about your previous experience working with children. How would the children with whom you have worked describe you?	• Rewarding • Innovating • Pride in accomplishments • Rapport with students, teachers, administrators and parents • Positive experience				
4. What factors do you consider when planning a lesson? If I were to visit your class for two weeks, what could I expect to see during my visit? Which methods of assessment are most effective in telling you what your students have learned?	• Objective driven • Tied to SOL • Variety of instructional strategies • Know students' strengths and weaknesses • Student centered • Wide range of activities • Variety of assessment tools and interventions ongoing assessment				

Source: PPS supervisor of Secondary and Staffing Centers.

While the questionnaire does identify desired responses from a candidate, it does not indicate how many of those responses a candidate must offer in order to be considered "satisfactory" or to receive a "+". According to the director of the HRD and the supervisor of Secondary and Staffing Centers, that is up to the individual interviewer. Such flexibility, however, does not ensure consistency of rating across interviewers.

The same is true for the summative evaluation. No criteria exist to identify what distinguishes a "highly recommended candidate" from a "recommended" candidate. Each interviewer is left to make that determination on his/her own.

Teacher Recruitment Incentives

PPS offers limited incentives to potential teachers considering employment with the system. The only incentive offered by PPS is a relocation loan of $1,000 that a teacher must repay from his/her first several paychecks.

As shortages worsen for hard-to-staff teacher positions (particularly in the areas of math, science, foreign languages, and special education), school systems across the country are devising ever more creative ways of luring teachers into their classrooms. From signing bonuses to handy gift certificates, school systems are angling to cope with the estimated two million openings they'll face in the coming decade. Among the innovative practices being applied nationally are the following:

- College tuition reimbursement. The Mississippi Teacher Shortage Act pays up to four years of tuition, room, board, and other expenses for undergraduate education majors at any public college or university in the state. Those funded for four years agree to teach for at least three years in a critical shortage area after graduation. According to participating school systems, most teachers recruited under the program, which began in the 1998-99 school year, have committed to staying beyond their obligation.
- Housing assistance. The Los Angeles Unified School District helps teachers get home loans, find real estate agents, and generally figure out the homeownership process through the Los Angeles Teachers Mortgage Assistance Program.
- Financial incentives combined with professional development. Yonkers, New York (Westchester County), Public Schools provides one-time signing bonuses of $3,400 plus $700 per-semester stipends for those working toward teacher certification. The money also supports the school system's free training workshops. According to school system officials, the commitment to professional development has been an even bigger lure than the signing bonus.
- Financial incentives and coupon books. North Carolina school systems, especially strapped for math, science, and special education teachers, offer "signing bonuses" of up to $3,000 to attract new teachers. Several school systems also offer coupon booklets to welcome new hires, featuring, among other things, free ring cleanings from a jeweler, drugstore discounts, and reduced-price newspaper subscriptions. While new recruits did not view the coupon books as a "deciding factor", according to officials in several school systems, the books were appreciated. Some school systems indicated that new recruits were more inclined to remain with the school system due to the interest shown in them from the beginning.
- Housing and other incentives. Loudoun County, Virginia, Public Schools places coupons in teacher recruit welcome/orientation packets that are donated from members of the local Chamber of Commerce. The county has also started a housing program for teachers, which helps to provide affordable housing for school personnel. It offers low interest rates on starter homes/ condos or townhouses. There is also a developer on the west end of the county, which is more rural, that is building new single-family homes, 2,000 square feet, to provide affordable housing and is directly marketing to school personnel.
- Laptop computers. The Cypress-Fairbanks, Texas, Independent School District provides new teachers with a new laptop computer upon signing an open contract and attending the teacher orientation or in-service training at the beginning of their first year. After three years with the school system, the laptop computer becomes the property of the teacher.
- Travel expense reimbursement for site interviews for out-of-state teacher recruits in critical shortage fields.
- Variable signing bonuses. Additional one-time payments are provided for teachers in critical shortage fields based upon the level of critical shortage for that year. The signing bonuses vary from a low of $1,000 to a high of $2,500 and are not limited to a set maximum number.
- Paying college loans. Some school systems are reimbursing teachers over a period of time, such as five-years for loans accumulated while attending college. Each year that the teacher stays with the system, a portion of the loan is paid.
- Recruiting bonuses. Some school systems also provide monetary incentives to current teachers for "recruiting" teachers to the system. These incentives are usually higher for recruiting teachers in critical shortage areas than in other fields.
- Saddleback, California, Unified School District has arranged with local financial institutions to provide free checking accounts to new teachers.

The review team met with community and business leaders in focus group sessions during the on-site data collection. Participants were receptive about providing such incentives and assisting the division with developing such programs.

Research indicates that the majority of teachers leaving the field do so in the first five years. Developing incentives that are tied to those first years will help reduce turnover. Combining these types of incentives with PPS' teacher mentoring program will allow the division to focus on directing more funds to salaries for experienced teachers.

Salary Administration

As an urban school division, PPS is a majority minority division in terms of the composition of student enrollment. Teacher turnover particularly impacts students in this type of school division. A study by the Maryland State Department of Education released in January 2001, *Minority Achievement in Maryland at the Millennium*, confirms the impact of teacher turnover on student performance. Four of the five largest school systems in Maryland were evaluated involving student performance and teacher tenure. The study concluded that the higher the percentage of non-tenured or inexperienced teachers, the lower the performance of students on tests designed to measure student achievement.

Also, the cost of teacher turnover is high. A report titled *The Cost of Teacher Turnover* prepared by the Texas Center for Educational research for the Texas State Board for Educator Certification as part of the Texas Beginning Educator Support System Initiative in November 2000 stated, "Turnover cost equals 25 percent of the leaver's annual salary + benefits."

In focus group meetings with principals and teachers, the primary reason cited for teacher turnover was the low salaries in PPS compared to other area divisions, i.e., Virginia Beach, Norfolk, Chesapeake and Suffolk (**Exhibit 45**). With the exception of the salary for an entry level teacher, PPS teacher salaries at all the comparison years of experience are below those of other area divisions, and by the time a PPS teacher has 10 or more years of experience, PPS salaries are close to 10 percent below that of the next lowest area division and more than 10 percent with most of the area divisions.

For 2004-05, the superintendent recommended, and the school board approved, a 6.5 percent increase in teacher salaries. While this has made PPS temporarily competitive at the entry-level teacher salary, PPS remains well behind at all other levels of experience.

Exhibit 45
PPS Teacher Salaries Compared to Area Divisions
2004-05

	Years of Experience					
Division	**Entry**	**5**	**10**	**15**	**20**	**25**
PPS	**$33,401**	**$33,609**	**$36,400**	**$39,762**	**$41,790**	**$44,390**
Chesapeake	$33,602	$36,917	$40,976	$44,271	$48,121	$51,479
Norfolk	$33,580	$37,795	$43,814	$50,793	N/A	N/A
Suffolk	$33,400	$34,678	$38,665	$42,545	$44,644	$50,542
Virginia Beach	$34,227	$38,759	$41,980	$44,063	$46,273	$51,106

Source: PPS director of Human Resources, PPS supervisor of Human Resources and websites of school divisions.

The salary differential for PPS teachers versus other area divisions is not just a recent phenomenon:

- In 2003-04, PPS ranked 51st in the state out of 136 school divisions in compensation for a teacher with a bachelor's degree and 10 years of experience and 44th for a teacher with 15 years experience. This compares to other area districts in a statewide analysis in which Norfolk (NPS)

ranked 11th for teachers with 10 years experience and 17th for teachers with 15 years of experience, Virginia Beach (VBS) ranked 12th and 23rd and Chesapeake (CPS) ranked 16th and 19th.

- In 2002-03, PPS ranked 32nd in the state out of 136 school divisions in compensation for a teacher with a bachelor's degree and 10 years of experience and 53rd for a teacher with 15 years experience. Among area districts, NPS ranked 8th for teachers with 10 years experience and 6th for teachers with 15 years of experience, VBS ranked 14th and 17th and CPS ranked 16th and 20th.
- In 2001-02, PPS ranked 54th in the state out of 136 school divisions in compensation for a teacher with a bachelor's degree and 10 years of experience and 65th for a teacher with 15 years experience. Among area districts, NPS ranked 10th for teachers with both 10 years experience and for teachers with 15 years of experience, VBS ranked 17th and 24th and CPS ranked 23rd and 26th.

According to research on the effectiveness of teachers, after five to seven years of experience, teachers are in their prime productivity period, which lasts until at least their 15th year of experience. According to two studies, teaching experience also has an influence on student achievement. Teachers with less teaching experience typically produce smaller learning gains in their students compared with more seasoned teachers.

Hence, PPS is not only incurring a high cost associated with the number of teachers leaving but also by having consistently low-ranked salaries for teachers with 10 or more years of experience, they are also losing the "muscle" in their system.

In exit interviews conducted by HRD with teachers retiring or resigning, the percentage of teachers selecting "other employment" or "miscellaneous/personal", which could include going to teach in another division, ranged from a low of 58.6 percent in 2003-04 to a high of 77.7 percent in 2004-05 (**Exhibit 46**).

Exhibit 46
PPS Teacher Reasons for Retiring or Resigning
2001-02 through 2004-05

	Reason for Leaving				
Year	Other Employment	Leaving Area	Retirement	Miscellaneous/ Personal	Other
2004-05	24.7%	7.2%	12.7%	53.0%	2.4%
2003-04	16.1%	10.3%	26.7%	42.5%	4.5%
2002-03	38.4%	9.7%	20.6%	31.2%	0.0%
2001-02	51.6%	5.0%	20.8%	22.3%	0.3%

Source: PPS director of Human Resources and consultant calculation.

Principals said that PPS trains the teachers, and then the teachers leave for better salaries in other divisions. According to principals and teachers, experienced teachers are the primary ones leaving the division. The HRD only had information on the experience of teachers that retired or resigned for 2003-04.

Position Control

PPS does not have a position control function to track filled and vacant positions by school and department. As a result, the HRD cannot verify staffing by department or school. When the review team asked for staffing by position at each school, the HRD provided a list of positions with associated names of the incumbents in those positions; however, the HRD could not confirm that the list was an accurate reflection of the number of positions at each school. As a result, in meetings with principals, the review team had to ask each principal to confirm his/her school staff counts.

Position control is a management tool used to control the use of an organization's human resources. It achieves this goal by identifying certain key characteristics of each position in the organization: title, grade, budget hours/days per year, funding source (s), location, EEO reporting category, controlling authority, and name of current incumbent. Each position is assigned a unique position number that usually stays with the position until the position is abolished.

A position control system is independent of the organization's employee information system, which contains information describing the position incumbent (e.g., date of birth, gender, marital status, etc.). Position control systems are also independent of an organization's payroll system, but the two must interface so that the payroll system can use the information provided by the position control system to produce paychecks.

Most school systems assign a number to each position in the system at the time the position is initially authorized. When the personnel budget is prepared, each authorized (i.e., numbered) position must have funds allocated for salary and benefits in order to be filled.

When a school or department requests authorization to fill a vacancy the position number must be identified, it is confirmed that a vacancy does exist, and that payroll has the necessary funds budgeted to pay for the position. Without such a mechanism, additional positions may be filled that are not actually authorized, and funds may not actually be set aside to cover the salaries and benefits of these positions.

Human Resource Policies and Procedures

Prior to fall 2004, there has been no periodic review of key policies and procedures in PPS and in the HRD.

Within the division, beginning in the spring of 2004, PPS senior staff and department heads have begun reviewing the division's policy manual in their areas as policies are updated. These staff members, including the superintendent, have been instructed to take a critical look at their sections. According to the administrative assistant to the superintendent, who is responsible for this process, changes will be submitted to the school board in May 2005.

According to the administrative assistant to the superintendent, the previous PPS director of Human Resources submitted an updated Human Resource Policy Handbook to the City Attorney's Office, with whom PPS contracts for legal services, for review and approval over a year ago. PPS administrators have been unsuccessful in their attempts to have this review finalized. Operating without the updated Human Resource Policy Handbook puts PPS at risk legally regarding personnel matters.

No comprehensive manual of key procedures is maintained in the HRD. The director and supervisors develop information and/or administrative memoranda that describe some of the key procedures. The administrative handbook, distributed by the Department of Curriculum and Instruction, contains a section on some human resources policies and procedures, such as employee leaves and the employee grievance process.

No current comprehensive employee handbook exists that is distributed to school system employees to explain school system practices and policies. The last employee handbook was developed in 1999.

Written procedures are useful not only as a guide to ensure that the school system's administration of policy is consistent but also as a training tool for new employees. The new team of HRD professionals has focused on recruiting teachers and revising/streamlining the teacher application process and has not had an opportunity to focus on policies and procedures.

Job Descriptions

PPS job descriptions are out of date. Many jobs were incorrectly identified and described. The review team was provided job descriptions for positions that no longer exist.

Accurate job descriptions provide the basis for an organization's salary system by determining the responsibilities that will be compensated. Inaccurate descriptions mean it is impossible to gauge what the marketplace is paying for positions with similar responsibilities.

Job descriptions also provide information to employees on expected task responsibilities, provide supervisors with the basic responsibilities used to evaluate a subordinate's work performance, and protect the employer against claims of discrimination in hiring, employment, or termination procedures. Inaccurate or out-of-date job descriptions negate these protections and expose employees to unfair performance evaluations, jeopardize the ability of a supervisor to hold an employee accountable for expected performance, and leave an organization open to legal claims.

Findings and Recommendations

Finding:
PPS has improved the teacher recruiting process by increasing the number of recruiting trips, training administrators in recruiting techniques, designing a rating form to standardize candidate evaluation, modifying PPS' website to accommodate online teacher candidate application, and providing online access to principals about teacher candidates.

Commendation #8:
PPS' Human Resource Department has improved the process to recruit teachers by streamlining the process, automating the application method, and providing continuous communication and information to principals.

Finding:
PPS has not established a set of criteria to evaluate the success versus cost of teacher recruiting events in order to determine whether the effort is justified.

Recommendation #13:
PPS should not only track the cost but also the success of recruiting events and use the data to modify recruiting strategies.

At a minimum, factors that PPS should consider when evaluating a recruiting effort are:

- The cost of each recruiting effort in terms of both PPS staff time committed and money spent for registration, travel, etc.
- The number of interviews conducted by PPS staff at each location and the names of all interviewees.
- For each location, the number of offers extended and offers accepted.

- Once the division recruits all new teachers, HRD staff should analyze the number of new hires from each location/school for both the current year and, eventually, the last three years.
- The evaluation of new teachers from the two or three locations that produce the most new hires. In other words, even though PPS may be getting a significant amount of new hires from one or two colleges, if those new hires are not performing well, the effort may not be cost effective.

Based on the analysis, the supervisor of Secondary and Centers Staffing should adjust recruitment efforts as necessary.

Finding:
Although the HRD developed standardized questionnaires, there is little guidance on the questionnaire itself or through any training to provide principals and other PPS recruiters with information on how to rate a candidate on a particular question or on the interview itself.

Recommendation #14:
PPS' HRD should establish guidelines to assist interviewers in making both summative candidate ratings and individual question response ratings. HRD should train interviewers on applying the criteria and monitor individual interviewers' ratings to avoid rater bias, such as favoring a candidate without justification.

Since the director and two supervisors are all trained to apply the Gallop Perceiver questionnaire, this recommendation could be accomplished within the department.

Finding:
Other than a relocation loan, PPS does not provide any incentives to attract teachers to the area.

Recommendation #15:
PPS should work with the City and area businesses to develop a program of incentives that will supplement teacher salaries.

Finding:
PPS does not have a compensation strategy for attracting and retaining teachers. As a result, the division has suffered acute teacher turnover since 2000-01 that has impacted student achievement, teacher morale, and the cost of staff development.

Recommendation #16:
PPS should develop a compensation strategy to guide its recruitment of teachers. For example, if the division determines that attracting entry-level teachers is the best strategy, then it should increase its compensation for teachers in their beginning five years of teaching to be at or above other area divisions. Associated with this strategy may be other costs, such as greater staff development time and costs, which must also be recognized. An alternative strategy could be to attract and/or retain experienced teachers, in which case the division should emphasize increasing salaries at the five-to-fifteen year experience levels.

Finding:
PPS does not have a position control function to track filled and vacant positions by school and department.

Recommendation #17:
PPS should develop a position control system that numbers each position and automate the process

using software that can be integrated with the payroll system.

Finding:
PPS human resource policies are not up to date.

Recommendation #18:
PPS should form committees of central and school administrators to review existing human resource procedures and recommend changes. HRD staff should review the procedures to ensure that changes in state and federal requirements, as they affect human resource management, are up to date. Once completed, the division should prepare and distribute copies of the procedures to all employees and make the handbook available on line.

Finding:
PPS job descriptions are out of date. Many jobs were incorrectly identified and described.

Recommendation #19:
PPS should review the currency of all job descriptions, especially for positions created since January 2003. HRD should require incumbents and supervisors to make necessary changes to existing descriptions and/or create descriptions for new positions.

Fiscal Impact

The primary costs associated with findings in this section will be associated with new-teacher incentives and teacher salary adjustments. While the review team is not making specific recommendations on what to implement in either area, PPS could generate additional funds for such programs from potential savings identified elsewhere in this report. There is also potential for developing creative private partnerships for the provision of incentives.

Regarding other recommendations in this section, such as developing a position control system, the review team believes these recommendations can be accomplished within the HRD Department's and PPS' current budget.

V. FACILITIES USE AND MANAGEMENT

Background

The facilities function in PPS is under the assistant superintendent of Operations. The two primary components of this function are the Building Maintenance Department, headed by the coordinator of Building Maintenance, and the Department of Building Services, which is in charge of custodial services and is also headed by a coordinator.

PPS manages 28 facilities containing 2,622,908 square feet (**Exhibit 47**, which is included in Appendix A due to its length). An additional 53,500 square feet is contained in 53 mobile units.

As PPS declines in enrollment and planned school closings and modifications to existing facilities occur, the divisions total facilities square footage will decline by 221,094 square feet (**Exhibit 48**).

Exhibit 48
Impact of PPS School Openings and Closings
2005-06 - 2007-08

Year	Closing	Square Footage	Opening	Square Footage	Net Impact
2005-06	Hunt-Mapp Middle School	235,946			
			Churchland Elementary School addition	4,974	
			Tyler Elementary School addition	5,040	
			Lakeview Elementary Addition	5,666	
	Hodges Manor Elementary School mobile units	4,170	Hodges Manor Elementary School addition	2,500	
2007-08	Olive Branch mobile units	4,896	Olive Branch Elementary School addition	14,400	
	Simonsdale Elementary School	33,330	Park View Elementary School (new)	60,966	
	Park View Elementary School	26,548			
	Park View Elementary School mobile units	9,750			
	Totals	314,640		93,546	(221,094)

Source: PPS assistant superintendent of Operations.

PPS's capital improvement program (CIP) for 2004-05 through 2009-10 includes the following:

- HVAC and roof replacement at the Instructional Resource Center (IRC)
- Construction of four-room additions to Lakeview, Tyler and Churchland Elementary Schools.
- Construction of two new elementary schools: Tyler and Park View
- Conversion of all elementary schools from K-5 to K-6 schools
- Major renovations and/or additions to six elementary schools (Lakeview, Olive Branch, Hurst, Churchland Elementary, Churchland Primary and Intermediate and Churchland Academy), one preschool (Spong) and one center (DAC)
- Roof replacements as necessary

Funding for this program comes from several sources (**Exhibit 49**).

Exhibit 49
PPS CIP Funding Sources and Amounts
2004-05 through 2009-10

Funding Source	Amount Available
Portsmouth CIP	$17,601,702
Literary loan	$7,500,000
Virginia lottery	$8,165,629
Virginia school construction	$2,157,621
Total	$35,424,952

Source: PPS CIP.

Budgeted CIP funding by year is included in **Exhibit 50**.

Exhibit 50
PPS CIP Funding
2004-05 through 2009-10

Year	Amount Available
2009-10	$5,719,341
2008-09	$5,299,615
2007-08	$5,287,833
2006-07	$9,219,341
2005-06	$4,719,341
2004-05	$5,179,481
Total	$35,424,952

Source: PPS CIP.

