The Springfield Finance Control Board

Operational Needs Assessment of the City of Springfield Public Schools

September 7, 2005

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I. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

The Springfield Finance Control Board has engaged an independent, external analysis of certain functions of School Department. This analysis is an operations assessment of the following functions:

- Central Administration
- Purchasing
- Facilities Maintenance
- Transportation
- Telecommunications
- Food Services
- Special Education

Public Financial Management, Inc. ("PFM") was selected to conduct this analysis. PFM advises state and local governments nationally on a broad range of issues impacting public sector finances and administration.

The Springfield School Department faces many challenges in the functions analyzed in this report. Administrative costs are high; buildings have not been adequately maintained. The Finance Office and the Special Education Department do not have a unified system of tracking out-of-district student placements, service provisions or related reimbursements and cost saving opportunities. The food services program drains general funding from the School Department.

None of these challenges is insurmountable.

The Department is implementing the Boundary Plan to reduce transportation costs. A work order tracking system was deployed in February 2005 so that maintenance requests are addressed more efficiently. The newly created Department of Parks, Buildings, and Recreation has prepared a capital needs assessment and is working on the development of a capital plan.

Much work remains, however.

The City. The City of Springfield is faced with severe fiscal pressures and a Finance Control Board (FCB or Control Board) has been put in place to initiate and assure the implementation of appropriate measures to secure the financial stability of the City. It is in this difficult environment that the School Department must educate Springfield's children. Springfield Public Schools (SPS) must work to make the non-pedagogical functions of the School Department as efficient as possible to provide as many resources as possible to the education of students and to help the City regain its financial footing.

Record Keeping and Reporting. Across all areas of the School Department examined in this report, there are inadequate systems to track, maintain, and analyze data. Without this data, the School Department cannot analyze its performance and cannot work effectively to improve operations. Consistent monthly, quarterly, and annual reports must be produced by all departments, shared with managers, and incorporated into performance evaluation systems, not

simply for the sake of producing reports, but so that SPS can evaluate and improve its performance.

Performance Measurement. As part of its budget process, the City of Springfield is instituting a performance measurement system. All areas of the School Department must develop performance measures and evaluate their performance. SPS should know its cost per square foot for custodial services, the amount that is spent on overtime, the participation of students in meal programs, among many other measures.

Innovation. While Springfield led the way among school districts in installing video cameras on buses, it has failed in recent years to learn better service delivery methods for food, maintenance, custodial services. The outsourcing of some services should be explored, particularly in the areas of food services and facilities maintenance. Innovation does not necessarily require outsourcing, however. Springfield has higher than average staffing levels, and it should work to consolidate functions and generate cost efficiencies. Of course there has been limited funding for innovations because of the City's financial pressures. Even in this difficult environment, however, SPS has the capability to improve by first assessing its performance regularly and then implementing changes to decrease costs and improve efficiency.

Key Findings and Recommendations by Department

Key findings and recommended initiatives are summarized below by program. These initiatives total $17.4 million in expenditure reductions and revenue increases over the five-year period beginning in FY2005-06 (for the both the School Department general fund and the food services fund). The estimates of changes in the revenues and expenditures are based on available information from the School Department, our experience with other jurisdictions, and general industry indicators. These estimates are not guaranteed; rather, they are provided to indicate the possible results from the implementation of each initiative. Actual results will vary, depending on circumstances at the time of implementation. Not all initiatives' financial impact has been quantified. Certain initiatives are management improvements whose financial impact cannot be quantified, although they have been proven in other jurisdictions to increase efficiency over time. Other initiatives could not be quantified because of a lack of data from the School Department.

Central Administration. The Springfield Public Schools operates a central office that provides a broad array of services to schools. The overall efficiency of the central office was compared to other similar school systems in the Northeastern region of the United States and the results of this analysis were mixed. They demonstrated that the School Department administration has higher than average staffing levels than other school systems and that its overall compensation levels are higher than the average of the comparison school districts. On other measures, however, Springfield compares more favorably to the other districts in the amount of money it spends on administration. Further analysis of these mixed results is warranted.

The School Department should reduce compensation costs by eliminating vacant but funded budget positions in its operating budget which will save nearly $2 million over five years. The organizational design of SPS should be evaluated to increase accountability and to streamline the reporting structure for senior leadership responsibilities in the organization.

Information is the key to assessing current operations and improving performance. A modern ERP software system should be implemented to ensure that it can appropriately process financial, human resources and procurement transactions. The system should be installed by a known technology services company and should be implemented in conjunction with the City.

To continue to streamline operations, SPS should complete a comprehensive human resources audit to identify additional ways to streamline its administrative operations and to look for ways to consolidate functions and generate cost efficiencies. It should also implement a comprehensive performance management system so that it can use data and information to drive every decision made in the organization. This effort should start with the performance based budgeting initiative currently underway in the City.

Central Administration Initiatives	
CA01	Align Administrative Staffing with Comparable Districts
CA02	Consider Outsourcing Administration Functions
CA03	Implement a Performance Management System
CA04	Initiate a Comprehensive Personnel/Human Resources Review
CA05	Implement a Modern ERP/Financial/Procurement Technology Software System
CA06	Make Organizational Design Improvements
CA07	Organize and Implement a Productivity Bank

Purchasing. The School Department operates a purchasing function in concert with the City of Springfield's Purchasing Department. Though SPS has little control over the overall purchasing process for schools, it has worked diligently over the past several years to create a procurement process that has excellent financial controls and that has clear policies and procedures.

Opportunities for the Purchasing Department revolve primarily around two areas: technological improvements to the systems used in purchasing and process redesign of the steps used to procure goods and services for schools. The City and the School Department should install a modern financial system with purchase order requisitioning functionality that can be used to better track organizational spending and to streamline the purchasing process and reduce the time required to procure goods and services. The existing requisition process should be redesigned to be more timely and less labor intensive to complete including putting online the completion and submission of the VA17 that is required to make every school system purchase.

To increase the efficiency of the organization and drive price efficiency, SPS should incorporate the use of performance data (price and customer satisfaction) to make decisions about how to improve the function. Cooperative purchasing should be used, particularly in the area of professional services. Doing so can save over $75,000 per year. Also, the City and the Department should evaluate the need for vendor contracts for purchases between $5,000 and $24,999. Currently the City requires these contracts despite the fact that they are not required under Chapter 30B.

Purchasing Initiatives	
PS01	Develop Outcome Based Performance and Price Measures for Purchasing Function
PS02	Establish a Price Comparison Measurement System
PS03	Redesign Procurement Processes
PS04	Automate the Purchasing Process
PS05	Reduce Time Required to Complete Requisition and Contracting Process
PS06	Assess Customer Satisfaction with Procurement Function
PS07	Implement Enhanced Cooperative Purchasing
PS08	Evaluate Bidding and Bonding Levels for Purchasing

Facilities Maintenance. The newly created Facilities Division is making great strides in improving the maintenance and management of school facilities through the implementation of a work order tracking system since it was formed in December 2004. The Division should continue to improve the work order tracking system to include preventative maintenance, the maintenance responsibilities of custodians, and the schools' kitchen equipment.