Exhibit 51 shows PPS' budget to maintain these facilities through 2009-10.

Exhibit 51
PPS Maintenance Funding
2003-04 through 2009-10

Year	Budget
2009-10 *	$1,275,924
2008-09 *	$1,244,804
2007-08 *	$1,214,442
2006-07 *	$1,184,823
2005-06 *	$1,155,925
2004-05 **	$1,127,731
2003-04 ***	$1,100,226

Source: PPS CIP.
(*) Estimated.
(**) Budgeted.
(***) Actual.

For 2002-03, compared to the other school divisions in Cluster 1, PPS ranked lowest in per pupil expenditures on facilities and in percentage of its total expenditures allocated to facilities (**Exhibit 52**). The category "facilities expenditures" includes the following: activities concerned with acquiring land and buildings, remodeling buildings, constructing buildings and additions to buildings, installing or extending service systems and other built-in equipment and improving sites. Since PPS is declining in enrollment, it has not been acquiring land for new facilities, constructing new facilities nor expanding existing facilities; instead, it has been closing facilities. In 2002-03, PPS spent only $64,177 on capital outlay for new facilities. In 2003-04 and 2004-05, it increased its facilities budget due to replacing older schools with new ones and expanding elementary schools to include

classrooms for sixth grade, which is currently at the middle schools. Most of PPS capital outlay budget is included in the City of Portsmouth's budget.

Exhibit 52
PPS and Cluster 1 School Division Facilities Expenditures Per Pupil and as a Percentage of the Total Budget
2002-03

School Division	Facilities Expenditures Per Pupil	Rank	Facilities Expenditures as a Percentage of Total Expenditures	Rank
Hopewell	$692.42	10	6.7%	10
Petersburg	$590.49	9	6.3%	9
Danville	$618.55	8	6.3%	9
Norfolk	$532.87	7	5.9%	7
Newport News	$446.82	6	4.9%	6
Richmond City	$227.99	5	1.8%	5
Hampton	$111.78	4	1.4%	4
Lynchburg	$104.70	3	1.3%	3
Roanoke City	$128.14	2	1.2%	2
Portsmouth	**$71.38**	**1**	**0.8%**	**1**

Source: Table 13 of the 2002-03 Superintendent's Annual Report from the VDOE.

For 2002-03, compared to the other school divisions in Cluster 1, PPS ranked eighth in per pupil expenditures on maintenance and operations and tenth, or highest, in percentage of its total expenditures allocated to maintenance and operations (**Exhibit 53**). The "operations and maintenance" category represents expenditures incurred to keep grounds, buildings, and equipment safe for use and in effective working condition. With an aging set of facilities, the cost of providing maintenance can be expected to be high.

Exhibit 53
PPS and Cluster 1 School Division Operations and Maintenance Per Pupil and as a Percentage of the Total Budget
2002-03

School Division	Operations and Maintenance Per Pupil	Rank	Operations and Maintenance as a Percentage of Total Budget	Rank
Richmond City	$1,204	10	9.3%	7
Hopewell	$990	9	9.6%	8
Portsmouth	**$934**	**8**	**11.0%**	**10**
Roanoke City	$843	7	8.1%	3
Lynchburg	$833	6	10.1%	9
Newport News	$814	5	8.9%	6
Petersburg	$803	4	8.5%	4
Norfolk	$788	3	8.8%	5
Danville	$659	2	6.8%	1
Hampton	$643	1	8.0%	2

Source: Table 13 of the 2002-03 Superintendent's Annual Report from the VDOE.

BUILDING MAINTENANCE DEPARTMENT

The Building Maintenance Department work force is responsible for the maintenance of all school facilities, including the HVAC, electric, electronics, welding, limited painting, and limited roofing. The department is also responsible for building renovations and construction oversight. Master and senior crafts persons, journeymen, technicians and trade helpers comprise the department's skilled

craft staff.

The Building Maintenance Department also contracts out various services. They include repair of hard surfaces, athletic tracks, filter changes, fire suppression inspection, motor pool operation, and glass replacement. Grass mowing, tree and shrubbery trimming and other landscaping issues are provided under contract by the City of Portsmouth to PPS.

An automated work order system was initiated in 1998. This program is used for the Building Services Department, the Building Maintenance Department, and warehouse operations. The program provides information on open and closed work orders, labor hours by category, facility location and costs associated with labor, materials, and travel. A work-order clerk operates the system and dispatches requests to individual trade groups.

Staffing

The maintenance and operation activities associated with physical plant management are impacted by seasonal fluctuations and other variables, such as emergencies, budget shortfalls and limitations, renovations, and deferred maintenance. Along with adequate budget appropriations, these factors can only be controlled with a well-trained and properly staffed employment base that is critical to the continued success of the school division.

Actual staffing requirements are difficult to adequately predict due to the division's growth or decline over a period of time. Accordingly, the staffing complement will not remain constant. Therefore, management must determine the staff needs on current and projected workloads based on age of facilities, use, and condition reflected against enrollment projections and square footage changes**.**

PPS' Department of Building Maintenance is staffed with 37 positions, of which six are supervisory or clerical positions (**Exhibit 54**). The coordinator serves as the head of the department, the facility engineer is responsible for mechanical systems (HVAC, boilers), fire alarm systems, technical specifications, and energy management. The trades' supervisors oversee the work crews comprised of the various crafts personnel required for a project.

Exhibit 54
PPS Department of Building Maintenance Staffing by Position
October 2004

Position Title	Number of Positions
Coordinator	1
Facility engineer	1
Clerk	2
Trades supervisor	2
Master trades positions	
• HVAC mechanic	3
• Plumber	1
• Electrician	1
Senior trades positions	
• Carpenter	1
• HVAC mechanic	1
• Electrician	1
• Electronic technician	1
• Welder	1
• Painter	1
• Roofer	1
Journeyman trades positions	
• HVAC mechanic	1
• Plumber	2
• Electrician	1
• Carpenter	4
Limited mechanic	2
Electronic technician	1
Helper	8
Total	**37**

Source: PPS Department of Human Resources.

Based on workload projections and the age and condition of facilities, the Department of Building Maintenance is understaffed. The review team used the Association of Physical Plant Administrators (APPA) staffing guidelines to compare PPS staffing to minimum APPA staffing (**Exhibit 55**). Based upon APPA guidelines, PPS could use 23 additional maintenance personnel given current square footage.

Exhibit 55
Number of PPS Building Maintenance Workers Compared to APPA Standards
October 2004

Craft	Current Staffing	APPA Standard	Recommended Staffing	Variance Above (+) / Below (-) Standard
General Maintenance Mechanic	2	1:500,000 gross square feet (GSF)	5	(3)
HVAC Mechanic	5	1:450,000 GSF	5	0
Plumber	3	1:390,000 GSF	6	(3)
Electrician/Electronics	5	1:380,000 GSF	7	(2)
Painter	1	1:200,000 GSF	13	(12)
General Maintenance Worker	10	1:500,000 GSF	5	5
Carpenter/Locksmith	5	1:200,000 GSF	13	(8)
Total	**31**		**54**	**(23)**

Source: Association of Physical Plant Administrators.

From 2002-03 through 2004-05 (budgeted), PPS spent $6,118,971, or 12.6 percent of its maintenance and operations budget on purchased or contracted services from external vendors for such services as

HVAC maintenance, remodeling and facilities repair work and other similar functions that could not be performed internally by PPS staff due to limited numbers of personnel.

Cost of Maintenance Services

Based upon the square footage of PPS facilities, enrollment, and maintenance budget estimates from 2004-05 through 2008-09, the PPS Building Maintenance Department expects that the cost to maintain PPS facilities will increase 23.7 percent, from the current budgeted $72.57 per square foot per student to $89.77 per square foot per student. For this same period, student enrollment is expected to decline by 10.8 percent and the number of square feet the department must maintain is expected to decrease 8.4 percent.

Training

The Building Maintenance Department provides a number of opportunities for each employee to receive continued and additional training on site. **Exhibit 56** indicates staff development provided from 2002-03 through September 2004-05.

Exhibit 56
PPS Building Maintenance Department Staff Development
2002-03 - 2004-05

Year	Training Type	Attendance
2002-03	OSHA Training-Back Safety	All employees
	OSHA Training-Hand Protection	All employees
	Asbestos Inspector/Manager/Planner Update	Coordinator
	OSHA Training-Electrical Safety	All employees
	OSHA Training-First Aid	All employees
	OSHA Training-Portable Power Tools	All employees
	OSHA Training-Stress Management	All employees
	OSHA Training-Indoor Air Quality	All employees
	National Facilities Management Conference	Coordinator
	OSHA Training-Safety Attitude	All employees
	OSHA Training-Fall Prevention	All employees
	Asbestos Inspector/Manager/Planner Training	Trades Supervisor
	Asbestos Inspector/Manager/Planner Update	Coordinator
	OSHA Training-Working in Hot Condition	All employees
2003-04	National Playground Safety Inspector Certification	Trades Supervisor
	National Fire Alarm Code Seminar	Senior Electrician
	National Facilities Management Conference	Coordinator
	National Fire Alarm Code Seminar	Facilities Engineer
2004-05	Variable Frequency Drives Seminar	Senior Electrician
	OSHA Training: Lockout Tagout, Eye Protection, Ear Protection, Vehicle Safety, General Job Safety and Safety Attitude	All employees

Source: PPS coordinator of Maintenance.

At the same time, the review team noted two areas where the Building Maintenance Department is deficient in its training program: first, it does not take advantage of vendor or manufacturers of major mechanical equipment and systems training, and second, the Building Maintenance Department does not cross train its personnel.

Facilities Condition

There is no current condition report on PPS facilities. The assessment of the condition of facilities is one of a series of steps to provide for future facilities improvement and to develop appropriate budget

recommendations and requests. A facilities assessment will evaluate the functional and physical adequacies of mechanical and all building and site components allowing decision makers to evaluate the future needs and projected budgets for maintenance of the physical plant.

Comprehensive Maintenance Plan

The Building Maintenance Department does not have a comprehensive maintenance plan that details maintenance services that will be provided over the next five to six years and reflects scheduled maintenance, preventive maintenance and replacement of building components associated with roofing, carpentry, electric, electronics, HVAC, painting, etc., in each school in the division.

In its 2004 report entitled, *Best Practices for the Support Services of School Divisions*, the Joint Legislative Audit and Review Commission stated:

> "Facility maintenance plans represent an attempt to systematically identify what needs to be maintained (information that comes from facility audits). The plans also set priorities as to the maintenance work that is needed, and identify a strategy for conducting the needed maintenance work."

Findings and Recommendations

Finding:
The Building Maintenance Department is understaffed.

Recommendation #20:
PPS should increase its current maintenance staff. Since it would be difficult to assimilate 23 new positions into the division's budget in one year, the review team recommends increasing the total by eight positions, or one-third of the deficit in positions, the first year in the key areas PPS was noted to be the most deficient compared to APPA standards: carpenter/locksmith, electrician, painter, electronic technician and plumber or where it is contracting out for extensive services, e.g., HVAC work. At the conclusion of the year, the coordinator of Maintenance should analyze the results of adding these positions, particularly on reducing contracted services.

Based on a journeyman's entry-level salary of $27,185 and including 19.23 percent in benefits ($27,185 x 19.23 percent = $5,228), the cost of one position annually would be $32,413. The cost of eight positions would be $259,304.

Given the amount of money PPS spends for contracted services in this area, it is not unreasonable to expect some reduction in such costs if additional staff is hired full time.

Finding:
The projected cost of maintenance is expected to increase even though enrollment and facilities square footage are expected to decrease.

Recommendation #21:
PPS should evaluate the assumptions used to formulate future budgets for the Building Maintenance Department.

Finding:

The Building Maintenance Department has an on-going training program that focuses on issues that will improve overall work effort and reduce the likelihood of injuries.

Commendation #9:
The continued opportunity for staff training in OSHA-related issues and safety training classes will provide real cost savings in reducing possible long-term absences due to injury.

Finding:
The Building Maintenance Department does not take advantage of vendor training on key equipment and systems.

Recommendation #22:
PPS should include specific training requests for mechanical systems and other building components through the appropriate vendor as part of the specifications for renovation and new construction projects. These training costs would be absorbed within the total project cost and not assessed against the operating budget. While some of the training in specialty HVAC systems and controls may take place off site, those employees being trained will be able to train others once they return.

Finding:
The Building Maintenance Department does not cross train its personnel.

Recommendation #23:
PPS should cross train maintenance personnel at all skill levels. Cross training of various building services skills should be offered to the building custodians. Cross training will provide additional cost savings and efficiency of effort as seen from increased productivity, reduced down time for repair, decreased labor need and increased customer satisfaction.

Finding:
There is no current assessment of the condition of PPS facilities.

Recommendation #24:
PPS should conduct a facilities audit to evaluate future facility needs, both in the short- and long-term, and to determine priorities for repair, replacement, and new projects to facilitate the preparation of current and projected budgets.

Finding:
The Building Maintenance Department does not have a comprehensive maintenance plan for each school to cover the next five to six years.

Recommendation #25:
PPS should develop a comprehensive maintenance plan to show when maintenance issues at each school will be addressed. This information should be developed in concert with the facilities audit and refined to reflect maintenance programs in appropriate cycles and frequencies. These projections in turn will facilitate more reliable future budget requests. Additionally, publication of this type of information will allow the customer base across the division to better understand maintenance decisions and expected times for delivery of services.

Fiscal Impact

Recommendation	Recurring Annual Savings/(Cost)	One-Time Savings/(Cost)
PPS should increase its current maintenance staff by eight positions.	($259,304)	$0

BUILDING SERVICES DEPARTMENT

Staffing

The Department of Building Services is staffed with 182 positions, of which five are supervisory or clerical positions (**Exhibit 57**). The coordinator serves as the head of the department. Each of the two field supervisors is responsible for overseeing 88 custodians and 14 facilities.

Exhibit 57
PPS Building Services Department Staffing
2004-05

Position Title	Number of Full- and Part-Time Positions
Coordinator	1
Administrative secretary	1
General office clerk	1
Field supervisor	2
Custodian	177
Total	182

Source: PPS Department of Human Resources.

Of the 177 custodial positions, 139 are filled with full-time employees, and 20 positions are filled with part-time employees. Another 15 positions are vacant, and individuals out with long-term illnesses occupy three positions. These 177 positions represent the equivalent of 164.5 full-time-equivalent (FTE) positions:

- The 139 full-time, occupied positions represent 139 FTE.
- The 20 part-time positions represent 10 FTE.
- The 15 vacant positions represent 14 FTE.
- The three positions occupied by individuals out with long-term illness represent 1.5 FTE.

The Association of School Business Officials, International (ASBO) bases custodial staffing on an expected average productivity of 2,500 square feet per staff-hour of work, for an 8-hour cleaning period, which equals 20,000 square feet per custodian.

Exhibit 58 shows that PPS' overall ratio of 16,270 square feet per FTE custodian is well below the industry standard of 20,000 square feet per custodian. Based on the standard, PPS is overstaffed by 30.7 FTE custodians.

Exhibit 58
PPS Custodial Staffing Compared to Industry Standard
2004-05

Total Square Feet	Custodians	Square Feet per Custodian	Number of Custodians Recommended	Over / (Under) Industry Standards
2,676,408	164.5	16,270	133.8	30.7

Source: PPS director of Building Services, director of Building Maintenance and consultant calculation.

According to the JLARC report, "Allocating custodial staff among schools based on square footage of the buildings maintained is a common method for determining custodial staffing levels in school divisions across the nation. The range in square footage per custodian that is typically accepted as the industry standard is one custodian for every 18,000 to 20,000 square feet, depending on the age and condition of the buildings." The report goes on to indicate that division may also want to consider other factors in determining appropriate custodial staffing, such as the number of students, teachers, classrooms, and bathrooms.

Performance Standards, Training and Inspection

The Building Services Department has performance standards detailing the minimum frequency for cleaning and associated times for task accomplishment. The Custodial Advocacy Committee (CAC) that is responsible for developing and upgrading guidelines for performance standards developed the current standards.

Performance standards provide the basis for creating efficiency of work effort and resulting cost savings in supplies and materials as well as labor. Performance standards produce a standardization of cleaning over the entire system.

The next link in achieving efficiency in cleaning and accruing savings from that efficiency is to ensure that the custodial staff is well trained. Equipment and supply vendors typically offer training in how to use their product as part of the sale. Training should be offered centrally to all new custodians to ensure a baseline of knowledge in procedures and techniques. Then, individualized training on the particular needs of a building (e.g., carpeted floors) can be done on site.

Virginia Beach Public Schools has a formalized training process that includes vendor and outside training. Richmond Public Schools has a year-long, one-half day per week, training program for new custodians that was developed with Fairfax County Public Schools. In PPS there is no baseline-training program conducted centrally. Custodial training is the responsibility of field supervisor or lead custodian. This process may lack in consistent training programs for all new custodians.

Following training and application of techniques in the field, field supervisors must conduct regular inspections to ensure that performance standards are being met. In PPS, field supervisors conduct only limited inspections.

PPS teachers and principals were extremely critical of the quality of custodial work. Most cited a lack of trained help, many vacant positions, and lack of supplies. As one principal stated, "We pretend to pay them [i.e., low salary], and they pretend to work [i.e., poor quality of cleaning].

Supplies and Inventory

Dispatching of custodial supplies can present logistics problems as well as increased labor costs due to extensive handling of products more than one time, i.e., delivered, warehoused and then redistributed. To offset these issues the Building Services Department contracted for direct shipment of all paper products and chemicals to the individual school site. Reordering and distribution of these materials is a contractor obligation, which is based on a reordering formula from previous year's information of use and need. According to the coordinator of the Building Services Department, the direct-delivery approach has reduced cost of in-house delivery and handling of these products.

Other supplies and materials that are utilized by Building Services are warehoused such as dispensers, wax, soap, mops, brooms, mats, etc. These items have been standardized in order to reduce the various types of products and number of orders. Restocking inventory for these items is based on a computer program for reordering at high and low levels. These order points are based on past history of use and need.

Equipment

In order to provide quality maintenance and cleanliness in all buildings an equipment inventory and maintenance schedule must be considered in terms of useful life, replacement, and additional need. In this regard, the Building Services Department maintains an equipment inventory using a bar coding program with a yearly check to determine any loss. These schedules for equipment have been projected to the year 2007-08. This planning provides a foundation for its systematic purchase of replacement and additional equipment needs.

Findings and Recommendations

Finding:
The Building Services Department has too many custodians.

Recommendation #26:
PPS should reduce custodial staffing to meet industry standards.

A reduction in custodial staffing by 36.7 positions would result in a salary savings of $610,721 annually. This is based on the Portsmouth Public Schools 2004-2005 pay and classification plan for the starting salary, grade and step for a full-time custodian and factoring in 19.7 percent in benefits.

Finding:
PPS does not have a central training program for custodians. As a result, the consistency of training may vary widely among custodians.

Recommendation #27:
PPS should develop a standardized training program with one central trainer, who would be responsible for introductory training programs including performance standards, task and frequency and school inspection responsibilities. In addition, use of equipment and chemical as well as procedures and policies would also be presented.

Upon completion of this neutral site training, the new custodian would be assigned to a supervisor who would continue with on-site training. This would further refine site-based efficiencies of cleaning, use of equipment, and initiating the practices of on-site performance standards, task and frequency and procedures while at the same time providing overall leadership for the new employee.

Through this process the entire custodial staff will be operating from the same knowledge base and a level of expectation. Finally, the group trainer will be responsible for visits, building inspection, and staff evaluation for the issues set forth in the initial training program. This will again provide consistency of effort and labor, reducing costs in management oversight and inadequate use of supplies and materials.

Building inspections should be undertaken at two levels. At the first level, custodial staff would conduct informal self-assessments on a weekly basis using the current form. Then, lead custodians

would inspect their building every other week and provide feedback to their staff and the custodial service manager.

On the second level, field supervisors would perform a formal inspection every spring and fall on their buildings. Feedback would be provided to the coordinator of the Building Services Department and to each lead custodian for their building. The coordinators of the Building Services and Building Maintenance Departments would conduct random inspections at selected schools on an annual basis as a further check and balance on overall performance and customer satisfaction.

These efforts will promote better control of labor use and provide consistency in all building cleaning with possible impact on the reduction of need in supplies and materials.

Finding:
To reduce costs, PPS eliminated storage and handling costs for custodial supplies by contracting for direct shipment to schools.

Commendation #10:
Direct delivery of supplies and materials to each school provides cost savings in terms of reduced staff time for delivery, warehousing, double handling of supplies and materials, and promotes efficiency of effort in the delivery of materials and supplies every two weeks.

Finding:
PPS bar codes all equipment as a means of tracking current inventory.

Commendation #11:
By bar coding all equipment, inventory control is well maintained. This control along with scheduled repair and replacement increases the efficiency of the operation as well as reduces cost in equipment use and purchase.

Fiscal Impact

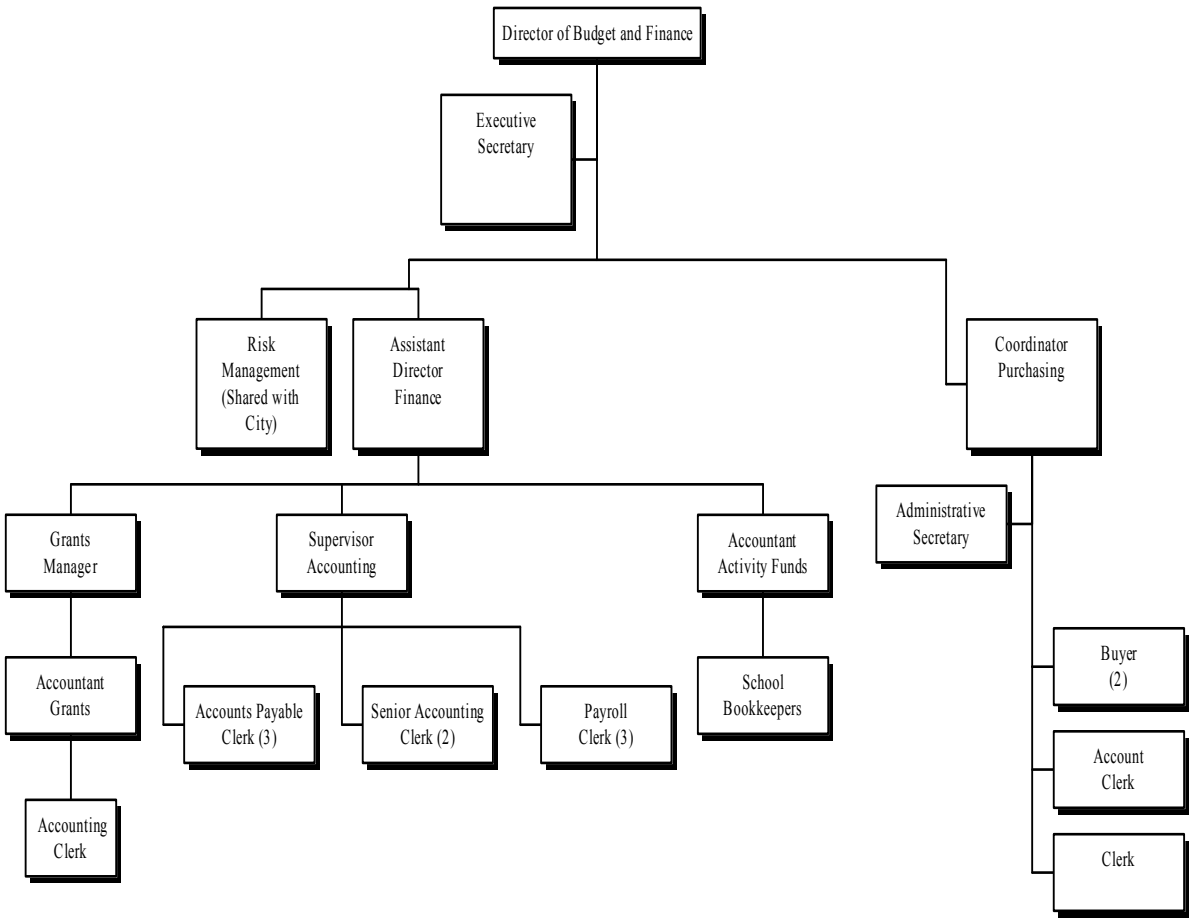
Recommendation	Recurring Annual Savings/(Cost)	One-Time Savings/(Cost)
PPS should reduce custodial staffing to meet industry standards.	$610,721	$0

VI. FINANCIAL MANAGEMENT

Background

PPS' financial management and purchasing function are presented in **Exhibit 59**.

Exhibit 59
PPS Finance Department Organization
October 2004



Source: PPS director of Finance.

The Department of Finance has 22 positions whose key responsibilities are described in **Exhibit 60**.

Exhibit 60
PPS Department of Finance Positions and Key Responsibilities

Position Title	Key Responsibilities
Director	Oversees the finance, budget, accounting and purchasing and risk management functions
Assistant director	Supervises payroll, accounting and accounts payable and prepares financial reports.
Accounting supervisor	Reconciles bank accounts, complete 941, transfer funds to appropriate accounts
Accountant – Activity funds	Coordinator and auditor of activity funds and bookkeepers at all school locations for fiduciary funds held in trust. Also works with outside auditors for the annual audit of activity funds and prepares the activity funds CAFR.
Senior accounting clerk (two positions)	Records receipt of funds from various departments. Reconciles retirement and insurance accounts. Remit appropriate payment. Answers employee insurance questions.
Payroll clerk (three positions)	Prepares semi-monthly payroll
Accounts payable clerk (two positions)	Encumbers purchase orders and pays invoices on a weekly basis
Grants manager	Oversees grants accounting, contact and liaison for grants coordinators, maintains contact with grantors and exercises independence in auditing and monitoring grants performance while ensuring compliance.
Grants accountant	Files required grant reports for funding reimbursement
Senior accounting clerk – Grants	Compiles data for financial grant reporting
Coordinator of Purchasing	Oversees the purchasing functions of the division (currently vacant).
Buyer (two positions)	Prepares bids and procure goods and services for the division.
Purchasing clerk	Processes purchase orders
Senior accounting Clerk – purchasing	Handles travel and credit card expenditures

Source: PPS job descriptions and interviews with position incumbents.

From 2000-01 to 2002-03, the amount of local revenue received by PPS from the City as a percentage of PPS' budget remained constant at approximately one-quarter of PPS' budget (**Exhibit 61**).

Exhibit 61
PPS Sources of Revenue As a Percentage of Total Revenue
2000-01 - 2002-03

Source of Revenue	2000-01	2001-02	2002-03
Local	25.0%	25.2%	24.9%
State	55.2%	52.7%	53.9%
State Retail Sales and Use Tax	9.6%	9.8%	8.8%
Federal	10.1%	12.3%	12.4%
Total Revenue	100.00%	100.00%	100.00%

Source: Virginia Department of Education, 2000-01 through 2002-03 Superintendent's Annual Report Table 15.

A primary factor affecting the amount of local funds that PPS receives is the local community's ability to pay, which is measured by the composite index. For 2004-06, PPS' composite index is 0.2100, which ranks as the lowest by comparison to other Cluster 1 divisions and to other area divisions (**Exhibit 62**). The lower the composite index the less the local area's ability to pay toward funding public education.

Exhibit 62
PPS Composite Index Compared to Cluster 1 and Area Divisions' Composite Indices
2004-06

School Division	Composite Index	Rank
Cluster 1 Divisions		
Richmond City	0.4255	10
Lynchburg	0.3830	9
Roanoke City	0.3765	8
Danville	0.2741	7
Norfolk	0.2632	6
Newport News	0.2598	5
Hampton	0.2521	4
Hopewell	0.2343	3
Petersburg	0.2197	2
Portsmouth	**0.2100**	**1**
Other Portsmouth Area School Divisions		
Virginia Beach	0.3353	
Chesapeake	0.3215	
Suffolk	0.3012	
Norfolk	0.2632	
Portsmouth	**0.2100**	

Source: PPS superintendent.

Compared to the Cluster 1 districts is second in the percentage of local funds received (**Exhibit 63**).

Exhibit 63
PPS and Cluster 1 Divisions Percentage of Local City's General Revenue Fund
2002-03

School Division	Percentage of Budget from Local City General Revenue Funds	Rank
Norfolk	39.8%	9
Danville	36.4%	8
Hopewell	32.3%	7
Newport News	32.2%	6
Richmond City	25.8%	5
Hampton	25.6%	4
Roanoke City	24.2%	3
Lynchburg	23.8%	**2**
Portsmouth	**17.8%**	1
Petersburg	N/A	N/A

Source: PPS superintendent.

For 2002-03, compared to its Cluster 1 school divisions, PPS received the lowest local per pupil revenue, $1,946, and as a percentage of its total revenue received from the locality, 24.9 percent (**Exhibit 64**).

Exhibit 64
PPS and Cluster 1 School Division Local Revenue Per Pupil and as a Percentage of Total Revenue
2002-03

School Division	Pupil	Rank	Local Revenue as a Percentage of Total Revenue	Rank
Richmond	$4,886	10	49.1%	10
Roanoke	$3,365	9	40.8%	9
Lynchburg	$2,937	8	37.3%	8
Hopewell	$2,688	7	33.3%	6
Newport News	$2,620	6	34.5%	7
Norfolk	$2,404	5	30.2%	4
Danville	$2,327	4	29.9%	3
Hampton	$2,302	3	31.4%	5
Petersburg	$1,948	2	25.0%	2
Portsmouth	**$1,946**	**1**	**24.9%**	**1**

Source: Table 13 of the 2002-03 Superintendent's Annual Report from the VDOE.

Organization and Staffing

PPS shares offices and, for financial reporting purpose, PPS is considered a component unit of the City of Portsmouth, which means the school division's financial information is included in the City's annual financial statements. Many of the functions of the division are duplicated at the City of Portsmouth. The division could reduce their overall budget by combining repetitive financial functions with City (**Exhibit 65**). The consolidation of services is made easier due to the fact the two organizations share the same financial software package.

According to the Joint Legislative Audit and Review Commission (JLARC) report, *Best Practices for the Support Services of School Divisions*, released in 2004, "where feasible, divisions should work closely with their local government to eliminate redundancies, and should consider consolidating or sharing administrative services if it appears economical and effective." According to the JLARC report:

> "The Staunton City school division's finance system is completely tied in with the city government's mainframe system. The division pays the city $30,000 per year for support services for the system. In Chesapeake City, the city government runs the mainframe and cuts the division's checks. The City of Martinsville also cuts the checks for the Martinsville City school division, and division staff indicate that this practice saves them two FTE positions."

Exhibit 65
Impact of Consolidating PPS Financial Function and Positions with the City of Portsmouth

		Eliminated Positions		Transferred to the City		
Position Title	Total Positions	Number	Estimated Savings *	Number	Estimated Savings	Total Savings
Director	1	1	$82,905	0	$0	$82,905
Assistant director	1	1	$68,051	0	$0	$68,051
Accounting supervisor	1	1	$50,641	0	$0	$50,641
Senior accounting clerk – General Ledger	1	1	$27,924	0	$0	$27,924
Payroll clerk	3	1	$30,876	2	$0	$30,876
Benefits accountant	1	0	$0	1	$0	$0
Accounts payable clerk	2	1	$30,876	1	$0	$30,876
Grants manager **	1	0	$0	0	$0	$0
Grants accountant	1	0	$0	1	$0	$0
Senior accounting clerk – Grants	1	1	$27,924	0	$0	$27,924
Coordinator of Purchasing	1	1	$68,051	0	$0	$68,051
Buyer	2	0	$0	2	$0	$0
Purchasing clerk	1	1	$25,319	0	$0	$25,319
Senior accounting Clerk – Purchasing	1	1	$27,924	0	$0	$27,924
Total	**17**	**10**	**$440,491**	**7**	$0	**$440,491**

Source: PPS department of Human Resources and consultant calculations.
(*) Based upon entry-level grade and step for each position and benefits percentage of 19.23 percent.
(**) Transferred to the PPS department of Curriculum and Instruction.

Activity Funds

Section 22 of the Virginia Code requires that a school to keep an accurate record of all activity fund receipts and disbursements so that a clear and concise statement of the condition of each fund may be determined at all times. By statute, the school activity funds are to be audited at least once a year by a duly qualified accountant or accounting firm approved by the local school board and a copy of the audit report shall be filed in the office of the division superintendent. As of June 30, 2003, Portsmouth Public School activity accounts had a collective balance of $567,215.

The staff accountant has prepared a rotating audit schedule of the activity fund accounts to ensure compliance with the statutory requirements using an established audit program to review a sample of activity fund receipts, disbursements, inventory (such as soda and pencil machine inventory), and the bookkeeper's monthly reports. Each campus is audited twice annually. Upon completion of the audit, the school is issued a report summarizing the results of any findings.

Currently, schools have the ability to establish banking relationships at the bank of their choice. Due to the fact that the school deposits are not included with the overall division deposit volume, the school is unable to enjoy the added banking services and protections made available to PPS such as positive pay check clearing accounts. Positive pay check clearing accounts prevent fraudulent items from clearing the district's bank accounts by clearing only checks that match an electronic file forwarded by the issuer. Campus activity accounts are frequently the target of fraudulent activity due to their lack of oversight. The use of positive pay accounts allows the district to provide the bank an electronic file of checks, which have been generated. The banking institution uses this file to validate the checks that are clearing against the district's accounts and helps ensure that only authorized checks are paid.

According to the Governmental Finance Officers Association, bank fraud is an increasing problem in the financial sector. Government units are frequently seen as easy targets for electronic theft as they typically maintain large balances and often do not verify their accounts on a daily basis. The GFOA

has identified positive pay as a best practice. The GFOA indicates that positive pay is the leading method of check fraud deterrence available and recommends that governmental entities include positive pay as an element in banking service agreements.

By banking at another institution, deposit frequency and amounts are not monitored during the school year by administrative personnel. During the 2002-03 year, campuses expended $1,940,678 from activity fund accounts. These purchases were made without administrative approval and do not necessarily comply with existing bids.

Consolidating activity fund accounts would provide the school division greater internal control over both receipts and disbursements. Central office personnel would be required to review each campus's monthly deposits during the regular bank reconciliation process. Requiring campuses to complete a purchase order for activity fund purchases, as is required of all other campus purchases, would ensure that activity fund purchases comply with established bids and appropriate procedures.

Return to Work Policy/Workers' Compensation Fund

PPS operates a self-insured workers' compensation program in conjunction with the City and is responsible for the funding and payment of workers' compensation claims.

PPS sets aside funds for workers' compensation coverage based upon actuarial estimates. From 1999 through 2003, the fund had a loss in four of those five years (**Exhibit 66**).

Exhibit 66
PPS Summary of Worker's Compensation Actuarial Claim Liability/Loss
1999-2003

Year	Actuarial Estimate of Unpaid Claim Liability	Net
2003	$1,639,702	($405,616)
2002	$1,652,201	($528,797)
2001	$908,331	$250,718
2000	$1,362,549	($190,834)
1999	$1,935,100	($926,406)

Source: PPS director of Finance.

The top five types of workers compensation accidents incurred in PPS can be attributed to slips, falls and strains **(Exhibit 67).** These types of injuries can typically be minimized with regular safety training.

Exhibit 67
PPS' Top Five Work Accidents Incurred by Type
2000–2003

Accident Type	Claim Cost Incurred	Percentage of Total Claims
Slip or fall on stairs	$69,356	12%
Slip or fall, no other claim (NOC)	$156,314	27%
Slip or fall, same level	$151,332	27%
Strain or injury by lifting	$67,270	12%
Strain or injury, NOC	$126,487	22%
Total	$570,759	100%

Source: City of Portsmouth Annual Worker's Compensation Report.

As of June 30, 2004, PPS had lost time open claims in excess of $770,000.

The Occupational Health and Safety Administration (OSHA) identified four elements necessary for a successful safety program.

1. Management leadership and employee involvement;
2. Workplace analysis to identify and eliminate potential hazards;
3. Hazard prevention and control by thoroughly maintaining equipment and understanding and following safe work procedures; and,
4. Safety and health training and education for employees and by training supervisors and managers to recognize hazards and to accept their responsibilities.

A PPS school or department designee at each individual site manages workers' compensation. No department or position is responsible for overseeing the program, reviewing claims, conducting follow-up with employees or conducting training to prevent injuries.

The City's risk manager expressed concern that managers and supervisors of the various departments seem reluctant to require employees to return to work on a modified duty schedule when on a worker's compensation related injury. A return-to-work program has proven to be one of the most effective methods for managing rising claims costs associated with workers' compensation injuries.

Successful return-to-work programs in schools and other organizations typically have the following characteristics:

- Written and consistent procedures that are applied to all injured employees;
- Job descriptions and possible modified duty assignments are prepared for these assignments, e.g., modifying the employee's regular assignment or assigning the employee to alternate duties;
- A central human resource position is assigned the responsibility for coordination of worker's compensation;
- Supervisory responsibilities are defined to monitor and ensure satisfactory performance of modified duty and to minimize the possibility of re-injury;
- Potential consequences to an employee who refuses to accept modified duty approved by a health care provider are identified;
- Guidelines are provided on the maximum length of time an employee may be assigned modified duty;
- Modified duty assignments are documented to include doctor's releases, correspondence, assignments made, and any special considerations such as reduced hours or workplace modifications;
- The worker's compensation claims adjuster is kept continuously informed and acts as liaison for medical information with the division.

A return-to-work program benefits the division not only by reducing workers' compensation costs but also by utilizing the knowledge, skills, and insight of the injured employee. The employee benefits by remaining connected to the workplace in a productive way, which also lessens his or her risk of extended lost time.

Leave of Absence

Employees are not required to formally notify Human Resources when they are expected to be out more than ten days due to illness or worker's compensation injury. Campus personnel manage their

leave at their department or school site and notify payroll only when the employee does not have enough leave to cover their absences.

Failure to manage leave centrally has several ramifications including:

1. Misapplication of the Family Medical Leave Act by personnel who do not fully understand the requirements of the law;
2. Overpayment of individuals who do not fulfill their contractual responsibilities due to the fact that leave is advanced rather than earned;
3. Non-compliance with the No Child Left Behind Act by the failure to place an adequately qualified teacher in the place of an employee in the event of an employee's long-term absence; and
4. Increased workers' compensation liability.

Health Insurance

PPS does not participate in the local choice health plan offered through the State of Virginia. The local choice plan offered through the state, is a self-funded plan with the added protection of a member pool to protect against large unexpected claims experience.

As of January 4, 2005, 235 local governmental entities participate in the local choice program. Premiums, which are based upon each participating entity's unique claims experience and demographics, range from $250 to $400 per employee per month over a twelve-month period. Currently, only one Cluster 1 division, Petersburg, participates in the local choice plan.

An analysis of the standard package offered through the state and the Point of Service (POS) plan offered by PPS to employees revealed several areas which would merit analyzing the feasibility of joining the state program as illustrated in **Exhibit 68.**

Exhibit 68
Comparison of PPS POS Health Plan and Virginia Local Choice

Service	PPS POS	State of Virginia Local Choice
Deductible	None	None
Out of Pocket Expense Limit	$2,000 member/$4,000 family	**$1,000 member/$3,000 family**
Primary Care Office Visit	$15	$15
Specialist Office Visit	**$20**	$25
Inpatient Hospital Co-payment	$300	**$200**
Urgent Care	$100	**$75**
Prescriptions	$10/30/50	**$15/$20/$35**
Dental	Additional policy	**Included**

Source: Optima Advantage POS plan document, Local Choice Health Benefits Program Comparison of Benefits

In their review of best practices, the Joint Legislative Audit and Review Commission of the Virginia General Assembly recently studied health insurance programs available to schools. Their research indicated an overall increase in the fringe benefit expenditures by school divisions for health insurance. The research also indicated that the premiums for the local choice plan do not appear to be consistently and substantially lower than other plans. The report recognized the need for the state to analyze alternatives for obtaining more cost-effective premium rates across school divisions.