The first reports that the system produced indicate that the Division is far from meeting its performance goals, but is working to reduce a large backlog of deferred maintenance requests. Over $4 million in facilities maintenance improvements are planned in the current year and the next and improvements are being made with existing in-house staff and with outsourced tradespeople. The Division is working to develop standardized reports that will draw on information in the new work order system. The Division should analyze these reports to determine areas where preventative maintenance should be emphasized and to ascertain the right mix of in-house (currently 18) and outsourced tradespeople.

There are currently no policies and procedures for custodians. Additionally, the Department of Parks, Buildings and Recreation has recently begun a review of custodians and has found that employees are averaging 13 days of sick time, even though the year is only 75 percent complete. Staff performing "spot checks" at schools are finding that, in some cases, custodians are not performing their work. The custodial function demands attention, and one solution could be outsourcing. Additional services that the Department should consider outsourcing include facilities management, lawn and field care as a way to improve service and decrease costs.

Springfield should develop a Comprehensive Energy Conservation Program to reduce energy costs. The Facilities Division has already initiated contracts with Western Massachusetts Electric to retrofit fixtures in some buildings and is working with a consultant to review energy costs. Additionally, the Division is developing a RFP for a firm to manage its environmental controls. Taking a comprehensive look at energy usage, implementing energy conservation methods, and continuing to monitor energy usage can help Springfield to reduce its energy costs.

A consistent policy must be developed regarding the use of school facilities by outside groups and a new system to charge those groups should be implemented. Under current practice, groups are typically charged $20 an hour for the use of a building outside of regular building hours plus the time that custodians spend cleaning after the groups leave. However, fees are often waived. A fee schedule should be developed for each type of facility (classrooms, cafeterias, etc.) and fees should at least cover the cost of the use of the faculties including custodial time and energy

costs. Fees should be consistently charged to all groups, unless they are waived through a formal process.

Facilities Maintenance Initiatives	
FM01	Outsource the Custodial Function
FM02	Consider Outsourcing the Facilities Management Functions
FM03	Consider Outsourcing Lawn and Field Care and Snow Plowing
FM04	Establish a Clear Reporting Authority for Custodians
FM05	Determine the Right Mix of In-House and Outsourced Tradespeople Through the Implementation of Performance Measures
FM06	Implement Quarterly Reports
FM07	Continue Development of the Work Order Tracking System
FM08	Make Maintenance and Repair of Kitchen Equipment a Facilities Maintenance Function
FM09	Implement Time Clocks
FM10	Develop Policies and Procedures for Custodians
FM11	Implement a Comprehensive Energy Conservation Program
FM12	Increase Collection of Permit Fees
FM13	Centralize the Scheduling of School Buildings and Fields
FM14	Implement an Asset Tracking System
FM15	Implement a Vandalism Billing System
FM16	Allow Staff to Perform Tasks Outside of Their Primary Function
FM17	Develop a Comprehensive Security Plan
FM18	Limit Sick Leave Usage by Custodians

Transportation. Transportation expenses will decrease over the next few years through the implementation of the Boundary Plan. In addition to a reduction in regular transportation costs, this will allow the School Department to reduce the use of the Pioneer Valley Transit Authority to transport high school students and to decrease the number of bus monitors.

The Transportation Department should improve its record keeping function and produce monthly performance reports to show the number of students transported, the cost of transportation, and the number and cause of late buses. While schools report late buses to the Transportation Department, this process should be strengthened to ensure that the Department is aware of all late buses so that it can charge the vendor for late buses when appropriate. Additionally, the Department should have a system in place to track the approval of house stop and its verification process and to be able to report on the number and reason for the denial of house stops. SPS should insist that the PVTA implement a system to track the number of students that use that service. Finally, SPS should consider the installation of a GPS system in all vehicles.

Transportation Initiatives	
TR01	Implement Market Based Revenue Opportunities
TR02	Implement Monthly Reports
TR03	Pay the PVTA for the Students that Actually Use the Service
TR04	Improve Contract Management
TR05	Continue to Limit the Number of House Stops
TR06	Reduce the Number of Bus Monitors
TR07	Consider the Implementation of GPS on School Buses

Telecommunications. The Springfield School Department has a strong telecommunications program in certain respects. The Department has provided internet connection and networking capacity in nearly every school. The Department has an impressive database management system integrating student historical personal and performance data, human resources data, and scheduling among other things.

The School Department should build on its impressive telecommunication and database systems to make meaningful information available to department leadership, administrators, principals, and other appropriate personnel on a wide range of other important matters. Meaningful data and reports for a wide range of relevant administrators are lacking in the areas of financial management, transportation, purchasing, and special education. The Department is taking certain steps to begin making reports on these topics available. Greater emphasis should be given to bringing data management and reporting in these weak areas to the high level that has been achieved in student performance and human resources data.

The School Department technology program has many skilled senior managers. However, the program lacks direction, coordination and leadership. The City's new chief information officer should be named to coordinate activities both within the School Department and with the City. This individual could coordinate with and lead the School Department's senior managers in the integration and expansion of the Department's technology plan. This considerable effort requires centralized leadership to help the School Department prioritize among competing, important goals in this period of fiscal challenge.

Telecommunications Initiatives	
TC01	Assign City CIO to Coordinate School Department Technology Activities
TC02	Develop Integrated Technology Management Plan
TC03	Develop and Expand Database Systems
TC04	Subcontract School Department's Expertise in Erate Program
TC05	Use Leases to Acquire Technology Equipment
TC06	Develop Cellular Phone Use Policy
TC07	Broaden and Enforce Landline Telephone Use Policy
TC08	Develop Telecommunications Infrastructure
TC09	Seek Alternative Means of Funding Technology Investments
TC10	Assist Food Services Program to Expand Use of Swipe Cards
TC11	Enhance Asset Tracking System

Food Services. The Springfield School Department could garner significant service and financial benefits from making major changes to its food service program. The Food Services Program (FSP) and the School Department should seek to make the Food Services Program a "stand-alone" operation, while striving to meet "best practices" standards for school food services programs. Such best practices improve efficiency as well as create opportunities for a food services program to share information with students and families about nutrition and healthy eating.

These are achievable goals for the Springfield School Department if the SFP is managed as an independent entity and its managers operate the program on the assumption that School Department funding is not available. The 22 initiatives presented in this report offer specific recommended changes to the Springfield School Department's food services program. The recommended changes could increase revenues for the food services program and reduce costs. The net effect of these changes would be a net improvement to the bottom line of the food services program. Just as importantly, the School Department budget, separate from the food service budget, could have a net increase of as much as $6 million over five years due to the allocation of appropriate indirect costs and overhead to the Food Services Program. In essence this funding could be reallocated to other School Department purposes, or the School Department budget could be reduced.