PPS contributes $445.64 per month to assist employees with the purchase of health insurance. Health insurance premiums are deducted from an employee's pay over a ten-month basis.

Employees who retire under the Virginia Retirement System (VRS) are eligible to remain on the division's health insurance. The division submits a report of retiree premiums monthly to the retirement system for reimbursement. Prior to 2004-05, employee premiums continued to be billed at the rate in effect at the time of their retirement. This caused the reimbursement from the state to fall short of the actual amount remitted to the carrier. Based upon preliminary calculations of the amount to be billed for the month of October 2004 as compared to the state report for the month of September 2004, the division was not appropriately reimbursed from VRS for approximately $150,000 during the 2003-04.

In addition, employees on a leave of absence due to worker's compensation or other extended illness continued to maintain health coverage even though they were not placed on COBRA or properly charged a health care premium. The Finance Department is awaiting final approval from the school attorney to properly bill these individuals for health care premiums.

The responsibility to the health insurance account reconciliation has been moved to the finance area so that PPS can insure that the insurance carrier bills are reconciled properly with VRS and payroll records of active employees. This functional change is appropriate as financial office personnel are required to regularly reconcile and balance the general ledger, payroll, and vendor accounts. This change also accommodates employees who have questions about salary and deductions since employees in the finance area can assist them more easily. Additional savings of $55,500 could be achieved by eliminating the benefits analyst position in the PPS department of Human Resources, which is responsible for employee orientation and enrollment.

Overtime

Currently, non-exempt employees clock in and out at their campus or department using a manual time clock. The school or department secretary summarizes the information from the time cards onto a monthly time sheet. The payroll staff does not perform a review of the time cards to determine if the amounts reported on the summarized sheet are accurate. Each school or department maintains the time clock record along with individual compensatory time records for employees under their supervision rather than reporting the amount earned to a centralized time bank.

In addition, employees are allowed to perform other duties, such as coaching or club sponsorship, and receive a flat rate for those duties or be paid a different hourly rate. Currently, personnel in the Human Resource Department are researching payments made in error for the previous two-year period so that the division may properly compensate employees prior to the end of the school year.

Section 7(o)(3)(A) of the FLSA provides that an employee of a public agency which is a state, a political subdivision of a state, or an interstate governmental agency, may not accumulate more than 240 hours of compensatory time. Failure to centrally manage the compensatory time places the division at risk should an individual accumulate more compensatory hours than those statutorily allowed.

Many school divisions use automated systems that allow the payroll staff to easily verify the hours worked by employees and properly compensate those employees for any overtime worked by paying the employee or depositing the hours to a compensatory time bank.

Receipt of Pay

Employees who work on a ten-month basis have the option to receive their pay over ten months or

spread it over twelve months. Insurance premiums for all employees are deducted based upon a ten-month period to accommodate this option. Employees who have elected the twelve-month option and who experience a financial hardship during the year may change to ten-month payments during the course of the year.

Payment of health premiums for twelve months over a ten-month period makes it difficult for employees to afford supplemental dependent coverage as premiums are artificially increased. This situation also can cause problems with the reconciliation of the vendor's bill in the event that an employee leaves the employment of the division during the school year. The amount to be refunded for premiums, which have been withheld for services in the future, must be individually calculated and will vary from month to month. Further, the option to allow two types of payments can lead to error in the calculation of payroll in the event that the contract balances are not appropriately flagged and salary payments continue in excess of the appropriated salary.

Findings and Recommendations

Finding:
Responsibilities of members of PPS' Department of Finance duplicate those performed by similar positions in the City.

Recommendation #28:
PPS should consider and discuss with the City of Portsmouth the consolidation of certain financial functions with the City.

Finding:
PPS' staff accountant audits school activity at least once a year.

Commendation #12:
By establishing a rotating audit schedule of activity fund accounts, PPS' staff accountant ensures that the division complies with all requirements.

Finding:
PPS schools have the ability to establish banking relations at the bank of their choice and do not have the protection of positive pay check clearing. Activity fund purchases are made without administrative approval and do not necessarily comply with existing bids.

Recommendation #29:
PPS should centralize the student activity fund accounts in division-controlled accounts to ensure compliance with purchasing laws and regulations and to safeguard activity fund deposits. If PPS does not choose to centralize accounts, the division should implement positive pay checking for all activity fund accounts.

Finding:
There is no return to work policy and no department or position is responsible for monitoring workers' compensation claims.

Recommendation #30:
PPS should establish a clear return to work policy for employees who are absent due to a worker's compensation injury. The policy should require written statements from physicians or other licensed care professionals on a regular basis, e.g., monthly, before allowing continuation of the leave.

The director of Human Resources should be responsible for tracking all employees on workers' compensation claims and checking with department heads and principals on their status. Department heads and principals should be responsible for checking with employees on a monthly basis and receiving all written documentation to support continued leave.

PPS should work with the City's risk manager and the workers' compensation vendor to design training that could be provided to address prevention of the most frequently incurred injuries.

Finding:
PPS has not budgeted enough funds to cover the actuarially determined worker's compensation liability for claims, which have been incurred but not yet received by the fund.

Recommendation #31:
PPS should develop a budget that will ensure that the unfunded self-insurance liability in the worker's compensation fund is adequately covered and that the fund is solvent.

Finding:
Employees are not required to formally notify personnel or payroll when they are anticipating being out for ten days or more due to illness or worker's compensation injury.

Recommendation #32:
PPS should centralize the leave of absence function in the Human Resource Department (HRD) and require employees who are away from the job more than 10 days due to illness or injury to coordinate their leave of absence through HRD.

Finding:
PPS did not appropriately notify retirees and workers on leave of absence of the appropriate amount of premiums for health insurance.

Recommendation #33:
PPS should require all retired employees and employees on leave of absence to remit the appropriate premium for health insurance coverage. Proper health insurance billing will result in the proper realization of additional health reimbursement revenue of $150,000 to the division.

Finding:
PPS does not monitor the hours worked by non-exempt employees and allows them to perform additional duties for a flat rate.

Recommendation #34:
PPS should comply with the overtime requirements of the Fair Labor Standards Act. To facilitate compliance, PPS should replace the manual punch card system with an automated time and attendance system at an estimated one-time cost of $20,000. New Intranet-based time systems continue to be developed and are much more economical than their predecessors.

Finding:
PPS does not participate in the local choice health plan offered through the State of Virginia.

Recommendation #35:
PPS should analyze their health plan to ensure that the division is receiving the most optimum rates and plans available to its employees. PPS should bid their insurance services prior to the 2005-06

renewal to ensure that the plans offered by the division meet or exceed those offered through the State of Virginia.

Finding:
Employees who work on a ten-month basis have the option to receive their pay over ten or twelve months.

Recommendation #36:
PPS should require all employees to receive their pay over a twelve-month period and should discontinue the practice of deducting health and other benefits on a ten-month basis.

Fiscal Impact

Recommendation	Recurring Annual Savings/(Cost)	One-Time Savings/(Cost)
PPS should consolidate certain financial functions with the City.	$440,491	$0
PPS should comply with the overtime requirements of the Fair Labor Standards Act.	$0	($20,000)

VII. PURCHASING AND WAREHOUSING

Background

Since July 2003, PPS' purchasing function has been reporting to the director of Finance. Prior to reporting to the director of Finance, the Purchasing Office, which then included warehouse operations, reported to the assistant superintendent for Operations. In February 2004, the purchasing and warehouse operations were separated with the Purchasing Office reporting to the director of Finance and warehouse operations continuing to report to the assistant superintendent of Operations.

The Purchasing Office consists of a coordinator of Purchasing, a secretary, two buyers, an accounting clerk and a purchasing clerk (see **Exhibit 60**).

PPS has established public purchasing policy to provide general guidance for both staff and the public regarding the expenditure of funds (**Exhibit 69**).

Exhibit 69
PPS Purchasing Policies

Policy	Brief Description	Policy Number/Location
Small Purchasing	Small purchases refers to goods, services other than professional and other single term contracts for less than $50,000 and professional services contracts for less than $30,000	Section D, Item DJ
Purchasing Authority	Identifies the appropriate contracting authority	Section D, Item DJA
Purchasing Authority Procedures	Outlines the appropriate procurement activity based on various dollar thresholds	Section D, Item DJA-P
Petty Cash Funds	Establishes a petty cash fund limit of $2,000	Section D, Item DJB
Purchasing Procedures	Defines all procurement actions must be in accordance with the Virginia Public Procurement Act	Section D, Item JF
Vendor Relations	Establishes the relationship between vendors and the School Board and the schools	Section D, Item DJG
Disposal of Surplus Items	Outlines the steps for disposal of no longer needed goods	Section D, Item DN

Source: PPS director of Finance.

The Purchasing Office makes all purchases for textbooks, operations supplies and other goods and services. Other departments such as Printing Services and Food Services procure their own supplies. Bids for construction are generated by the Operations Department and issued by the Purchasing Office.

The Purchasing Office budget does provide sufficient funds for training opportunities. The 2004-05 budget allocates $6,000 for staff development and travel and $1,275 for dues and membership fees. Buyers attend regularly scheduled regional cooperative meetings. The meetings, sponsored by the local chapter of the National Institute of Government Purchasing, are an opportunity for purchasing staff to network with fellow purchasing staff from other school divisions such as Virginia Beach, Norfolk and other Tidewater-area governmental agencies.

In July 2004, after the hiring of the supervisor of Supply, the warehouse function and staff was assigned to the supervisor of Supply, who reports to the assistant superintendent of Operations.

The warehouse organization has 14 positions: one supervisor, one administrative secretary, one warehouse clerk, one fixed assets clerk, one textbook clerk, one stockroom position, two internal

mail/pony carriers, one general warehouse position and five service crew positions. The service crews are used for heavy deliveries and moving of equipment, furnishings and staff from school to school.

The warehouse operation is responsible for the tagging of fixed assets, maintaining the textbook inventory, mail distribution and internal logistics of staff and equipment. The supervisor of Supply is responsible for the daily operation of two storage facilities, a stockroom for maintenance services and a storage warehouse.

The approximate value of the inventory held in the maintenance stockroom is $340,000. This includes a wide range of items such as small-dollar, high use items, such as washers and o-ring seals to HVAC filters and tools.

The custodial operations have approximately $30,000 of inventoried items such as mops, some cleansers and other bulk items. The custodial operations established fixed price contracts with local suppliers to stock and ship directly to schools many of the consumable products such as paper goods and basic cleaners and waxes.

The warehouse also houses approximately $450,000 worth of textbook inventory. The Textbook clerk receives textbook requests, checks current stock on hand, and processes requisitions for new stock if necessary.

The supervisor of Supply is in the draft stages of outlining new job descriptions and goals with long-term strategic plans for the warehouse functions.

There is minimal automation and technology use in the warehouse regarding inventory reports. The current system can only provide bulk database reports listing the entire inventory.

Administrative Costs

The Purchasing Office uses two main methods of encumbering and expending funds: use of a purchase order and use of a purchasing card.

The primary method is the issuance of a written purchase order with the balance done by a purchasing card. Purchase orders originate from the end user as a requisition. The purchase requisition is manually typed or handwritten and forwarded to the Purchasing Office to be processed, encumbered and issued to a vendor. **Exhibit 70** outlines the flow of a purchase order.

Exhibit 70
PPS Purchase Order Flow

Threshold Limit	Process	Action
Below $1,000	Either end user or buyer obtain quotes	Purchase order issued
Between $1,000 and $10,000	Buyer solicits at least three quotes	Purchase order issued
Over $10,000	Buyer issues a formal solicitation by issuing a bid or locates an existing State or other cooperative contract	Purchase order issued after a formal contract award

Source: PPS director of Finance.

The Purchasing Office uses a web-enabled bid solicitation service called Demandstar, which is also used by the City of Portsmouth, for the issuance of formal bids. In addition to PPS, Demandstar is also used by the Virginia Beach City Schools and Norfolk Public Schools. These users, including PPS, have realized administrative savings by no longer needing to maintain a bidders list of vendors or the expense of printing and mailing solicitations. Based on interviews with PPS staff, they are

pleased with the performance of Demandstar and have not had complaints from vendors regarding cost to use the system nor any problems in soliciting sufficient bidders.

The State of Virginia created an electronic procurement solution called eVA, which includes access to over 983 electronic catalogs and 25,573 suppliers and has processed over 500,000 purchases exceeding $4.8 billion to date. Like Demandstar, maintenance costs of the system are supported by fees charged to the vendors based on the amount of purchases transacted through the program. The Department of General Services (DGS) recently completed making this statewide electronic system available to over 200 state agencies and colleges and universities and over 464 local government entities. DGS has recently increased its staff to provide increased support to local governments, such as school divisions.

PPS has integrated Demandstar in the issuance and awarding of solicitations. A bid notice is automatically issued via the Internet to all registered bidders based on a commodity code structure established by Demandstar. Sealed bids are received, tabulated and evaluated, and the award is posted for 10 days. After this time, a purchase order initiating the solicitation may then be issued based on the bid results. Bids issued in this manner are logged into a contract log for tracking purposes.

Once the buyer identifies the appropriate contract vehicle, e.g. a formal contract award or a state contract for computers, a buyer or clerk enters the purchase requisition directly into a purchase order program called Applied Computer Technologies (ACT). The ACT program is a networked software package that allows information to be entered into a database. After this information is entered, a purchase order is generated, approved by the appropriate supervisor and forwarded to the Finance Department for the funds to be encumbered, a purchase order number issued and distribution of the purchase order to the vendor.

The requesting end user receives the items and forwards the delivery paperwork to accounts payable in Finance. Accounts payable reconciles the vendor invoice to the purchase order to the receiving. If all match, the invoice is paid and the purchase order closed. If there is a discrepancy, the purchase order is returned to the buyer to resolve.

Based on information provided from the ACT program for fiscal year 2003-04, 786 purchase orders were processed totaling over $10.7 million.

The second method of encumbering and expending funds is by the use of a purchasing card. The coordinator of Purchasing administers the program. All purchasing card transactions are processed through the purchasing staff for the procurement of small dollar items such as furniture, computers and maintenance items. The buyer will be given a requisition, either verbally from maintenance or in writing from a school. The buyer places the order by telephone or by fax to the vendor. The buyer logs the transaction in a separate networked computer program accessible by the Purchasing Office, Finance Department and warehouse. The monthly purchasing card statement issued by the bank is reconciled against the logged transactions by an accounting clerk. The clerk confirms delivery as documented by the warehouse and the transaction amounts as entered by purchasing. Questions, errors, and other issues are returned to the buyers to address and correct.

In 2003-04, PPS issued 279 purchase orders for less than $1,000, which constitutes over one-third of all purchase orders issued and only one percent of the total value of items purchased. Assuming a purchase order administrative processing cost of $50, elimination of purchase orders for less than $1,000 could result in administrative cost savings of $13,950 (279 purchase orders x $50 each).

If access was granted, the schools could use the ACT purchase order software.

In its 2004 report, *Best Practices for the Support Services of School Divisions*, a section entitled, *Challenge: Streamlining the Purchasing Process*, the JLARC noted the "trend has been to streamline the purchasing process and reduce the costs associated with governmental purchasing." The report cites the Norfolk City and York County school divisions as ones that have increased use of the purchasing card and reduced the number of purchase orders issued.

Procedures

The Purchasing Office does not have an internal office procedures manual or guidebook for the daily business operation of the office for either purchasing staff or other division staff.

The Purchasing Office does offer staff at the school level, usually bookkeepers and other clerical staff an in-service training on an annual basis. Purchasing staff review the process for issuing purchase orders, available contracts for purchases and other current information based on a single page document originally dated December 7, 2000, and updated on October 5, 2004. This document outlines the purchasing process as governed by the Board of Education and Virginia state law. This document emphasized the purchasing processes required at various thresholds and the documentation required for sole source purchasing. The document also includes a purchasing procedures checklist.

While the interim coordinator of Purchasing indicated that there is proper documentation for the purchasing card program, the only documentation provided to the review team that indicated any guidance on the use of the purchasing card program was a PowerPoint document supporting the need to pilot the program system wide.

One buyer noted the biggest problem is getting the staff to follow the rules. Properly communicated guidelines and processes for the obtaining goods and services for the public schools create efficiency, minimize duplication, and improve customer satisfaction.

The warehouse has established processes in place for the handling of fixed assets and textbook inventories although there is little documentation to support the processes currently in place.

Organization and Staffing

The position of coordinator of Purchasing has been vacant since the purchasing function was transferred to the Finance Department.

The job descriptions have not been updated since the separation of the purchasing and warehouse operations. The job descriptions do not reflect many of the skills required in the current business environment, such as familiarity and ability to use computers and various Microsoft software products, and other various technology applications. The job descriptions reflect a high level of detail with little emphasis on specific skill sets required for efficient direction of staff.

No analysis has been conducted on the frequency of use of items stocked in the warehouse, such as an ABC analysis. As a result, the warehouse staffing is not related to the level of inventory and frequency with which items must be used and replacements ordered and stocked.

An ABC analysis is based on the concept that a small percentage of items will have the greatest value; the next group will contain more items, but have comparatively less value. The final group will be a large number of items but have the least value. From a supervisory perspective, the most

important items to control are the A items. This group has the greatest value and ties up a higher amount of cash. Reducing the inventory of group A items will free up more operating cash to make other purchases.

Internal Controls

A system of checks and balances are in place to prevent potential for abuses. A properly structured procurement function establishes checks and balances when it separates the functions of an end user from the issuance of purchase orders from the receipt of an item from its final payment. The greater the number of separate operations handled by different individuals the greater the difficulty for collusion and fraud. A good example of this separation is the creation of vendor numbers by the Finance Department and the separation of the warehouse receiving function. A good system of checks and balances are in place when it takes more than three different individuals to create a purchase order, receive it and then pay an invoice. In addition, the approval of payments for the purchasing card should be kept completely separate from the Purchasing Office.

Financial Disclosure Policy

The Finance Department does not have a financial disclosure policy for all staff that interact with the expenditure of funds or have an influence in the decision of allocation of funds. A financial disclosure policy would include a statement of financial holdings or interests. The goal of the policy would be minimize or eliminate potential areas of financial or ethical conflicts of interest.

Findings and Recommendations

Finding:
PPS uses purchases orders for an extensive number of items that may result in higher processing and administrative costs. Also, access to the purchase order software is limited to the Purchasing Office, which requires duplicate entry of requisitions processed by the schools.

Recommendation #37:
PPS should expand the use of the purchasing card system and train school personnel on how to enter purchase orders directly on the ACT system. Proper administrative controls and monitoring should accompany the expansion of these programs.

A purchasing card should be assigned to the warehouse, with the proper controls and monitoring processes, to allow for the quick ordering of low dollar, high volume items no longer held in inventory.

Finding:
There are no written procedures to describe the proper use of a purchase order or a purchasing card.

Recommendation #38:
PPS should develop written procedures regarding preparing and processing written purchase orders and what items can be purchased using the purchasing card.

Finding:
The position of coordinator of Purchasing has been vacant for almost two years. The City of Portsmouth operates under the same state purchasing requirements and uses the same web-based bid system.

Recommendation #39:
PPS should consider and discuss consolidating its purchasing function with the City of Portsmouth and reassign purchasing staff to report to the City Purchasing Agent. The coordinator of Purchasing position and two clerical staff positions could be eliminated. Job descriptions should be rewritten and procedures changed to reflect consolidation with the City's purchasing function.

PPS should also combine the two warehouse operations into one operation. The warehouse housing textbooks and minimal custodial supplies should be locked and secured and staff reassigned to the maintenance warehouse and stockroom.

The fiscal impact of the consolidation of functions with the City is included in the Financial Management section of the report.

The supervisor of Supply must conduct an ABC analysis of the inventory items currently stocked. Once individual inventory items and levels have been evaluated for appropriateness, staffing levels can be adjusted to reflect actual personnel needs. Two vacant service crew positions in the warehouse should be should be eliminated immediately, resulting in an annual savings of $38,278 (annual salary of $16,052 + benefits of $3,087 times two positions).