Among the recommendations (FS01), the Springfield School Department should consider outsourcing its food services program. All aspects of the program could be outsourced; or, the program's management could be outsourced. This would likely yield significant cost savings and lead to increased revenues in the food services fund.

Food Services Initiatives	
FS01	Outsource the Food Services Function
FS02	Outsource Management of Food Services Program
FS03	Increase Enrollment of Eligible Students for Free and Reduced Price Meals
FS04	Increase Participation of Eligible Students in School Meals
FS05	Raise Meal Prices
FS06	Maximize Appropriate Cost Allocation to Food Services Fund
FS07	Develop and Monitor Monthly Profit and Loss Statements
FS08	Develop a Strategic Plan and Implement Performance Measurement System
FS09	Align Administrative Staffing with Comparable Communities
FS10	Align Cafeteria Workforce with Recommended State Levels
FS11	Implement Time Clock System
FS12	Improve Use of Technology
FS13	Improve Inventory Control System
FS14	Simplify Purchasing Process
FS15	Transfer Responsibility for Maintenance of Kitchen Equipment to Facilities Maintenance Dept
FS16	Implement an Equipment Replacement Plan
FS17	Implement an Asset Tracking System
FS18	Develop System for Customer Feedback on Food Services
FS19	Implement Employee Performance Reviews & Employee Development Programs
FS20	Develop and Enforce School Department Vending Machine Policy
FS21	Audit All Cash Functions of the Food Service Program
FS22	Develop More Formal Communication Between Local Health Inspectors and FSP

Special Education. The administration of Special Education services is costly. Though it appears that Special Education Department has made efficient use of at least some of its resources, it is difficult to know for sure because Springfield has yet to establish a systematic method of tracking and monitoring student placements and service provisions in "real time." Information on student enrollment, placements, service provisions and resources necessary to support Special Education programming are not tracked on a per student basis. Gross or average estimates currently provided are insufficient because of the variability of student needs (and therefore resources) that present from year to year. Nor is data collected on student academic success while enrolled in the Springfield Special Education Department. In the absence of a fully implemented system to monitor program costs and the impact services are having on students enrolled in Special Education, it is impossible to say what decisions Springfield could make to receive potential savings related to its programs, while at the same time ensuring that the Department is delivering an effective, appropriate and high quality education to its Special Education students.

Coordination of information between the Finance Office and the Special Education Department is limited by the lack of a system-wide database. As a result, accurate expense reports are not available. Discrepancies associated with costly out-of-district placements that consume over $16 million of the Department's operating budget are especially notable. Furthermore, complete government and Medicaid reimbursements and outside agency cost-sharing opportunities are not tracked in detail. Without a careful system of documenting all expenses and financial agreements, it is impossible to declare with certainty whether associated cost benefits are fully realized by the Department. Careful monitoring of all expenditures and possible revenues, even in light of constantly changing student enrollment, student placements, service provisions, -- as well as continual changes in federal and state reimbursement regulations --is critical.

Springfield should re-examine the roles and responsibilities of key members of the Special Education Department to identify why current service gaps exist. Many of these gaps are linked to record maintenance, monitoring the delivery of services, student evaluations and annual meetings for Special Education programming. Excessive Evaluation Team Leader (ETL) case loads have limited necessary oversight and resulted in Department non-compliance with state and federal regulations. The timely and proper implementation of Special Education programming has a direct impact on the quality of services provided. The quality of services, in turn, influences the level of intensity of support needed and the associated costs of special programming.

Foremost, Springfield should employ a district-wide system for tracking student placements, services and related expenditures that includes monitoring of program quality and effectiveness. This will enable meaningful analyses of programs, services and resource allocations to ensure that the Department is efficiently and effectively meeting student needs within the Springfield Public Schools as well as in comparison to other districts administering Special Education services to similar student populations.

Special Education Initiatives	
SE01	Track and Monitor Student Information, Service Provisions, and Placements in "Real Time"
SE02	Conduct Regular Analyses of Staffing, Programs, and Associated Expenditures
SE03	Ensure Accurate and Complete Reimbursements from State and Federal Agencies
SE04	Provide Sufficient Staff to Accurately Identify Student Needs and Ensure Compliance with Federal and State Regulations

II. INTRODUCTION

INTRODUCTION AND METHODOLOGY

INTRODUCTION AND METHODOLOGY

Introduction
Public Financial Management was engaged by the Springfield Finance Control Board ("Control Board" or "SFCB") in March 2005 to provide a comprehensive assessment of the operational and capital needs of the Springfield Public Schools. PFM's work was split into three components, an Operational Assessment of seven areas of the School Department, a Capital Needs Assessment, and the development of a Capital Improvement Plan. PFM began work on this engagement on March 16, 2005 with work focused on the Operational Assessment.

Scope of Services for Operational Assessment
PFM's scope of services for the Operational Assessment is drawn from the Control Board's Request for Proposals.

"… the selected Respondent will apply a combination of financial and operational analysis, benchmarking/comparability analysis, interviews with management and staff, and best-practice application. The goal of the analysis is not an assessment of how educators educate, but instead an assessment of how financial resources could be more efficiently applied, either to support the City's overall fiscal stability, to free additional resources to support additional educational operating or capital improvements, or both. Areas to be covered in the assessment include but are not limited to:

- *Facility maintenance;*
- *Food services, including review of service contracts;*
- *Transportation, including review of service contracts;*
- *Telecommunications management (e.g., cell phones, pagers);*
- *Purchasing and inventory management;*
- *Administrative operations, including spending, staffing, and organizational structure;*
- *Proper integration of the operating and capital budgets;*
- *Special education services.*

In all appropriate cases, the Assessment will include comparisons to third-party standards or to other school districts, and the identification of alternative service provision methods …".

Springfield Finance Control Board
In July 2004, in response to severe fiscal pressures facing the City of Springfield, the Commonwealth of Massachusetts established the SFCB. The SFCB is comprised of three gubernatorial appointees, the mayor of Springfield and the president of the Springfield City Council. In addition to other broad authority, appropriations and personnel actions by the City require the approval of the SFCB.

Under the statute, the SFCB shall initiate and assure the implementation of appropriate measures to secure the financial stability of the City. This Operation Assessment of seven areas of the

School Department is part of the SFCB's efforts to secure the financial stability of the City by seeking more efficient operations of City departments.

Methodology
PFM and its partners (see below) used several steps in developing this Operational Assessment. They are described below.

Interviews. PFM interviewed many School Department and City employees with a wide range of job functions. Some employees were interviewed several times. The goal of these meetings was to gain a detailed understanding of the organization and processes used by the functional areas covered in this Operational Assessment. A list of interviewees can be found at the end of this chapter.

School Department and City Records. PFM made extensive requests for School Department and City records and data relevant to the study. These requests were initially in large, written requests and subsequently in informal requests for individual documents and files. School Department and City employees were able to fulfill many, but not all of our requests for data and other information.

Information From Other School Districts. PFM conducted phone interviews with personnel from other school districts with job responsible in certain of the seven areas of this study

Industry Reference Data and Other External Assessment of the School Department.
PFM drew on multiple sources of industry data as part of its analysis. Several of these are listed below. PFM also reviewed several items provided by the Finance Control Board at the beginning of the study. These are listed below.

- Chapter 30B Audit by the Abraham Group, currently due February 1, 2005.
- Mass Mutual Findings and Recommendations dated July 21, 2004.
- Mass Mutual Technology Report, completed 2003.
- School Lunch Audit by the Rochelle Group, currently due March 1, 2005.
- School District Examination Report by Office of Educational Quality and Accountability dated Sept. 2004.
- Payroll Automation RFP, proposal due January 18, 2005.
- Draft School Capital Projects and Deferred Maintenance Report due February 2005.

PFM's Partners for this Engagement
PFM complemented its staff expertise with the expertise of two sub-consultants. Mr. Ben Rayer assisted PFM in the evaluation of the School Department's Central Administration function and its Purchasing function. Mr. Rayer operates a school focused management consulting firm and has over 15 years working in and around public schools. Prior to establishing the firm in 2004, Mr. Rayer worked for the Broad Foundation on its urban education reform work. He previously was a project manager with PFM's strategic consulting group, a Special Assistant to the Superintendent of the Philadelphia School District, and an elementary school teacher in Long Beach, CA.

SchoolWorks assisted PFM with the Special Education portion of this assessment. SchoolWorks is an education consulting company with expertise in systems, tools and professional development related to assessing the quality of education and planning for its improvement. Since its founding, SchoolWorks has worked with over 500 schools and school districts to design and implement school accountability systems, school quality reviews and improvement systems to help educators make informed choices using data about their performance and the performance of their students.

Chapter Organization
This Operational Needs Assessment is organized into nine chapters. After the Executive Summary and this Introduction, the Assessment begins with an overview of Comparable Cities. This overview provides baseline comparisons between Springfield and several cities in Massachusetts and New England. These comparisons become more specific in each of the report's chapter.

This is followed by a chapter addressing each of seven areas of the School Department that were evaluated by PFM and its partners (Facilities Maintenance, Transportation, Central Administration, Purchasing, Telecommunications, Food Service, and Special Education).

Each chapter is organized similarly, with modest differences among the chapters as required by the particular characteristics of the functions. Generally, the chapters are organized as follows:

- Mission
- Objectives
- Description of Department/Function, including current efforts and challenges
- Major Organizational Units
- Organizational Chart
- Best Practices
- Best Practice Gap Analysis
- Initiatives

INITIATIVES

The Initiatives section of each chapter follows a common pattern. Each initiative is labeled and numbered within the chapter. A summary chart at the beginning of each initiative provides several reference points. A sample is provided below along with a description of each item.

FM15 Implement a Vandalism Billing System

Prioritization:	Intermediate-t	**Required Approval:**	Management
Rev/Exp:	Rev	**5 Year Fiscal Impact:**	$22,500

Prioritization
PFM offers a recommended time period for the School Department, in conjunction with the Finance Control Board and the City, to take action on each initiative. The time period recommended uses the acceptance of this report in final form by the Springfield Finance Control Board as the starting reference point. We have used the following time period categories:

- Immediate (School Department should take action within four to eight weeks);
- Short-term (School Department should take action within two to six months);
- Intermediate (School Department should take action within six to twelve months).

Revenue/Expenditure
In this report, "Rev" indicates that an initiative will impact School Department revenues, either with an increase or a decrease. "Exp" indicates that an initiative will impact School Department expenditures, either with and increase or a decrease. If an initiative does not have an impact on revenues or expenditures, "n/a" is used.

Approvals Required
For each initiative, we have indicated our understanding of the approvals that would be required for the implementation of the initiative. They are listed below with the abbreviation we have in our summaries.

- School Department Management
- Union
- Local (Springfield School Committee and/or City Council)
- State Government
- Federal Government
- Other

In addition, under the state statute that created the Springfield Finance Control Board, the Finance Control Board has approval authority over hiring, spending and organizational changes.