Also, until the ABC analysis is completed, PPS should suspend the purchase of all inventory items to, and stock quantities should be allowed to deplete giving consideration to unique items or items with extremely long lead times. In coordination with the Purchasing Office, annual fixed unit price contracts for specific groups of products should be established with local vendors. Bids could be issued annually or allow for price escalations with limits set by an index such as the federally issued Consumer Price Index (CPI) or other market index.

Finding:
PPS has good internal controls in its Purchasing Office.

Commendation #13:
By properly separating duties and functions, PPS' Purchasing Office maintains checks and balances to avoid abuses to the purchasing process.

Finding:
PPS does not have a financial disclosure policy for all personnel

Recommendation #40:
PPS should establish a financial disclosure policy. The policy should include board members, superintendent, director of Finance and all purchasing staff.

Fiscal Impact

Recommendation	Recurring Annual Savings/(Cost)	One-Time Savings/(Cost)
PPS should expand the use of the purchasing card system and train school personnel on how to enter purchase orders directly on the ACT system.	$13,950	$0
PPS should eliminate two vacant service crew positions in the warehouse.	$38,278	$0

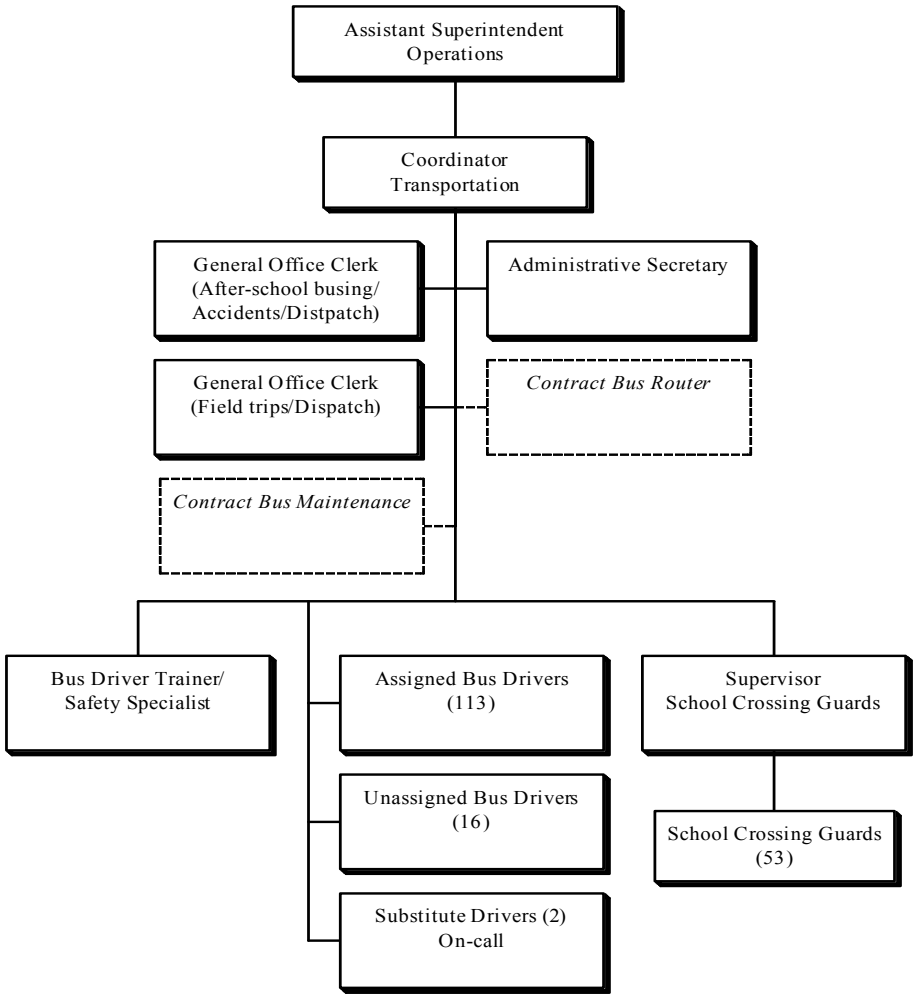
VIII. TRANSPORTATION

Background

PPS' transportation function consists of a coordinator of Transportation, two general office clerks, an administrative secretary, a bus driver trainer/safety specialist, 113 assigned bus drivers, 16 unassigned bus drivers, two on-call substitute bus drivers, a school crossing guard supervisor, and 53 school crossing guards. **Exhibit 71** shows the organization structure of the PPS Transportation Department.

For the last 13 years, PPS has contracted with Serco Management Services, Inc. to furnish parts and vehicle maintenance for 154 school buses and all other district vehicles. Currently, the cost for this contract is about $750,000 per year.

Exhibit 71
PPS Transportation Organization
October 2004



Source: PPS coordinator of Transportation.

For 2002-03, compared to its Cluster 1 school divisions, PPS per pupil transportation costs were eighth, or third highest, and were ninth, or second highest, as a percentage of total expenditures (**Exhibit 72**).

Exhibit 72
PPS and Cluster 1 School Divisions Transportation Expenditures Per Pupil and as a Percentage of the Total Budget
2002-03

School Division	Transportation Expenditures Per Pupil	Rank	Transportation Expenditures as a Percentage of Total Expenditures	Rank
Newport News	$395.35	10	4.3%	8
Richmond City	$392.13	9	3.0%	4
Portsmouth	**$369.70**	**8**	**4.4%**	**9**
Hampton	$359.34	7	4.5%	10
Roanoke City	$352.08	6	3.4%	5
Lynchburg	$347.38	5	4.2%	7
Petersburg	$343.81	4	3.6%	6
Norfolk	$259.59	3	2.9%	3
Danville	$234.29	2	2.4%	2
Hopewell	$154.39	1	1.5%	1

Source: Table 13 of the 2002-03 Superintendent's Annual Report from the VDOE.

Staffing

PPS averages 12 bus driver absences per day, yet they employ 16 unassigned drivers to fill in for absent drivers, and like assigned drivers, PPS pays the unassigned drivers at least 5.25 hours per day at a rate of at least $10.21 per hour, plus benefits, whether they drive or not. As a result, PPS spends more money for driver pay than needed.

PPS also employs two substitute bus drivers, who are on-call to drive if needed and paid $6.00 per hour only if they drive. Substitute drivers receive no benefits.

Budget

The total 2004-05 transportation budget for PPS is $5,300,096, which is 54.3 percent more than was spent for PPS transportation in 2001-02 (**Exhibit 73**). Most of the increase in expenditures is in Vehicle Operations, which includes driver and monitor pay and benefits. These salaries have increased over 25 percent and benefits have doubled since 2001-02.

Exhibit 73
PPS Actual and Budgeted Transportation Expenditures
2001-02 through 2004-05

Budget Category	2001-02 Actual	2002-03 Actual	2003-04 Actual	2004-05 Budgeted	Percentage Change
Management and Direction					
Salary	$154,142	$115,977	$145,853	$153,355	(0.5%)
Employee Benefits	$41,368	$34,586	$44,345	$57,479	38.9%
Purchased Services	$19,859	$18,456	$25,294	$70,735	256.1%
Other Charges	$1,048	$1,890	$2,893	$9,511	807.5%
Materials and Supplies	$2,410	$5,047	$2,032	$5,796	140.5%
Capital Outlay	$13,735	$2,505	($849)	$500	(96.4%
Subtotal	**$232,562**	**$178,461**	**$219,568**	**$297,376**	**27.9%**
Vehicle Operations					
Salary	$1,789,144	$2,027,277	$2,114,112	$2,251,681	25.9%
Employee Benefits	$660,216	$748,126	$824,654	$1,327,761	101.1%
Purchased Services	$28,923	$171	$34,420	$102,650	254.9%
Other Charges (1)	$0	$0	$0	$337,320	N/A
Materials and Supplies (2)	$141,804	$233,196	$236,729	$290,398	104.8%
Capital Outlay	$0	$0	$0	$7,500	N/A
Subtotal	**$2,620,087**	**$3,008,770**	**$3,209,915**	**$4,317,310**	**64.8%**
Vehicle Maintenance					
Purchased Services (3)	$581,897	$633,772	$598,620	$685,410	17.8%
Capital Outlay	$0	$3,492	$0	$0	N/A
Subtotal	**$581,897**	**$637,264**	**$598,620**	**$685,410**	**17.8%**
Total Transportation Budgeted Expenditures		**$3,824,495**	**$4,028,103**	**$5,300,096**	**54.3%**

Source: PPS board reports, June 2002, June 2003, June 2004, and August 2004.
(1) Includes insurance costs on division vehicles.
(2) Includes fuel for division vehicles.
(3) Includes contract with Serco for fleet maintenance.

Transportation revenues come primarily from the general fund, but some come from federal grants, such as Title I funds used for transportation following after-school tutorials, and billings to the schools and departments for extra-curricular and co-curricular trips. In 2003-04, revenues from grants and billings totaled $267,408 of the $4,028,103 spent on pupil transportation.

Operations

PPS provides transportation services for 10,436 out of the division's 15, 942 students to and from 15 separate schools, within a 30 square mile area. Using 113 buses, PPS operates 383 routes, including 267 regular routes, 28 magnet school routes, and 88 special education routes. Elementary students must live at least 0.5 miles from their school to be eligible to ride a school bus, while middle school and high school students must live at least 1.5 miles from their school to be eligible to ride.

Operations costs for PPS transportation are higher than the average of Cluster 1 Virginia school divisions. **Exhibit 74** shows that in 2001-02, which is the most current statewide comparison data, PPS had the second-highest transportation costs per mile and the fourth-highest cost per rider when compared to the peer divisions.

Exhibit 74
PPS and Cluster 1 Divisions' Transportation Costs
2001-02

Division	Cost Per Rider	Cost Per Mile
Richmond City	$593.42	$3.12
Portsmouth	**$391.79**	**$2.79**
Hopewell	$113.35	$2.62
Peer Division Average	**$320.69**	**$2.25**
Norfolk	$349.61	$2.16
Hampton	$22.53	$2.15
Petersburg	$139.43	$2.10
Danville	$402.52	$2.06
Newport News	$360.18	$1.90
Roanoke	$361.87	$1.83
Lynchburg	$472.21	$1.73

Source: Virginia Department of Education, Pupil Transportation annual report, 2001-02.

PPS owns 154 buses, some of which are used as spare buses in the event one of the regular buses breaks down or requires maintenance, and some of the older buses are used for spare parts. PPS complies with the state recommendation to replace buses after 12 years of service. The division has ordered 31 replacement buses, and once they arrive, PPS will trade-in or sell 36 1991 model school buses from the fleet.

PPS keeps the school buses at three locations across the division so they will be closer to the schools and the routes they run. This minimizes deadhead miles, which are the miles driven without students on the bus. Bus drivers fuel their buses at three locations, two of which belong to the City of Portsmouth.

Bus Purchases

PPS cooperatively purchased school buses with Virginia Beach, Norfolk, and Chesapeake, as allowed by Virginia law, and saved $800 per bus, or $24,000, compared to state contract pricing. By pooling the quantities of buses needed by the four divisions, one of the state-contract bus vendors offered a lower price to all four divisions.

Routing

The Transportation Department contracts with a former PPS employee to design and maintain bus routes using Edulog software. This software interfaces with the division's student accounting software, SASI, and allows for the electronic transfer of data from SASI to Edulog. PPS currently uses the stand-alone version of Edulog, but they plan to upgrade to a version of the software that will integrate with the student services data maintained by PPS and which will provide faster and more frequent data conversion from SASI.

Of the 113 buses running routes in PPS, 55 buses run do not run a full complement of routes, resulting in inefficient use of the vehicles and requiring more drivers than necessary. PPS has a 4-tier bell schedule, which allows the Transportation Department to use a bus on four different routes each day. If all PPS buses operated four routes per day, the division could eliminate 16 buses and drivers. Although factors, such as length of routes, make it almost impossible to schedule all buses with four routes per day, elimination of eight routes should be possible.

PPS purchases only 64-passenger buses, as classified by bus manufacturers, with three students to a seat. However, due to the larger size of some students, not all students can fit three to a seat. The PPS Transportation Department defines its bus capacity at 42 students for middle school and high school routes, or two per seat, and 55 students for elementary school routes. Division policy also limits bus-riding times to a maximum of 35 minutes.

Of the 383 bus routes, 132 operate below 33 percent of pupil capacity, even using PPS definitions of capacity. In addition, 25 of those 132 routes transport five or fewer students. As a result, PPS has more drivers and buses than needed, costing the division money.

Routes with the lowest student ridership tend to be those transporting special education and magnet school students. For example, of the 28 magnet school routes, 21 operated below 33 percent of capacity, and 85 of the 88 special education routes operate below 33 percent of capacity. **Exhibit 75** shows that special transportation costs per student are almost six times greater than regular transportation costs.

Exhibit 75
PPS Regular and Special Transportation Comparison
2002-03

	Regular Transportation	Special Transportation
Average Daily Ridership	10,005	863
Number of Buses	90	37
Miles with Pupils On Board	778,993	385,992
Operational Costs	$2,215,206	$1,097,636
Cost Per Rider	**$221**	**$1,272**
Cost Per Mile	**$2.84**	**$2.84**

Source: Virginia Department of Education, Pupil Transportation annual report, 2002-03.

Increasing the efficiency of bus ridership can allow the division to reduce the number of bus routes, which can reduce the number of buses, drivers, and for some special education routes, reduce the number of bus monitors needed. For every four routes eliminated, PPS can reduce the need for one driver and, possibly, one monitor.

In addition to the savings from reduction in the number of personnel, by reducing the number of routes, PPS will also reduce the cost of fuel, maintenance, and insurance.

Edulog, the vendor that provides PPS with its bus routing software, offers consulting services to its clients, including efficiency and route optimization reviews. An Edulog consultant would first meet with PPS administrative and transportation staff to discuss project goals, division concerns and constraints, and areas that most likely could be improved. Next, Edulog would review the transportation data in the bus routing application to insure accuracy, including entering missing data, correcting obvious errors, correcting inaccurate boundary and school location information, downloading new student information into the Edulog software, and address-matching the student residence information against the digital map file. Once the data is accurate, Edulog would use route coupling optimization software to create alternative schemes that include consideration of modified bell times, walk-to-stop and walk-to-school policies, arterial/depot/transfer routing schemes, and the like.

The fee for Edulog to provide this service is about $1,200 per day, plus travel expenses, and usually takes about three days. The savings generated by eliminating one route would more than pay for the cost of the review.

Take Home Buses

Approximately 14 bus drivers take their bus home at night, some of who live outside the division boundaries. In addition, the Transportation Department does not require drivers to return their bus to the bus parking lots between the morning and afternoon routes. Some take their buses home and some take them to another job. In 2002-03, PPS reported 184,320 deadhead miles, costing the division $524,147, or $2.84 per mile. Deadhead miles include all bus mileage without students on the bus.

In addition, buses not kept in secure bus lots are subject to vandalism and can lead to additional maintenance costs such as towing when they break down or get stuck.

Fuel Purchase

PPS and the City of Portsmouth cooperatively purchase fuel for city and division vehicles, but the city charges PPS a fee for using two, city-owned fueling stations to fill division vehicles. This fee has ranged over time from $0.05 to $0.35 per gallon and is currently $0.10 per gallon. From August 2003 through July 2004, the PPS Transportation Department purchased 151,719 gallons of diesel fuel from a city fueling station. The $0.10 per gallon add-on fee cost PPS over $15,000 for the year.

According to the PPS assistant superintendent of Operations, the city established the fee originally to defray the cost of a full-time, on-site attendant. However, the city no longer provides a fueling attendant.

The review team contacted three surrounding divisions regarding their fueling relationship with their respective city governments, and found the following:

- Norfolk Public Schools cooperatively purchases vehicle fuel with the City of Norfolk and they share a fueling station owned and operated by the school system. The city purchases the fuel and bills the school based on quantities used. No additional fees are charge to the school system.
- Virginia Beach City Public Schools used to have a cooperative arrangement with the City of Virginia Beach, but fees of $0.11 per gallon, plus an additional 6% surcharge, caused the school to withdraw from the cooperative arrangement, bid their own fuel, and establish their own fueling station.
- Chesapeake Public Schools (CPS), like PPS, have a cooperative arrangement with the City of Chesapeake to purchase vehicle fuel and use city fueling stations. CPS also pays a $0.10 per gallon fee to use city fueling stations.

Vehicle Maintenance Contract

PPS does not have written evaluation criteria to determine the cost-effectiveness of the vehicle maintenance contract with Serco, other than how the cost of the contract compares to the cost charged by the City of Portsmouth to maintain the school vehicles 13 years ago.

Measurable criteria that a division can use to evaluate the effectiveness of the fleet maintenance contract includes:

- Number of vehicles - If the number of division vehicles is declining, Serco should need fewer mechanics in future contracts.
- Age of the fleet - If the division replaces a large number of older vehicles with new vehicles, Serco should have fewer repairs and need fewer mechanics.
- Parts and supply costs – If Serco is not paying the lowest possible price for parts and supplies, they will pass the additional cost on to the division as a higher contract cost.
- Vehicle maintenance history – Monitoring criteria such as work orders per day, work orders per bus, repeat service for the same problems, driver complaints, and preventive maintenance performed on schedule, can indicate if the contractor is not performing required maintenance tasks.

Safety

PPS bus accidents increased 22.2 percent from 2001-02 to 2003-04, and bus incidents increased 293.3 percent during the same period (**Exhibit 76**). More accidents and incidents increase the chance of injury to a student and increase the cost of bus repairs and vehicle insurance.

Exhibit 76
PPS School Bus Accidents and Incidents
2001-02 through 2003-04

	2001-02	2002-03	2003-04	Percentage Change
Accidents *	27	34	33	22.2%
Incidents *	15	29	59	293.3%

Source: PPS coordinator of Transportation, October 2004
(*) Accidents were the fault of the PPS driver, while incidents were another driver's fault.

In an effort to reduce the number of bus accidents and incidents, some schools implement programs such as bus safety committees and behind-the-wheel driver evaluations.

For example, Rockwall Independent School District (RISD), in Rockwall, Texas, established an Accident Review Committee to review every accident or incident involving an RISD school bus. The committee includes a skilled bus driver, police officer, mechanic, driver trainer, director of Transportation, executive director of Operations and the driver involved in the accident.

The RISD Accident Review Committee looks at the details and cause of the accident, who was at fault, how the driver might have avoided or prevented the accident, the driver's accident history, the seriousness of injuries to bus passengers and any maintenance issues with the bus. If the committee finds the driver is at fault, the committee can recommend action against the driver, including additional training, probation and termination. For example, in one accident involving a bus backing into a mailbox, the committee determined that the driver did not follow proper backing procedures and did not use the bus mirrors correctly, so the committee required the driver to undergo four hours of additional training specifically pertaining to backing procedures and the proper use of mirrors.

RISD also evaluates all bus drivers behind the wheel at least twice each year to verify the driver's skills and the driver's effectiveness in managing student discipline. During the evaluation, the Transportation Department's administrative assistant:

- Monitors the driver's pre-trip and post-trip inspections, including lights, tires, emergency doors, windows and hatches, gauges and post-trip walk-through to check for students who might still be on the bus.

- Evaluates the driver's appearance, attitude, courtesy, and proper use of the radio, and monitors the cleanliness of the bus.
- Evaluates the driver's methods of student discipline and management, including speaking to the students in a friendly manner, addressing students with respect, following the district student discipline management program, and general student behavior.
- Evaluates the driver's operation of the bus, including observing posted speeds, observing school zones, proper hand position on the steering wheel, complete stops at stop signs, handling of the bus in traffic, proper turns, proper use of mirrors, and driving smoothly during acceleration and braking.
- Monitors the driver's procedures for loading and unloading students, including setting the air brake at every stop, following the approved bus route, arriving at stops in a timely manner, properly using flashers, ensuring students are seated before continuing, ensuring students remain seated until the bus stops, and signaling students on the left side of the street before they cross in front of the bus.

The administrative assistant performs additional evaluations if a driver is involved in an accident and anytime the director of Transportation deems it in the best interest of the district.

Findings and Recommendations

Finding:
PPS spends more money for unassigned driver pay than needed.