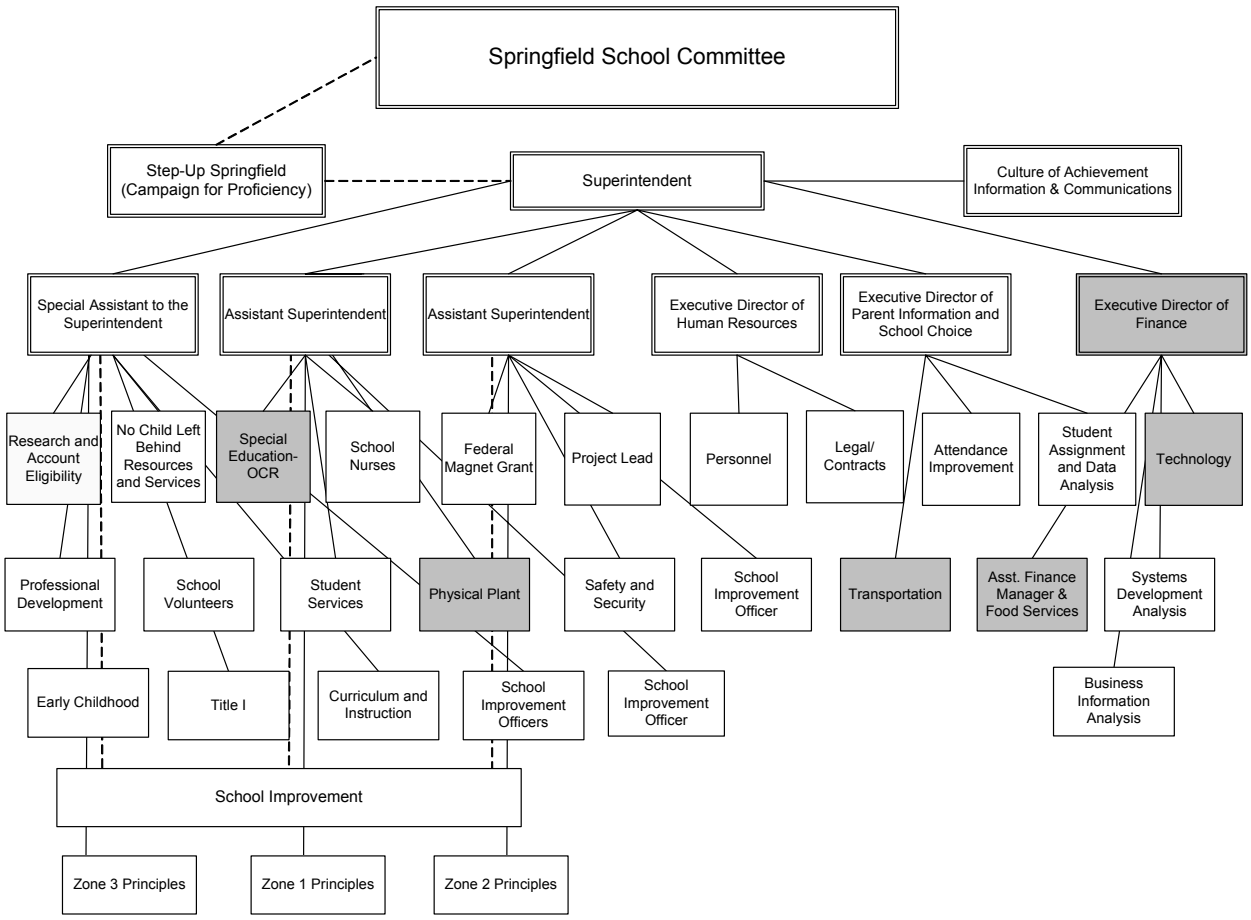
5 Year Fiscal Impact

The estimates of changes in the revenues and expenditures of the initiatives in this report are based on available information from the School Department, our experience with other jurisdictions, and general industry indicators. These estimates are not guaranteed; rather, they are provided to indicate the possible results from the implementation of each initiative. Actual results will vary, depending on circumstances at the time of implementation.

School Department Organization

As a starting point for understanding this Operational Assessment, we have recreated below the School Department's organizational chart. PFM was asked to examine the seven areas listed earlier and marked in gray on the organizational chart; six of these are marked in gray on the chart. The other is administration. Purchasing is under the Executive Director of Finance.

Springfield Public Schools Organizational Chart



Note: This replicates the organizational chart provided by SPS, with names and phone numbers removed.

INTERVIEW LIST

Finance Control Board

- David Panagore

School Department

School Administration and Purchasing

- Daniel Warwick, Assistant Superintendent
- Carey Sheehan, Executive Director
- Tom Mazza, Assistant Finance Director
- Ed Corbin, Chief Procurement Officer of the
- Tammy Teft, Budget Analyst

Facilities Maintenance

- Pat Sullivan, Director of Parks, Buildings and Recreation
- Shaun Phelan, Interim Deputy Director of Buildings
- Jim Sullivan, Supervisor of Custodians and Maintenance
- Jim Bresciani, Support Specialist

Special Education

- Dr. Joanne Calabrese, Special Education Supervisor
- Sandra Hill, Executive Officer of Special Education
- John Slasinski, Special Education Supervisor
- Enrique Figuerdo, Executive Director of the Parent Information Center (PIC) and School Choice
- William Fiore, PIC Supervisor/elementary

Transportation

- John Maloney, Special Assistant
- Maria D'Angelantonio, Administrative Assistant

Food Service

- Ella Holman, Assistant Food Service Director
- Sarah A. Smith, Lunch Accountability Specialist

- Deborah A. Matthew, Lunch Accountability Specialist
- Ralph Carrano, Specialist
- Helen Coulombe, Delivery Person/Office Assistant
- Janice A. Moses, Project Facilitator
- Maria Raschilla, Office Assistant
- Janis Riley, Principal Clerk

Telecommunications

- Robert Howell, District Technology Manager
- John Manzi, Chief Administrator of IT, Research and Innovation
- Christine Gomes Senior Administrator for Student Information Services

City of Springfield

- Mary Tzambazakis, Chief Financial Officer

COMPARABLE CITIES

OVERVIEW OF COMPARABLE DISTRICTS

Background

PFM undertook an overview analysis of school districts comparable to Springfield as part of this operational assessment. Districts, both within the Commonwealth of Massachusetts and outside the state, were determined to be appropriate comparisons for the Springfield School Department for the following characteristics:

- Size of community and school district;
- Demographic composition of community and school district;
- Academic achievement of students in the school district;
- Geographic area; and
- Percentages of low income, English as a second language and special education students enrolled in the school district.

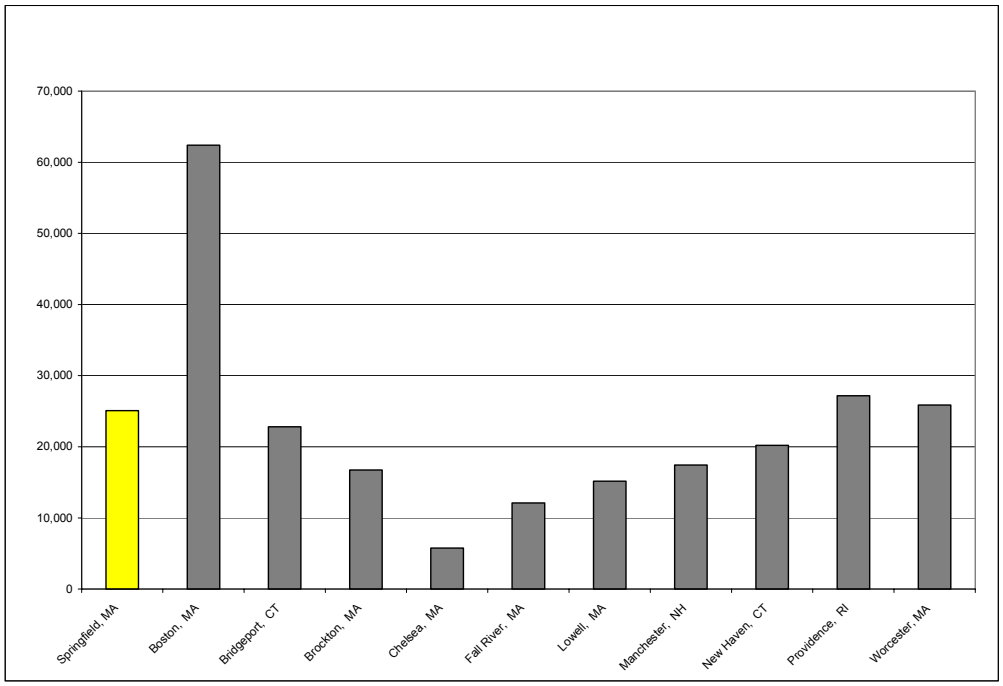
All of the schools chosen are in New England, and provide a basis for comparison of per pupil spending on transportation and food service, as well as the number and cost of school administration. The experience of these departments is used throughout this report to provide best practices and new initiatives for Springfield. In some instances, however, it was constructive to reach outside of these comparable districts and gather information from individual districts that were delivering services in a unique way.

Data for this report was gathered from three primary sources: the National Center for Education Statistics (NCES), the 2000 Census, and www.schoolmatters.com, a new national education evaluation service developed by the Education Commission on the States, the Standard & Poor's Company, the Bill and Melinda Gates Foundation and the Broad Foundation. All analysis was completed with the most current information available for each of the comparable school districts.

Population and Enrollment

At just over 25,000 students, the SPS is one of the larger comparison districts and the second largest school system in the Commonwealth of Massachusetts, after Boston. Some of the surrounding community districts are smaller in size but they are included for comparison purposes because of their close geographic proximity and their comparable socio-economic composition to Springfield. The data used for this comparison is from 2002.

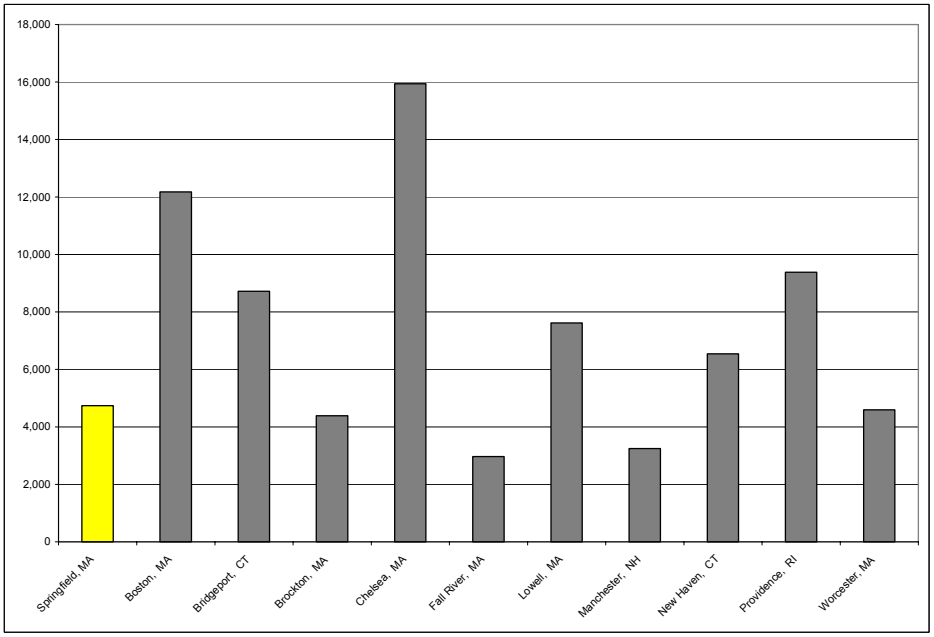
Number of Students



Source: www.schoolmatters.com

Using population density data from the 2000 Census, Springfield ranks seventh of the eleven comparable districts in total population per square mile for the districts researched at 4,737.8. This is lower than the comparable average of 7,557.1, although this is skewed higher by Boston and Chelsea.

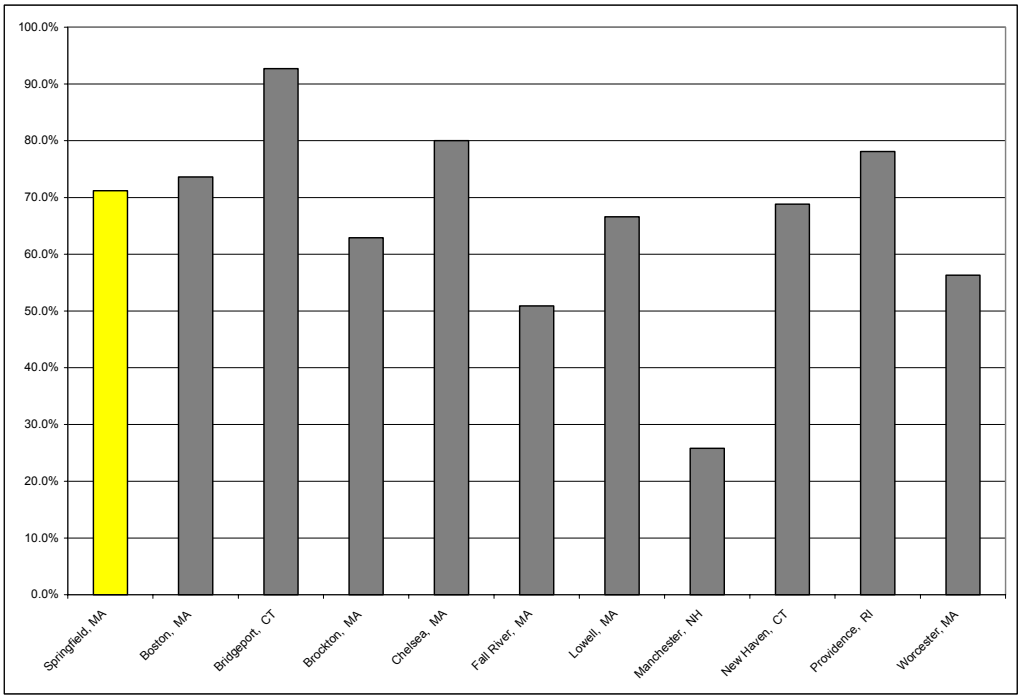
Population Density (Per Square Mile)



Source: 2000 Census

Each of the districts serves a student population that is economically disadvantaged. Note, however, that state criteria used to determine a student's economically disadvantaged status may vary. The percent of students from low-income families is an important indicator in the overall analysis of a school system due to the strong relationship between household income and student achievement. In 2003, 71.2 percent of the Springfield School District's students were classified as economically disadvantaged.

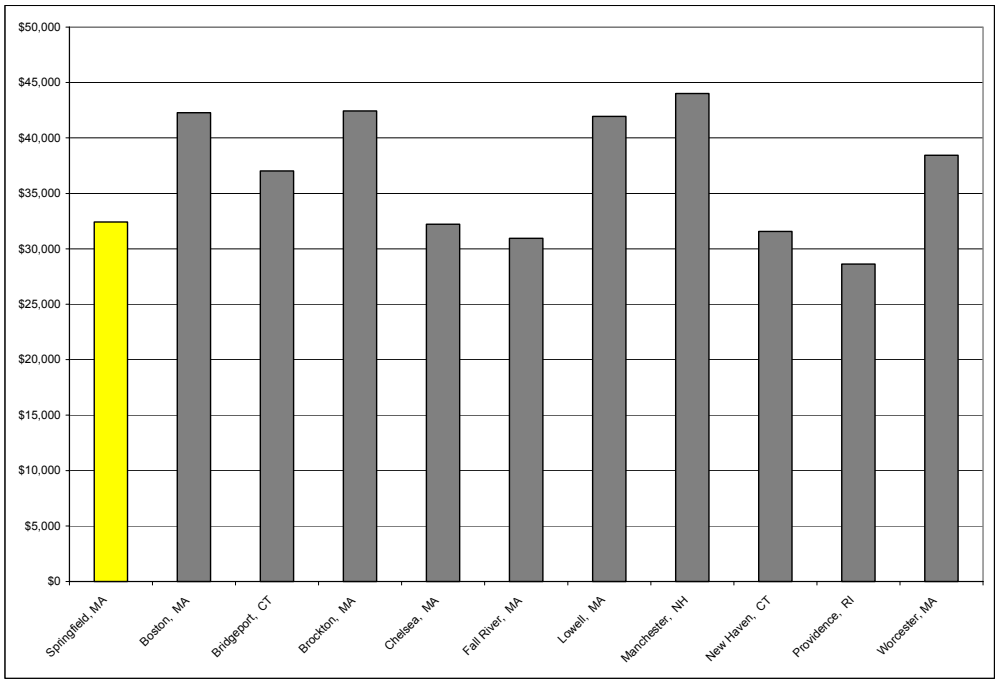
Percent of Economically Disadvantaged Students