Recommendation #41:
PPS should reduce the number of unassigned bus drivers from 16 to 12. By eliminating four unassigned driver positions, the division would save at least $46,707 per year (annual driver salary of $9,755 x four drivers = $39,020 salary cost/savings; benefit percentage of 19.7 percent x annual salary cost/savings of $39,020 = annual benefit cost/savings of $7,687; annual salary cost/savings of $39,020 + annual benefit cost/savings of $7,687 = total annual cost/savings of $46,707).

Implementing an attendance incentive program could allow the division to reduce the number of unassigned bus drivers even more.

Finding:
PPS cooperatively purchased school buses with Virginia Beach, Norfolk and Chesapeake, as allowed by Virginia law, and saved $800 per bus, or $24,000, compared to state contract pricing.

Commendation #14:
By pooling the quantities of buses needed by the four divisions, one of the state-contract bus vendors offered a lower price to all four divisions.

Finding:
Not all PPS buses run four routes per day, which requires more drivers than necessary.

Recommendation #42:
PPS should eliminate eight bus driver positions by scheduling buses to run four routes each. Eliminating eight driver positions would save PPS at least $93,414 per year (annual driver salary of $9,755 x eight drivers = $78,040 salary cost/savings; benefit percentage of 19.7 percent x annual salary cost/savings of $78,040 = annual benefit cost/savings of $15,374; annual salary cost/savings of $78,040 + annual benefit cost/savings of $15,374 = total annual cost/savings of $93,414).

In addition, PPS would not have to replace these eight buses in the future, saving an additional $52,583 per bus, or $420,664. Considering PPS' current inventory of buses, eliminating eight buses could delay the purchase of the next round of replacement buses until 2010.

Eliminating buses also eliminates operating costs for those buses, including fuel, maintenance, and insurance. By eliminating eight drivers, one for every four routes eliminated, PPS would eliminate 8.4 percent of its routes (8 drivers x 4 routes/driver = 32 routes/383 total routes = 8.4 percent). Assuming that the total operational costs (Exhibit 75, $2,215,206) would be reduced proportionately, PPS could save an additional $185,082.

Finding:
PPS buses are not running at capacity.

Recommendation #43:
PPS should contract with Edulog to perform a route optimization review in order to increase overall bus ridership and reduce the number of buses and drivers needed to transport PPS students.

Finding:
PPS allows some bus drivers to take their bus home at night and does not require drivers to return their bus to the parking lot between morning and afternoon bus routes.

Recommendation #44:
PPS should rescind the current policy allowing bus drivers to take their vehicle home at night and require all drivers to leave their bus in the division bus lot between routes.

Even if each PPS bus operated an average of only one personal mile per day, the cost to the division would be $58,407 per year (one mile per day X 113 buses = 113 miles per day X 182 days per year = 20,566 miles per year X $2.84 per mile = $58,407).

Finding:
The City of Portsmouth charges PPS a fee for fueling school buses at city-owned pumps.

Recommendation #45:
PPS should negotiate with the city to eliminate the fueling fee charge, saving PPS over $15,000 per year.

Finding:
PPS has no performance criteria to evaluate the cost and service provided by the contract vehicle maintenance vendor.

Recommendation #46:
Prior to the next contract, PPS should establish a list of criteria to monitor the vehicle maintenance contract during the year and use the criteria as a basis for contract negotiations each year.

Finding:
PPS does not have an accident review procedure.

Recommendation #47:

PPS should establish a Bus Accident Review Committee to review all PPS bus accidents and incidents.

Fiscal Impact

Recommendation	Recurring Annual Savings/(Cost)	One-Time Savings/(Cost)
PPS should reduce the number of unassigned bus drivers from 16 to 12.	$46,707	$0
PPS should eliminate eight bus driver positions by scheduling buses to run four routes each, not be required to replace eight buses and reduce operational costs.	$278,496	$420,664
PPS should rescind the current policy allowing bus drivers to take their vehicle home at night and require all drivers to leave their bus in the division bus lot between routes.	$58,407	$0
PPS should contract with Edulog to perform a transportation efficiency and route optimization review	$0	($15,000)
PPS should negotiate with the city to eliminate the fueling fee charge.	$15,000	$0
Totals	$398,610	$405,664

IX. COMPUTERS AND TECHNOLOGY

Background

The mission of Information Technology (IT) is to support the educational and administrative functions by providing information technology. The Information Technology Department does not directly teach IT courses, but assists teachers in the use of technology in the classroom and in curriculum development.

The Virginia Department of Education (VDOE) is responsible for ensuring that Virginia schools comply with educational technology requirements defined in Virginia's Standards of Learning (SOL). The VDOE developed a six-year educational technology plan to guide technology implementation in Virginia schools. A major assumption in this technology plan is that the placement of computers, video equipment, and infrastructure in schools is not sufficient to infuse technology into instruction. Teachers must be trained, support services must be provided, pilot studies must be initiated, equipment must be updated and maintained, guidelines must be developed, new technologies must be introduced, and an on-going program of evaluation must be established.

In addition, VDOE designed the technology plan to deal with policy issues related to curriculum, training, finance, infrastructure, evaluation, planning, and coordination, and the plan includes:

- Taking advantage of and effectively using the technology infrastructure;
- Identifying best practices relating to using technology in K-12 education;
- Providing short-term and long-term training skills and perspectives for all teachers and other instructional personnel;
- Ensuring equity and considering capital costs;
- Dealing with recurring costs and changes in technology;
- Funding program development and evaluation; and
- Setting standards and ensuring the best selection and use of hardware, software, and technology systems.

For 2002-03, compared with its Cluster 1 school divisions, PPS ranked fourth highest in per pupil expenditures on technology and also in the percentage of total expenditures (**Exhibit 77**).

Exhibit 77
PPS and Cluster 1 School Divisions Technology Expenditures
Per Pupil and as a Percentage of the Total Budget
2002-03

School Division	Technology Expenditures Per Pupil	Rank	Technology Expenditures / Total Expenditures	Rank
Newport News	$448	10	4.9%	10
Danville	$406	9	4.2%	9
Hampton	$319	8	4.0%	8
Portsmouth	**$303**	**7**	**3.6%**	**7**
Lynchburg	$252	6	3.1%	6
Norfolk	$256	5	2.8%	5
Petersburg	$267	4	2.8%	4
Richmond City	$347	3	2.7%	3
Hopewell	$165	2	1.6%	2
Roanoke City	$154	1	1.5%	1

Source: Table 13 of the 2002-03 Superintendent's Annual Report from the VDOE.

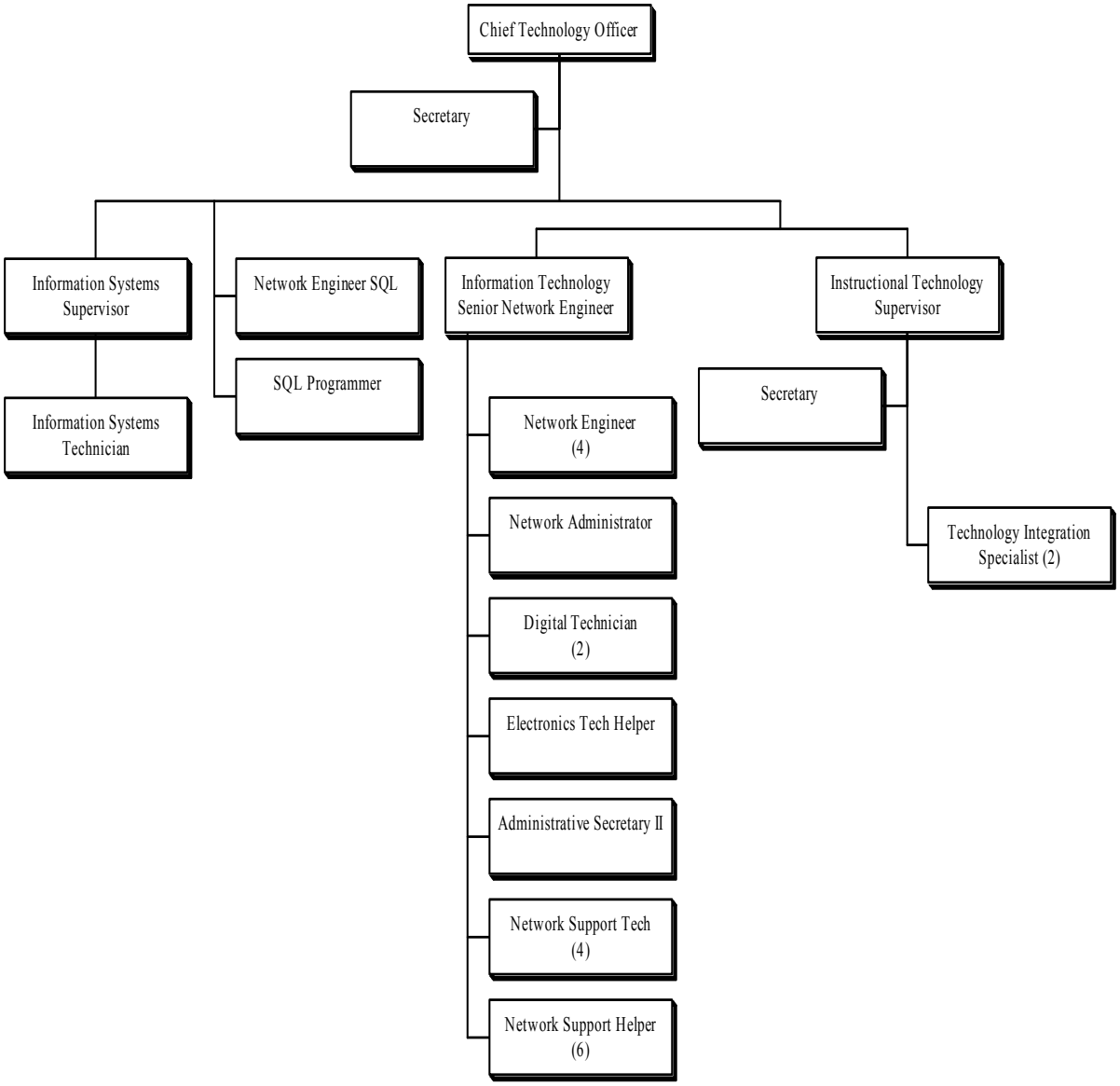
Organization

In July 2003, PPS restructured the Department of Information Technology and placed all technology functions under a new position of chief technology officer. Prior to that time, three PPS departments were responsible for technology. The Curriculum and Instruction Department was responsible for instructional technology and technology associated with special education and Title I. The Operations Department was responsible for maintaining technology equipment and the central office was responsible for student and financial mainframe applications. Each department was responsible for budgeting and spending its portion of technology expenditures.

Under the new technology structure (**Exhibit 78**), all technology is centralized in one department, except for the maintenance of non-digital equipment, such as audiovisual equipment, radios, and public address systems, which is maintained by the Department of Building Maintenance.

For 2004-05, PPS added 15 new staff positions to the Department of Information Technology, including one SQL programmer, two network engineers, four network support technicians, six technology support helpers, and two technology integration specialists. PPS added these positions to meet requirements of Code of Virginia § 22.1-253.13:2, added in the 2004 session of the Virginia General Assembly, which states that "local school boards shall employ two positions per 1,000 students in grades kindergarten through 12, one to provide technology support and one to serve as an instructional technology resource teacher." PPS will need to hire about 13 instructional technology resource teachers in 2005-06 to fully comply with the new standard.

Exhibit 78
PPS Department of Information Technology Organization
October 2004



Source: PPS chief technology officer.

The PPS Information Technology Department is responsible for the division's student management application, wide-area (WAN) and local-area networks (LANs), technology help desks, Voice-Over-Internet-Protocol (VOIP) telephone systems, Internet filtering, acceptable use policies, approving all technology purchases, and supporting technology integration into the curriculum.

PPS and the City of Portsmouth each maintain an information technology department providing some similar technology services. Consolidation of some of these services could result in savings for both. For example, PPS and the city maintain separate network support staff. If the two staffs were consolidated, the total number of network support staff could possibly be reduced and still provide appropriate levels of service for both the city and PPS.

Other consolidation opportunities might include:

- Combining video production for cable Channel 47 (PPS) and Channel 48 (city) could allow for sharing equipment, staff, and production costs.
- Combining long-distance and cellular needs might provide lower rates and costs for both.
- Combining technology purchases might lower costs or provide more services.
- Combining cable TV and Internet service providers might lower costs or provide more services.
- Sharing software licenses, where possible, could save money.

Budget

Prior to the arrival of Dr. Stuckwisch in January 2003, PPS blended technology expenditures in numerous accounts, so the division was not able to track total technology expenditures. Now all technology expenditures are included in the Information Technology Department. **Exhibit 79** shows the 2004-05 budgeted expenditures broken down into categories.

Exhibit 79
PPS Technology Budgeted Expenditures
2004-05

Object Code	Description	2004-05
Consultants	SASI training and setup, Voice Over IP (VOIP) training, Wide-area Network Services with ESI	$513,000
Purchased Services	Software and hardware support	$651,258
Local Travel	Local mileage	$5,400
Staff Development	IT staff training and SASI certification training	$141,000
Dues and Memberships	Consortium for Interactive Instruction (CII), Microsoft education membership and Virginia SASI user group	$14,400
Miscellaneous / Other	Stipends and out-of-warranty repairs	$61,150
Technology Supplies	Graphing calculators, keyboards, floppies, keyboards, other supplies	$65,000
Hardware – Replacement	Channel 47 equipment	$120,000
Hardware – New	Laser disk players, TI navigators, data projectors (division wide)	$16,000
Infrastructure – New	Network drops and switches	$25,000
Electronics Repair	Digital equipment repairs	$120,388
Technology Education	Career and Technical Education – local supplement to Perkins grant	$55,000
Outside Services	City of Portsmouth – data processing services, conversion services	$445,000
School Technology Requests	Approved school-based technology requests	$285,300
Local Grant Match	Web-based SOL local match for training, high school and middle school equipment	$150,400
Salaries and Benefits	Salaries and benefits	$1,360,997
Total		**$4,101,394**

Source: PPS Technology Plan, June 2004.

Information technology in PPS has several sources of revenue. The primary source of revenue is the division's operating budget. At the end of 2003-04, the PPS board chose to use $2 million in unallocated funds for the purchase of computers. Other sources of revenue include grants and special revenues, including

- *Virginia Standards of Learning (SOL) Technology Initiative* – A large-scale project funded by the Commonwealth of Virginia that began in 1994 to assist school divisions in improving student achievement using statewide, web-based computer resources. The initiative, initially focusing on Virginia's high schools, includes funding that is targeted to provide a ratio of one computer for

every five students, create Internet-ready local area network capability in every school, and assure high-speed, high-bandwidth capabilities for instructional, remedial, and testing needs.

The initiative provides grants of $26,000 per school and $50,000 per division. PPS will receive $700,000 through these grants in 2004-05, and the division is required to spend $150,400 in local matching funds to receive the state funding.

- *Technology Literacy Challenge Grant* – The Virginia Department of Education (VDOE) issued a competitive technology grant that requires school divisions to form consortiums to spend the grant. PPS participates in the Consortium for Interactive Instruction (CII) with 18 other public schools in southeast Virginia plus 22 independent schools. Beginning in 2004-05, the consortium will receive $638,000 per year for five years. Public television station WHRO serves as fiscal agent for the consortium and uses funds from this grant to support teacher-training activities that promote technology integration in the classroom. WHRO offers training through web-based courses and hands-on workshops and seminars.

- *E-Rate* – The Telecommunications Act of 1996 created a federal program whose purpose is to provide schools with low-cost telecommunications services. Each year, school divisions apply for reimbursement for telephone and Internet services based on a discount structure that varies depending on the percentage of free and reduced-price students in each school, with discounts ranging as high as 90 percent. Division wide, the discount for PPS averages about 73 percent. In 2003-04, PPS received $396,463 for telecommunications and Internet access plus $1,102,533 for internal connections.

- *Ed-Tech Grant* – The Ed Tech grant is a federal program designed to improve student academic achievement using technology, to establish successful research-based instructional methods and effective integration of technology in the classroom through high quality professional development and curriculum development, and to ensure that every student is technologically literate by the end of the eighth grade. The grant is funded based on the number of free and reduced-price students in the division and PPS is scheduled to receive $138,721 in 2004-05.

Operations

PPS has made tremendous strides in technology implementation since 2001-02.

In 2001-02, PPS computers were generally Apple Macintosh in the elementary schools, PCs in the high schools, and a combination of Macintosh and PCs in the middle schools. Teachers and staff had a mixture of PCs and Macintosh computers.

Since then, PPS is moving to an all PC environment. Only about 1,000 of the 6,000 computers are still Macintosh. PPS already meets the state goal of one computer per five students in the high school. Middle schools will meet the 1:5 goal in 2004-05, and elementary schools should meet that requirement by 2007. Eleven mobile wireless laptop labs are in place in 10 of 16 elementary schools.

In 2001-02, the only peripherals were inkjet printers, which could not connect to a network. Since then, PPS has purchased and networked 400 laser printers throughout the division, plus a color laser printer at each school. PPS does not repair inkjet printers because the cost to purchase a new inkjet printer is less than the cost to repair a broken one. PPS has also added high-speed printers to the secondary schools so they can print their own report cards. The Information Technology Department has also added other technology in the classrooms, such as data projectors.

In 2001-02, PPS had no wide-area network and no school-to-school connectivity. Each school was wired independently and each was connected separately to the Internet through a dial-up modem. The student accounting software application required a dial-up connection to City Hall. The division only had two fileservers. Each school had its own Centrex telephone system.

Since then, every classroom in the division has high-speed network connectivity. Over 75 percent of the schools are wired to state standards, with the remaining schools to be complete by Spring 2005. All staff can access school email accounts while at school or from home. Voice-Over-Internet-Protocol (VoIP) has replaced the Centrex telephone systems in 21 of 29 division sites.

In 2001-02, each school picked out their own software since there were no division software standards. Schools and departments purchased individual software licenses instead of site licenses. PPS had no division website – just individual websites. Since then, PPS developed division standards for instructional software and purchased site licenses at a lower cost. Schools and departments can now post their websites on a division website.

In 2001-02, and prior to the curriculum audit, PPS was not integrating technology in the curriculum. Now, PPS places more emphasis on software that integrates into the curriculum. For example:

- Elementary and middle school teachers use Windows on Science, a multi-sensory videodisc program complete with assessments, activities, and lesson plans for technology integration;
- Every Preparatory Academy uses PLATO software, which is self-paced math and reading courseware, to diagnose levels of ability, remediate, increase skill levels, and to supplement and complement classroom instruction; and
- All pre-Kindergarten classes, 50 Kindergarten classes, and 15 first grade classes use self-paced, individualized, interactive software to support phonological awareness and literacy-based skills instruction.

Training

In 2001-02, teacher technology training focused more on teacher productivity applications, such as Microsoft Word, Works, and Excel. Since then, Virginia's SOL requirements and new funding sources, such as state and federal grants, have focused on training teachers how to implement technology in the classroom.

PPS has developed an effective, multi-faceted approach to technology training to help PPS teachers meet state technology standards for instructional personnel, including:

- Providing laptop computers to teachers who complete and pass a technology performance assessment;
- Implementing portfolio-based documentation as evidence of technology mastery;
- Using No Child Left Behind grant funds to pay for teacher training costs through the Consortium for Interactive Instruction (CII) managed by public television station WHRO and through hybrid classes offered through the University of Virginia;
- Providing specialized equipment to teachers who complete special training related to integrating technology in the classroom; and
- Paying teachers to attend Saturday technology training sessions;

Staff training for the student accounting software application, SASI, has been inadequate, resulting in staff complaints. PPS purchased the software in 2002-03 and arranged with NCS Pearson to provide certified training in groups of 10. Principals, assistant principals, secretaries, bookkeepers, guidance counselors, and supervisors involved with the student application received training. Several problems contributed to the staff complaints:

- PPS had purchased version 5.2 of the software, but NCS Pearson trained on version 6.0, which included features not available to PPS. (The Technology Department purchased an upgrade to version 6.01 for 2004-05.)
- The Technology Department did not allocate funds in 2003-04 for additional group training. (The Technology Department allocated training funds for 2004-05.)
- Over the summer, many staff members forget the instructions on how to use the software, and they need refresher classes.

Communication and Coordination

The lack of adequate communications, and coordination between the Information Technology Department and other departments results in problems with PPS technology implementation. As a result, computers sit in classrooms but they cannot be used by the students. For example:

- For the new middle school web-based SOL labs, the Information Technology Department ordered and installed computers, hardware, and furniture prior to the start of the 2004-05 school year. However, the computers are not usable by students because the Operations Department has not connected the electricity for the labs and the department responsible for ordering the software could not order it until after the school year started due to insufficient funds in 2003-04.
- The Information Technology Department ordered 500 replacement computers for the high schools and moved the old computers to elementary schools. However, the Operations Department has not installed the required electrical service at the elementary schools to make the old computers operational.
- New computers for the Prep Academy are not usable by students due to a failure to renew the software license for Compass Learning and Plato.

Collaboration with the City of Portsmouth

Portsmouth Public Schools (PPS) and the City of Portsmouth (City) are working collaboratively to obtain new administrative software to support finance and human resource functions.

This collaborative effort will provide efficiencies in costs and support activities between PPS and the City for new software eventually selected as a result of a planned requirements definition study and vendor selection process.

PPS and the City have been sharing these administrative systems in the past. The City's Information Technology area is fully staffed and is currently supporting the division's administrative software systems. PPS' Chief Technology Officer handles instructional and student accounting technology separately. New instructional and student accounting technology has recently been implemented by the division.

PPS' present finance and human resource applications are old and need to be changed or significantly upgraded to maintain functionality with most other current technology. Human resource software currently in use is limited and does not include position control features needed to manage personnel

costs, by far the division's largest cost. The finance system is also limited in that it is not adapted to a Windows environment, does not have the capability to track costs by state school codes, and the purchasing function is not interactive with financial information maintained on the system.

The development of a thorough systems requirement definition for the purpose of acquiring new software systems is a best practice that has been used effectively by many schools throughout the country. The collaborative effort planned by the PPS and the City includes a planned process as follows:

- Developing summary system requirements using input from users in both the division and the City;
- Performing preliminary vendor analysis for purposes of identifying projected costs for new software;
- Developing detailed system requirements using input from users in both the division and the City; and
- Preparing a detailed request for proposals for new systems for submission to interested vendors in time for budget planning for the 2005-06 fiscal year.

The collaborative process is being coordinated by the City's director of Information Technology, the City's Chief Financial Officer and PPS' director of Finance.

General functional requirements already identified in the process include:

- General Ledger (Grants, Cash/Investment, Debt, Capital Projects)
- Accounts Payable
- Accounts Receivable
- Purchasing
- Payroll
- Human Resources
- Budget
- Fixed Assets
- Inventory
- Reporting (Financial, Performance Measures)
- Interfaces (Tax/Billing/Receivable systems)
- Security

Input team members include the following:

PPS Finance Department:
- Director of Finance,
- Accounting Supervisor
- Grants Manager
- Director of Human Resources
- Purchasing area buyer

City Finance Department:
- Chief Financial Officer
- Budget Officer
- Controller

- Director of Procurement & Risk Management
- Director of Human Resources
- City Information Technology Department:
- Director of Information Technology
- Systems Analysts

Findings and Recommendations

Finding:
PPS and the City of Portsmouth both have IT functions, and some duplication exists in administrative areas, which creates additional costs.

Recommendation #48:
PPS should establish a review committee, composed of technology and administrative staff from the city and the division, to identify technology functions that might be consolidated and recommend a plan of consolidation.

Finding:
Technology training requirements for teachers have increased in the past 3-4 years, and PPS has developed a cost effective approach to provide assistance to teachers.

Commendation #15:
PPS has developed an effective, multi-faceted approach to technology training to help PPS teachers meet state technology standards for instructional personnel.

Finding:
Technology training for the PPS student accounting software application, SASI, has been inadequate.

Recommendation #49:
PPS should expand SASI training to meet staff needs. PPS should also purchase training tapes or DVDs from NCS Pearson that would help provide refresher training as needed.

Finding:
There is a lack of adequate communications and coordination between the Information Technology Department and other departments that results in problems with PPS technology implementation.

Recommendation #50:
PPS should develop and implement a planning and communication process to ensure the timely and appropriate implementation of PPS technology.

Finding:
PPS and the City of Portsmouth are working collaboratively to obtain new administrative software to support finance and human resource functions.

Commendation #16:
This collaborative effort between PPS and the City of Portsmouth will provide efficiencies in costs and support activities for both as a result of a planned requirements definition study and vendor selection process.

Fiscal Impact

While there may be incremental costs associated with implementing one or more of the recommendations in this section, the review team believes that PPS can accomplish the recommendations within the department's or the division's budget.

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APPENDIX A

Exhibits removed from the body of the report due to the length of the exhibit

APPENDIX A: EXHIBITS REMOVED FROM THE BODY OF THE REPORT DUE TO THE LENGTH OF THE EXHIBIT

Exhibit 2
PPS Enrollment by School
September 30, 2004

School	Total Enrollment *	Free and Reduced Price Meal Count	Free and Reduced Price Meal Count as a Percentage of Total Enrollment
Elementary Schools			
Brighton	571	475	83.2%
Churchland Academy	917	586	63.9%
Churchland	543	155	28.5%
Churchland Primary and Intermediate	530	233	44.0%
Clarke	517	416	80.5%
Douglas Park	668	522	78.1%
Hodges Manor	401	288	71.8%
Hurst	622	452	72.7%
Lakeview	489	309	63.2%
Olive Branch	342	106	31.0%
Park View	357	316	88.5%
Simonsdale	278	140	50.4%
Tyler	628	360	57.3%
Westhaven	547	359	65.6%
Subtotal – elementary	7,410	4,717	63.7%
Middle Schools			
Churchland	1,136	559	49.2%
Cradock	663	525	79.2%
Hunt-Mapp	1,097	671	61.2%
Waters	719	421	58.6%
Subtotal – middle	3,615	2,176	60.2%
High Schools			
Churchland	1,745	538	30.8%
Norcom	1,221	675	55.3%
Wilson	1,286	679	52.8%
Subtotal – high	4,252	1,892	44.5%
Centers			
New Directions	Included in elementary and middle school enrollments	45	
Excel	141	N/A	
Total official enrollment	15,418	8,830	57.3%
Pre-Schools			
DAC	84	13	15.5%
Mt. Hermon	244	153	62.7%
Spong	186	120	64.5%
Pre-school enrollment	514	286	55.6%

Source: PPS director of Research and Evaluation and assistant superintendent of Operations.
(*) Excludes pre-K students.

Exhibit 12
Comparative Review of PPS School Improvement Plans (SIPs)
Goal Areas and Strategies for PPS Elementary, Middle and High Schools
2002-05 and 2004-07 SIPs

School	Goal Area	Strategy(ies)/Number of Action Steps	*Resources Needed*	Financial Resources Needed
Elementary Schools				
Brighton Elementary	English/Reading – Grade 5	• Note: **No data for Brighton Elementary in 2003 binder**. • Implement a research based framework for English instruction building-wide (DEER). / No data for 2003. **Significantly Different Strategy and Action Steps from 2002**. 2002 Strategy stated – Organize comprehension strategies and programs to address understanding a variety of printed literature.	Several noted in staff development and materials for action steps in past and current years.	Several noted in staff development and materials for action steps in past and current years.
Churchland Academy Elementary	History – Grade 5	• Use curriculum framework, history blueprints, and student performance by question report to prioritize areas of improvement. **Significantly different Strategies and action steps.** 2002 states – Use proved models that strengthen students' understanding of Geography, and Engage students' minds through multi-modal approaches to History instruction.	Several noted in staff development and materials for action steps in past. Only items in materials for 2004.	None listed for past and current years.
Churchland Elementary	Math – Grade 5	• Review curriculum framework, blueprints, and student performance by question to prioritize areas of improvement. / **No significant difference in strategy or action steps.** • Continue to incorporate the Accelerated Math and the Star Program. / **No significant difference in strategy or action steps.** • Continue to implement activities centering around the reporting category needs which invite participation from students. / **No significant difference in the strategy with changes in two action steps.**	Several noted in staff development for action steps in past and current years.	None listed for past and current years.
Churchland Primary and Intermediate	Science – Grade 3	• Note: **No data for Churchland Primary and Intermediate in 2002.** • Review Science Curriculum Framework, Related SOL Test items, and SOL data to focus on "Earth /Space Systems & Cycles". / **No significant changes, added one action step**. • Review Science Curriculum, Framework, Related SOL test items, and SOL data to focus on "Life Processes & Living Systems". / **No significant changes, added one action step.**	Several noted in materials for action steps in past and current years.	Several noted in staff development and materials for action steps in past and current years.
Stephen H. Clark Academy	English/Reading – Grade 5	• 2004 strategy is very broad and states: • Building Reading comprehension by encompassing various strategies. • Strategies and action steps are significantly difference form year to year. • 2002 Strategies state: • Identify characteristics of historic fiction as indicated by the Student Performance by Question Report. • Make Inferences based on information contained in a text as indicated by the Student Performance by Question Report. • Draw inferences about character's emotions as indicated by the Student Performance by Question Report.	Several noted in materials for action steps in past and current years.	Several noted in staff development and materials for action steps current year with no items in past years.
Douglas Park Elementary	English/ Writing – Grade 5	• Plan, Compose, Revise-Grade 5 Increase students' abilities to demonstrate the writing process through generating and organizing ideas. / **Minor changes. However neither strategy or action steps are significantly different. Changed one action step.** • Editing – Grade 5 Increase students' editing skills especially in using the correct verb form. / **Minor changes. However neither strategy or action steps are significantly different. Changed one action step**.	Several noted in staff development for action steps in past and current years.	Several noted in staff development and materials for action steps in past and current years.
Hodges Manor Elementary	History – Grade 3	• Note: No data per 2003 or 2004 binders. Therefore, no comparison can be made to the 2002 binder. The Strategies of 2002 are: • Implement strategies to improve economics, history, and geography reporting categories.	Several noted in staff development for action steps in 2002.	None listed for 2002.
James Hurst Elementary	Math – Grade 3	• Implement action steps in the reporting category of Number and Number Sense. / **No change to strategy. One changed and one**	Several noted in staff development and materials	Several noted in materials for action

School	Goal Area	Strategy(ies)/Number of Action Steps	*Resources Needed*	Financial Resources Needed
		new action step. • Implement action steps in the reporting category of Computation and Estimation. / **No change to the strategy. Changed two action steps.** • Implement action steps in the reporting category of Measurement and Geometry. / **No change to strategy. Two new action steps.**	for action steps in past and current years.	steps in current year, but not in past.
Lakeview Elementary	Science – Grade 5	• Implement the aligned science curriculum guide. / **No changes noted.** • Analyze and use available data to identify goals and plan science instructional objectives. / **No changes noted.** • Use a variety of teaching methods which include the use of hands-on science investigation activities. / **No significant changes noted. One new action step.**	Several noted in staff development and materials for action steps in past and current years.	Noted one staff development item in current year. No items in prior years.
Olive Branch Elementary	English/ Reading – Grade 3	• Note: **No data for binder years 2002 and 2003.** Therefore, no comparison is able to be performed. 2004 binder strategies are: • Review Division curriculum, reading/language arts blueprints, and student performance by question to prioritize areas of improvement.	Several noted in staff development and materials for action steps in the current year.	One item of materials for the current year.
Park View Elementary	History – Grade 5	• Review curriculum guide, social studies blueprints, and student performance by question to prioritize areas of improvement. / **No significant changes. One action step removed.** • Use various educational models to teach skills. / **No changes noted.** • Improve the skills of students in the area of Social Studies. / New strategy in 2002. One modified and one new action step.	One item of materials in current year. No items in pervious years.	None listed for past and current years.
John Tyler Elementary	Science – Grade 3	• Increase the scores in the Life Processes and Living Systems reporting category. / **No significant changes noted** • Increase the scores in the Earth/Space Systems and Cycles reporting category. / **No significant changes noted**	Several noted in staff development and materials for action steps in past and current years.	None listed for past and current years.
Simonsdale Elementary	Math – Grade 5	• Review division curriculum, math blueprints and student performance by question to increase % of strength in pat., function, & alg, & no. & no. sense. . / **No significant change in strategy or action steps. In 2002 several strategies made into 1 strategy for 2004, all with substantially same action steps.**	Several noted in staff development for action steps in past. Only items in materials in 2004.	Several noted in staff development and materials for action steps in past and current years.
Middle Schools				
Westhaven Elementary	Science – Grade 3	• Identify and prioritize third grade science areas of greatest need. / **Several minor changes noted. However, substantially same strategy and action steps compared to 2003 and 2002.**	Several noted in staff development and materials for action steps in 2003. Only items in materials in 2004.	None listed for past and current years.
Churchland Middle	English/Reading – Grade 8	• Review curriculum framework: English/reading Literature blueprints and student performance by question. / **Significantly same as 2003. One new action step** • Provide training in Strategies for Improving Instruction and Test-Taking. / **Substantially same.**	Several noted in staff development and materials for action steps in past and current years.	One current year item in staff development with none in prior year. No current year items in materials with one in prior year.
Cradock Middle	English/Reading – Grade 8	• Note: No Data was available for Cradock Middle School for 2004. • 2003 Strategy states: • Improve in the areas of understand elements of literature and understand printed literature. / **No change to strategy. One action step was changed from 2002.**	Several noted in staff development and materials for action steps in both past years.	Several noted in staff development and materials for action steps in both past years.
Hunt-Mapp Middle	History – Grade 8	• Complete a geographic "Lift-Off" activity at the beginning of each class. / Substantially different from 2002, not from 2003. One new action step from 2003. 2002 strategy states (2) – Expose students to Geography skills weekly; and Implement a map, chart, or graph lesson on a weekly basis. • Create interactive notebooks using Civics and History 1877-present concepts. / Substantially different from 2002, not from 2003. 2002 strategy states – Teachers will implement an active learning environment reinforcing the US History 1877 to Present. • Review History 1877 to Present and Civics concepts prior to, during, and after testing. / Same as 2003 strategy and action steps. No comparable strategy in 2002.	Several same items noted in staff development and materials for action steps for 2004 and 2003.	One current and prior year item in materials.
William E. Waters	English/Writing –	• Note: No data for William E. Waters Middle School in 2003	Several noted in staff	None listed for past and

School	Goal Area	Strategy(ies)/Number of Action Steps	*Resources Needed*	Financial Resources Needed
Middle	Grade 8	binder. • Strengthen the Planning, Composing and Revising strand of the curriculum by continual instruction throughout the year. / **Same strategy. One changed action step.** • Strengthen the Editing strand of the curriculum by continual instruction throughout the year. / **Same strategy. One changed action step.**	development and materials for action steps in past and current years.	current years.
High Schools				
Churchland High	History	• Review state approved new curriculum, subject blueprints, pacing guidelines and student performance by question to prioritize areas of improvement. / **Same strategy with one new action step.** • Educate social study teachers on best practices, teaching techniques to minimize the gaps among subgroups, and using data in lesson preparation. / **Strategy and action steps same as prior years.** • Organize master schedule to accommodate teacher collaboration and to address individual student needs. / **Same strategy. Changed one action step in 2004.**	Several noted in staff development and materials for action steps in past and current years.	Several noted in staff development and materials for action steps in past and current years.
	English/Reading – EOC	• Review state approved curriculum, subject blueprints, and student performance by question to prioritize areas of improvement. / **No changes to strategy. Added one action step in 2003. No change to 2004** • Educate English teachers on best practices, teaching techniques to help minimize the gap among subgroups, reading across the curriculum and using data in lesson preparation. / **Substantially same strategy. No change to action steps.** • Emphasize reading comprehension in all English classes and emphasize reading across the curriculum. / **Substantially same strategy. No change to action steps.**	Several noted in staff development and materials for action steps in past and current years.	Several noted in staff development and materials for action steps in past and current years.
I.C. Norcom High	Math – Algebra II	• Increase the strengths in Relations & Functions, Equations and Inequalities. / **Substantially same strategy. One action step changed.**	Several noted in staff development and materials for action steps in past and current years.	One item noted in materials in past and current years.
	Math – Geometry	• Increase the strengths in, triangles and logic, lines and angles, and polygons and circles. / **No change in strategy. One change in action step in 2004.**	Several noted in staff development and materials for action steps in past and current years.	One noted in materials in previous years, with none in current year.
Woodrow Wilson High	Earth Science	• Strengthen Geology strand of the curriculum by reviewing Blueprint Framework and Question Analysis. / **No change to strategy. Two action steps added in 2003 and is same in 2004.** • Strengthen strand of Meteorology/Oceanography and Groundwater in curriculum by reviewing Blueprint Framework and Question Analysis. / **No change to strategy. Two action steps added in 2003 and is same in 2004.** • Strengthen Scientific Investigation section of the curriculum by reviewing Blueprint Framework and Question Analysis. / **Strategy and action steps are same as 2003. 2002 strategy state**s: Strengthen experimental design portions of the curriculum by teaching the strand throughout the academic year – with substantially the same action steps.	Several noted in staff development and materials for action steps in past and current years.	Several noted in staff development for action steps in past and current years.
	English/Writing - EOC	• To improve percent strength in planning, composing, and revising. / **No changes in strategy or action steps.** • To improve percent strength in editing. / **No changes in strategy or action steps.**	Several noted in materials for action steps in past and current years.	None listed for past and current years.

Source: PPS 2002-05, 2003-06 and 2004-07 SIP documents and PPS director of Student Services.

Exhibit 27
PPS Nurses by School Compared to State and NASN Standards
September 30, 2004

School	Total Enrollment	Number of Nurse Positions	Virginia Code Recommendations	NASN FTE Requirement *
Elementary Schools				
Brighton	571	1.0	0.5	0.75

School	Total Enrollment	Number of Nurse Positions	Virginia Code Recommendations	NASN FTE Requirement *
Churchland Academy	917	2.0	1.0	1.25
Churchland	543	1.0	0.5	0.75
Churchland Primary and Intermediate	530	1.0	0.5	0.75
Clarke	517	1.0	0.5	0.75
Douglas Park	668	1.0	0.75	1.0
Hodges Manor	401	1.0	0.5	0.5
Hurst	622	1.6	0.5	0.75
Lakeview	489	1.0	0.5	0.75
Olive Branch	342	1.0	0.5	0.5
Park View	357	1.0	0.5	0.5
Simonsdale	278	1.0	0.25	0.5
Tyler	628	1.0	0.5	1.0
Westhaven	547	1.4	0.5	0.75
Subtotal		16.0	7.5	10.5
Middle Schools				
Churchland	1,136	1.6	1.0	1.5
Cradock	663	1.0	0.75	1.0
Hunt-Mapp	1,097	1.0	1.0	1.5
Waters	719	1.0	1.0	1.0
Subtotal		4.6	3.75	5.0
High Schools				
Churchland	1,745	1.4	1.0	2.25
Norcom	1,221	1.0	1.0	1.5
Wilson	1,286	2.0	1.0	1.75
Subtotal		4.4	3.0	5.5
Centers				
New Directions	0	1.0	1.0	0.0
Excel	141	0.0	0.0	0.0
Subtotal	15,418	1.0	1.0	0.0
Pre-Schools				
DAC		2.0	2.0	2
Mt. Hermon		0.0	0.0	0
Spong		0.0	0.0	0
Subtotal		2.0	2.0	2
Total school-based nurses		28.0	17.25	23.0

Source: PPS director of Research and Evaluation, PPS 2004-05 Operating Budget and PPS supervisor of Nursing Services.
(*) Given the student population at PPS centers and pre-schools, it is impossible to determine the specific number of nurses required. As a result, the review team accepts PPS' assignment of 2.0 nurses as the necessary number.