Source: www.schoolmatters.com

In 2004, Springfield ranked seventh of eleven in terms of median income at $32,429, $4,517 less than the overall average and $5,613 less than the average of the other six Massachusetts states evaluated. This is further evidence of the fact that Springfield provides educational services to a more disadvantaged student population.

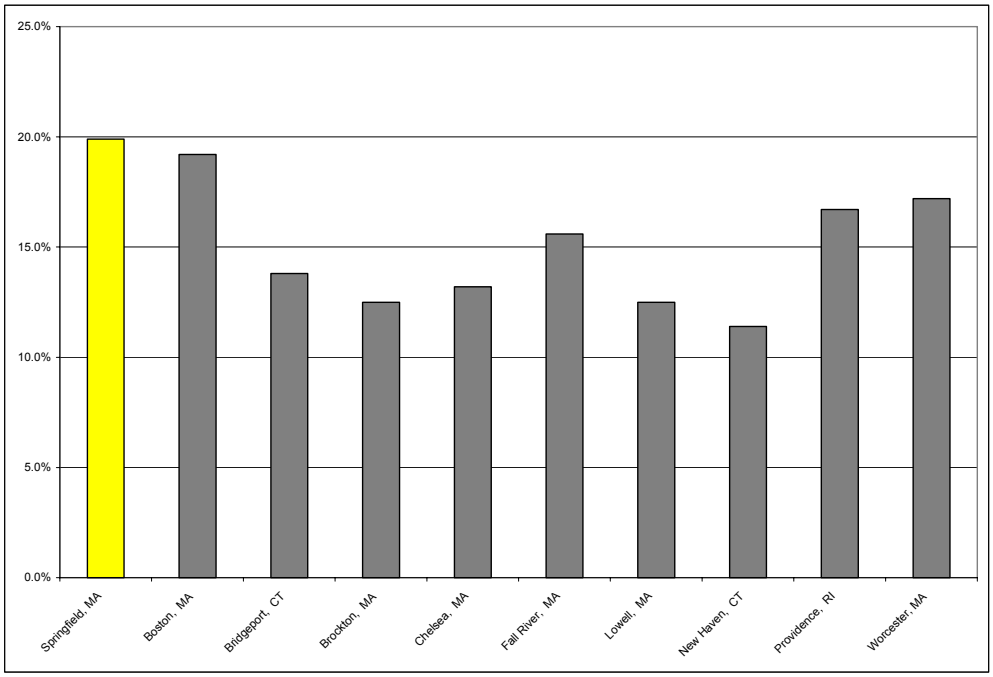
Median Income



Source: www.schoolmatters.com

Of the school districts for which data was gathered, Springfield has the largest enrollment of students using special education services, 19.9 percent. This figure is 5.2 percentage points higher than the average of the districts reviewed. It is reasonable to assume from this data that Springfield should have a proportionally larger expenditure on services related to special education. All data is from 2003. This data represents students with mental retardation, hearing impairments (including deafness), speech or language impairments, visual impairments (including blindness), serious emotional disturbance, orthopedic impairments, autism, traumatic brain injury, other heath impairments, or specific learning disabilities; and who, because of the disability, need special education and related services. No data was available for the Manchester, NH school district.

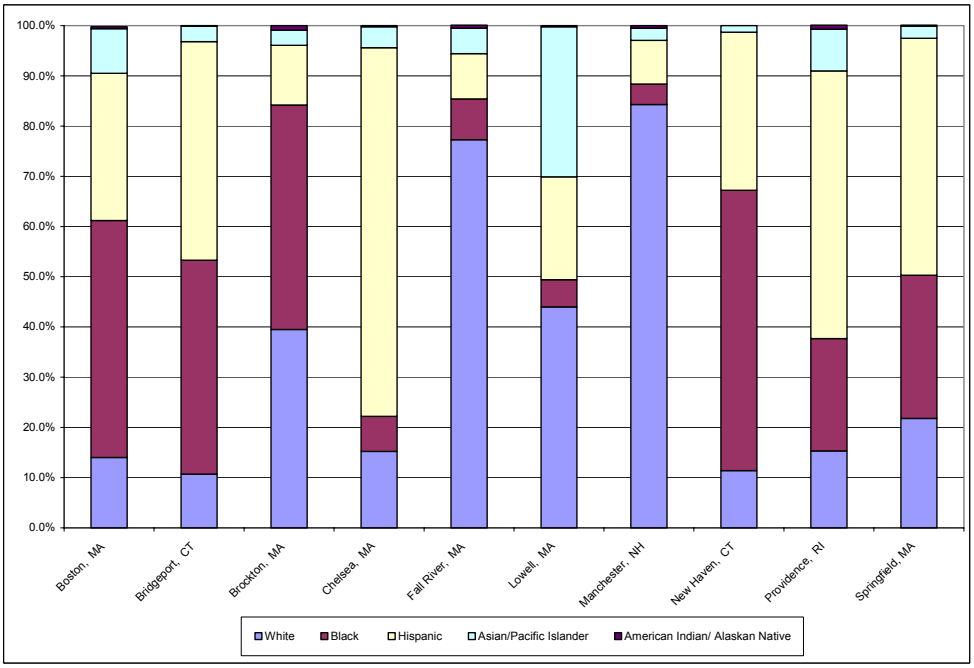
Percentage of Students Using Special Education Services



Source: www.schoolmatters.com

Of the cities in this analysis, Springfield has the third highest Hispanic population at 47.2 percent, 26.2 percent less than Chelsea, the city with the highest percentage at 73.4 percent. This data is from 2003.