Exhibit 29
Number of PPS Special Education Students in Grades K-12 Served by School and Disability
2004-05

School	DD	EMR	MD	OHI	SLD	SED	TBI	HI	OI	SPD	SLI	VI	TMR	AUT	Total
Brighton	20	2	1	7	19						21				60
Douglas Park	39	7	5	7	22	1			1		15				97
Hodges Manor	15	2	1	2	7	1	1	1	1		8				39
Hunt-Mapp		15	15	29	83	16		2	1	12	7		11		191
Hurst	24	6	3	8	32						20				93
Cradock		19	4	14	57	10		1			5				110
Norcom		26	13	26	70	12		1	2	5	1	1			157
Olive Branch	7	4	4	7	8			1			7				38
Park View	15	5	2	6	11	3					6			1	49
Simonsdale	11	2	3	5	6	1				1	11				40
Tyler	20	6	4	11	14	3			1		32	1	2	2	96
Waters		4	7	21	39	3					5				79
Westhaven	20	7	5	7	18	1	1			2	13				74

School	DD	EMR	MD	OHI	SLD	SED	TBI	HI	OI	SPD	SLI	VI	TMR	AUT	Total
Lakeview	6	1	1	1	10	1		1		4	18				43
Churchland Elementary	8	2	6	4	11	2					24				57
Churchland Middle		10	9	16	83	7					9	1			135
Churchland High		18	14	36	98	20	1	2	1		30	1	2		223
Clarke	32	2	6	5	15	5		1			19		3		88
Churchland Academy	33	12	7	22	21	1			1		30			2	129
Wilson		30	19	36	84	13		1	1	5	6	1	6	3	205
Churchland Primary	12	2	10	10	15	0		8	1	3	24			2	87
Sum	**262**	**182**	**139**	**280**	**723**	**100**	**3**	**19**	**10**	**32**	**311**	**5**	**24**	**10**	**2,100**

Source: PPS coordinator of Special Education and consultant calculation.

Exhibit 30
Special Education Disability Categories

Abbreviation	Disability Category
DD	Developmental Delay
EMR	Educable Mentally Retarded
MD	Multiple Disabilities
OHI	Other Health Impairment
SLD	Learning Disability
SED	Emotional Disturbance
TBI	Traumatic Brain Injury
HI	Hearing Impairment/Deaf
OI	Orthopedic Impairment
SPD	Severe Disabilities
SLI	Speech or Language Impairment
VI	Visual Impairment
TMR	Trainable Mental Retardation
AUT	Autism

Source: Regulations Governing Special Education Programs for Children with Disabilities in Virginia.

Exhibit 37
Number of PPS Level I and II Special Education Students by School and Disability *
2004-05

																Paraprofessionals	
School	DD	EMR		OHI	SLD	SED	TBI	HI		SPD	SLI	VI	TMR	AUT	Points	Current Number **	Using Points
Brighton	10/10		1/1	7/1	19/4						21				73.5	4	4
Douglas Park	15/24	1/6	2/3	4/3	7/15	1/0			1/0		15				135.5	8	7
Hodges Manor	7/8	1/1	1/0	1/1	4/3	1/0	1/0	0/1	0/1		8				46.0	4	3
Hunt-Mapp		1/14	4/11	14/15	46/37	6/10		1/1	1/0	1/11	7		0/11		299.5	21	15
Hurst	8/16	3/3	0/3	2/6	22/10						20				112.5	8	6
Cradock		2/17	0/4	6/8	26/31	4/6		0/1			5				174.0	7	9
Norcom		6/20	7/6	17/9	47/23	7/5		1/0	2/0	0/5	1	1			226.0	14	12
Olive Branch	3/4	0/4	2/2	3/4	2/6			1/0			7				52.0	5	3
Park View	8/7	0/5	0/2	8/2	7/4	0/3					6			0/1	69.5	4	4
Simonsdale	3/8	0/2	3/0	4/1	5/1	0/1				0/1	11				43.0	3	3
Tyler	16/4	3/3	3/1	11/0	13/1	2/1			1/0		32	1	0/2	0/2	79.5	7	4
Waters		0/4	1/6	6/15	19/20	1/2					5				126.0	7	7
Westhaven	13/7	3/4	3/2	6/1	16/2	1/0	0/1			0/2	13				84.0	5	5
Lakeview	3/3	1/0	0/1	1/0	5/5	1/0		0/1		0/4	18				32.5	6	2
Churchland Elementary	5/3	0/2	5/1	3/1	9/2	2/0					24				42.5	5	3
Churchland Middle		2/8	9/0	6/10	64/19	5/2					9	1			164.0	9	9
Churchland		2/16	2/12	19/17	54/44	10/10	1/0	1/1	1/0		30	1	0/2		300.0	17	15

School	DD	EMR	MD	OHI	SLD	SED	TBI	HI	OI	SPD	SLI	VI	TMR	AUT	Total Points	Paraprofessionals Current Number **	Paraprofessionals Using Points
High																	
Clarke	27/5	2/0	4/2	4/1	15/0	5/0		0/1			19		0/3		80.0	4	4
Churchland Academy	13/20	2/10	0/7	15/7	13/8	1/0			0/1		30			1/1	157.0	11	8
Wilson		11/19	11/8	26/10	64/20	9/4		1/0	0/1	0/5	6	1	0/6	0/3	279.5	18	14
Churchland Primary	4/8	1/1	3/7	6/4	14/1			3/5	1/0	0/3	24			0/2	98.5	10	5
Total																**177**	**142**

Source: PPS coordinator of Special Education and consultant calculation.
(*) For each disability category, the number of students receiving Level I services is listed first and the number receiving Level II services is listed second.
(**) Current staffing includes paraprofessional and attendant positions.

Exhibit 47
PPS Facilities

Facility	Year Built	Square Footage	Number of Classrooms	Program Capacity	Number Of Mobile Units
Pre-K Schools					
Emily Spong	1957	30,206	14	224	0
Mt. Hermon	1953	47,349	18	288	0
Elementary Schools					
Brighton	2004	56,566	27	550	0
Churchland Academy	1986	96,000	54	1,150	0
Churchland	1958	61,612	39	615	0
Churchland Primary and Intermediate	1976	63,800	30	600	0
Clarke Academy	1957	108,200	45	750	0
Douglass Park	1953	73,775	40	700	5
Hodges Manor	1956	47,633	29	490	6
Hurst	1978	63,525	40	700	3
Lakeview	1967	54,349	29	560	0
Olive Branch	1960	30,700	16	315	5
Park View	1957	26,548	12	325	13
Simonsdale	1946	33,300	22	325	0
Tyler	2002	56,566	28	550	2
Westhaven	1954	64,667	37	650	1
Middle Schools					
Churchland	1970	136,937	46	936	4
Cradock	1966	103,420	38	840	7
Hunt-Mapp	1955	235,946	78	1,392	0
Waters	1966	104,601	37	840	4
High Schools					
Churchland	1992	262,000	81	2,025 design	0
Norcom	1998	280,000	90	1,800 design	0
Wilson	1971	261,665	80	1,600 design	0
Centers					
Cradock Career Center	1954	153,797	52	N/A	0
DAC	1971	31,500	11		0
Instructional Resource Center	1969	18,683	N/A	N/A	1
New Directions	1961	51,613	32	500	0
Operations	1962	67,950	N/A	N/A	2
Totals		2,622,908	1,025	13,300	53

Source: PPS assistant superintendent of Operations.

APPENDIX B
Cluster data

APPENDIX B: CLUSTER DATA

List of Rankings in Comparison to its Cluster (total of 10 divisions)

These rankings are based on per-pupil expenditures and revenue. The data is taken from Tables 13 and 15 of the 2002-03 Superintendent's Annual Report from the VDOE.

Portsmouth Compared to Its Cluster		
Category	**Amount per Pupil**	**Rank (10 = highest)**
Administration	$143.58	4th
Attendance and Health	$179.85	9th
Instruction	$5,326.49	7th
Debt Service and Transfers	$0.69	1st
Facilities	$71.37	1st
Technology	$303.49	7th
Operations and Maintenance	$933.59	10th
Special Education	$1,034.22	5th
Transportation	$369.70	9th
Regular Day School Expenditures	$6,953.20	3rd
Local Revenue	$1,946.00	1st
State Revenue	$4,904	10th
Federal Revenue	$969	7th

Each of the following pages shows a list of expenditures or revenue sorted by school division. The data is sorted by expenditures (or revenue) per pupil. The table also includes total expenditures (or revenue) and expenditures as a percentage of the total budget.

Note that these data are self-reported and unverified, and are known to contain variations in expenditure classification.

Instruction Expenditures: Per-Pupil, Total Expenditures, and as a Percentage of the Total Budget

School Division	Per Pupil	Instruction	Percentage
Lynchburg	$5,839.07	$51,634,886	70.8%
Norfolk	$5,955.57	$204,031,967	66.2%
Hampton	$5,259.68	$120,157,384	65.7%
Portsmouth	**$5,326.49**	**$82,432,696**	**62.8%**
Newport News	$5,438.61	$170,674,354	59.8%
Danville	$5,816.76	$42,607,743	59.6%
Roanoke City	$6,205.72	$80,692,982	59.6%
Petersburg	$5,519.73	$29,646,482	58.4%
Hopewell	$5,954.94	$22,545,402	58.0%
Richmond City	$6,908.31	$168,949,692	53.4%

Administration Expenditures: Per-Pupil, Total Expenditures, and as a Percentage of the Total Budget

School Division	Administration Per Pupil	Administration Total Expenditures	Administration Percentage
Petersburg	$336.77	$1,808,770	3.6%
Hampton	$231.07	$5,278,760	2.9%
Norfolk	$223.95	$7,672,424	2.5%
Richmond City	$317.78	$7,771,545	2.5%
Hopewell	$234.50	$887,801	2.3%
Danville	$215.14	$1,575,901	2.2%
Portsmouth	**$143.58**	**$2,221,983**	**1.7%**
Newport News	$143.27	$4,495,954	1.6%
Roanoke City	$155.97	$2,028,107	1.5%
Lynchburg	$109.89	$971,763	1.3%

Attendance and Health Expenditures: Per-Pupil, Total Expenditures, and as a Percentage of the Total Budget

School Division	Attendance and Health Per Pupil	Total Expenditures	Attendance and Health Percentage
Hampton	$177.64	$4,058,141	2.2%
Portsmouth	**$179.85**	**$2,783,310**	**2.1%**
Richmond City	$243.42	$5,953,040	1.9%
Newport News	$157.76	$4,950,980	1.7%
Hopewell	$132.77	$502,665	1.3%
Petersburg	$121.60	$653,133	1.3%
Roanoke City	$120.56	$1,567,687	1.2%
Lynchburg	$94.76	$837,975	1.1%
Danville	$101.87	$746,212	1.0%
Norfolk	$78.74	$2,697,410	0.9%

Transportation Expenditures: Per-Pupil, Total Expenditures, and as a Percentage of the Total Budget

School Division	Transportation Per Pupil	Transportation Total Expenditures	Transportation Percentage
Hampton	$359.34	$8,209,039	4.5%
Portsmouth	**$369.70**	**$5,721,539**	**4.4%**
Newport News	$395.35	$12,406,939	4.3%
Lynchburg	$347.38	$3,071,882	4.2%
Petersburg	$343.81	$1,846,624	3.6%
Roanoke City	$352.08	$4,578,096	3.4%
Richmond City	$392.13	$9,589,898	3.0%
Norfolk	$259.59	$8,893,160	2.9%
Danville	$234.29	$1,716,196	2.4%
Hopewell	$154.39	$584,532	1.5%

Facilities Expenditures: Per-Pupil, Total Expenditures, and as a Percentage of the Total Budget

School Division	**Facilities Per Pupil**	**Facilities Total Expenditures**	**Facilities Percentage**
Hopewell	$692.42	$2,621,511	6.7%
Petersburg	$590.49	$3,171,541	6.3%
Danville	$618.55	$4,530,885	6.3%
Norfolk	$532.87	$18,255,588	5.9%
Newport News	$446.82	$14,022,227	4.9%
Richmond City	$227.99	$5,575,797	1.8%
Hampton	$111.78	$2,553,570	1.4%
Lynchburg	$104.70	$925,827	1.3%
Roanoke City	$128.14	$1,666,233	1.2%
Portsmouth	**$71.38**	**$1,104,487**	**0.8%**

Special Education Expenditures: Per-Pupil and Total Expenditures

School Division	**Per Pupil**	**Special Education *Total Expenditures***
Richmond	$1,314.63	$32,150,668
Norfolk	$1,211.50	$41,504,804
Hopewell	$1,108.91	$4,198,339
Lynchburg	$1,099.27	$9,720,864
Newport News	$1,054.51	$33,092,700
Portsmouth	**$1,034.22**	**$16,005,556**
Roanoke City	$909.85	$11,830,835
Hampton	$885.08	$20,219,718
Petersburg	$821.16	$4,410,445
Danville	$733.17	$5,370,458

Source: The special education expenditure data does not come from The DOE Superintendent's Annual Report Table 13 but from DOE data on special education expenditures. The "total expenditure" column includes state, federal, local and Medicaid – Comprehensive Services expenditures. Because this data did not come from Table 13 it is not comparable to the total expenditure category from that report. Therefore no "Percentage of Total Expenditures" column appears on this table.

Debt Service and Transfers: Per-Pupil, Total Expenditures, and as a Percentage of the Total Budget

School Division	**Debt Service Per Pupil**	**Debt Service and Transfers**	**Debt Service Percentage**
Roanoke City	$588.24	$7,648,901	5.65%
Hopewell	$557.96	$2,112,432	5.43%
Newport News	$504.35	$15,827,455	5.54%
Richmond City	$356.08	$8,708,248	2.75%
Petersburg	$194.22	$1,043,142	2.06%
Danville	$134.82	$987,558	1.38%
Lynchburg	$59.71	$527,978	0.72%
Hampton	$41.32	$943,933	0.52%
Norfolk	$18.18	$622,823	0.20%
Portsmouth	**$0.69**	**$10,643**	**0.01%**

Operations and Maintenance Expenditures: Per-Pupil, Total Expenditures, and as a Percentage of the Total Budget

School Division	Operations Per Pupil	Operations and Maintenance Total Expenditures	Operations and Maintenance Percentage
Portsmouth	**$934**	**$14,448,254**	**11.0%**
Lynchburg	$833	$7,369,421	10.1%
Hopewell	$990	$3,749,435	9.6%
Richmond City	$1,204	$29,442,091	9.3%
Newport News	$814	$25,539,947	8.9%
Norfolk	$788	$26,992,518	8.8%
Petersburg	$803	$4,311,965	8.5%
Roanoke City	$843	$10,963,715	8.1%
Hampton	$643	$14,681,337	8.0%
Danville	$659	$4,826,714	6.8%

Technology Expenditures: Per-Pupil, Total Expenditures, and as a Percentage of the Total Budget

School Division	Technology Per Pupil	Technology Total Expenditures	Technology Percentage
Newport News	$448	$14,066,734	4.9%
Danville	$406	$2,975,327	4.2%
Hampton	$319	$7,288,707	4.0%
Portsmouth	**$303**	**$4,696,826**	**3.6%**
Lynchburg	$252	$2,229,482	3.1%
Norfolk	$256	$8,766,498	2.8%
Petersburg	$267	$1,434,524	2.8%
Richmond City	$347	$8,486,416	2.7%
Hopewell	$165	$626,565	1.6%
Roanoke City	$154	$2,002,703	1.5%

Total Regular School Expenditures: Per-Pupil, Total Expenditures, and as a Percentage of the Total Budget

School Division	Total Per Pupil Expenditures	Regular Day School
Petersburg	$9,124.74	$38,266,974
Richmond City	$9,065.52	$221,706,266
Roanoke City	$7,677.50	$99,830,587
Hopewell	$7,466.94	$28,269,836
Norfolk	$7,305.74	$250,287,479
Lynchburg	$7,224.46	$63,885,927
Danville	$7,027.00	$51,472,766
Portsmouth	**$6,953.20**	**$107,607,783**
Newport News	$6,948.83	$218,068,174
Hampton	$6,670.37	$152,384,661

Local Revenue: Per-Pupil and Total Amount

School Division	Local Revenue Per Pupil	Local Revenue Percentage
Richmond	$4,886	49.1%
Roanoke	$3,365	40.8%
Lynchburg	$2,937	37.3%
Hopewell	$2,688	33.3%
Newport News	$2,620	34.5%
Norfolk	$2,404	30.2%
Danville	$2,327	29.9%
Hampton	$2,302	31.4%
Petersburg	$1,948	25.0%
Portsmouth	**$1,946**	**24.9%**

State Revenue: Per-Pupil and Total Amount

School Division	State Revenue Per Pupil	State Revenue Percentage
Portsmouth	**$4,904**	**62.7%**
Petersburg	$4,892	62.7%
Hopewell	$4,598	56.9%
Norfolk	$4,459	56.1%
Hampton	$4,375	59.7%
Newport News	$4,118	54.3%
Danville	$4,074	52.4%
Roanoke	$4,037	49.0%
Lynchburg	$4,008	50.8%
Richmond	$3,827	38.4%

Federal Revenue: Per-Pupil and Total Amount

School Division	Federal Revenue Per Pupil	Federal Revenue Percentage
Danville	$1,373	17.7%
Richmond	$1,242	12.5%
Norfolk	$1,089	13.7%
Portsmouth	**$969**	**12.4%**
Petersburg	$964	12.4%
Lynchburg	$937	11.9%
Newport News	$849	11.2%
Roanoke	$839	10.2%
Hopewell	$793	9.8%
Hampton	$647	8.8%

APPENDIX C

Members of the project team that conducted the review of PPS

APPENDIX C: MEMBERS OF THE PROJECT TEAM THAT CONDUCTED THE REVIEW OF PPS

Project management

Bill Lenhart, project manager and quality assurance officer, has over 25 years of consulting experience and has worked with over 150 public school divisions in Texas, Oklahoma, Louisiana, Maryland, Florida, Tennessee and Missouri. Prior to starting his own firm 12 years ago, he was southwest partner-in-charge of resource management for governmental clients for KPMG Peat Marwick. He has conducted evaluations of every functional area of a school division.

Mr. Lenhart coordinated all aspects of the project and reviewed all deliverables prior to submission.

Division leadership, organization and governance

Mr. Lenhart and **Chuck Yaple**, a partner at Null-Lairson, a Houston public accounting and consulting firm, led the review of the organization, management and budget/planning areas.

John E. Wilson, retired superintendent of the Clear Creek, TX, Independent School District, and **E. Wayne Harris**, retired former superintendent of the Roanoke City Public Schools, assisted the project team in conducting the review of the district's organization, staffing, lines of authority, succession planning, strategic planning, policies and procedures and site-based management.

Dr. Harris also reviewed all sections of the report at each stage and provided comments related to compliance with Virginia Standards of Quality and Standards of Accreditation.

Education services delivery

Ann O'Donnell, retired deputy superintendent for curriculum and instruction in Alief ISD, an urban district in Houston led the review of education services delivery. She was assisted by **Debbie Koehn**, director of Curriculum and Instruction for Rockwall, TX, Independent School District (10,000 students), who also served in that same position for the Edmond Public Schools (18,000 students) in Oklahoma.

Human resources management

Holly Teague, assistant superintendent for Human Resources for Weatherford ISD (7,500 students), worked with Mr. Lenhart on reviewing the personnel function for PPS.

Facilities management

Tom Kierzkowski, director of School Facilities for the Howard County, MD, Public School System (45,000 students), was the lead consultant in reviewing the facilities, maintenance and custodial operations of PPS

Financial management

Tracy Hoke, executive director of Financial Services for Round Rock, TX, Independent School District (35,000 students), conducted the review of all financial management functions in PPS. Ms. Hoke has over 18 years of school business experience in Round Rock, Socorro and El Paso school districts. Also, she is a director of the Texas Association of School Business Officials.

Doug Pindell, Purchasing officer for the Howard County, MD, Public School System, conducted the review of the purchasing and warehousing functions in PPS.

Transportation and Technology

Mike Griffin formerly served as the Executive Director of Ancillary Services for the Katy, TX, Independent School District (42,000 students). In that position, Mr. Griffin supervised the technology, purchasing, warehousing and transportation functions, among others. He was also responsible for all computer and technology/telecommunication services in the division and developed the division's last two five-year technology plans.