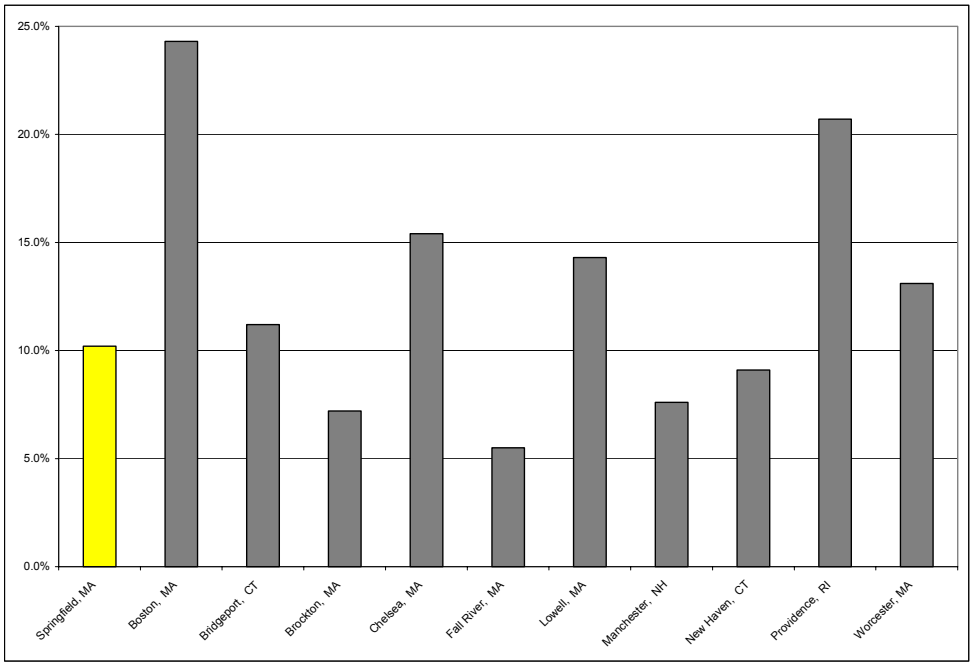
Student Demographics



Source: www.schoolmatters.com

In 2003, 10.2 percent of Springfield's students were English Language Learners. School Matters defines English Language Learners as students who need language assistance services because English is not their first language. English Language Learners (ELL) students may be immigrants or children born in the United States. These students typically participate in instructional programs, such as bilingual education or English as a Second Language (ESL). Springfield's figure is 2.6 percentage points below the average of the comparables of 12.8 percent. Boston and Providence are the districts with the highest percentages, 24.3 percent and 20.7 percent, respectively.

Percent of Students Who are English Language Learners

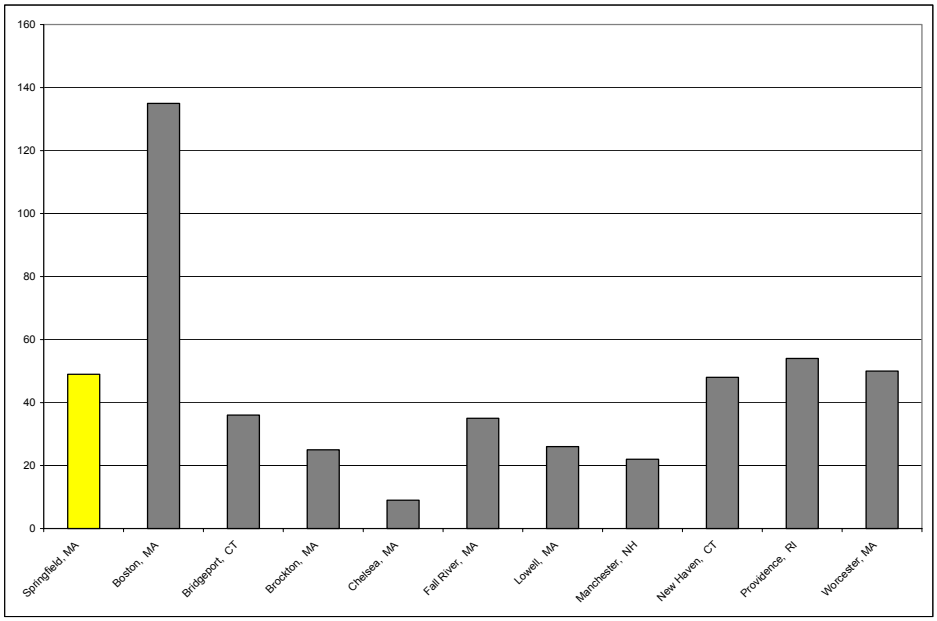


Source: www.schoolmatters.com

School Facilities

With 49 schools, Springfield has the fourth highest number of schools of the districts evaluated. NCES 2002-2003 data was used for this comparison.

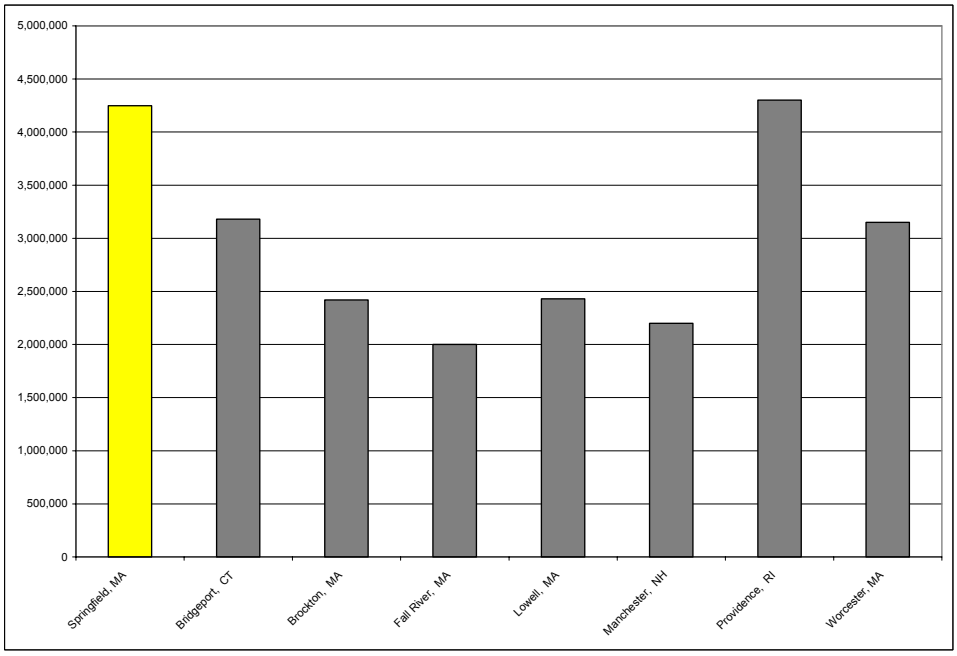
Number of Schools



Source: www.nces.ed.gov

In terms of gross square footage, Springfield is the second largest district studied with a total of 4,247,733 square feet. Providence was the largest with an estimated gross square footage of 4,300,000. Data for this comparison was provided by the individual school districts during spring 2005. In the case of Fall River, Manchester, Providence, and Worcester, estimates provided by the respective districts were used. Boston, New Haven, and Chelsea were not included as comparable data was unavailable at the time of collection.

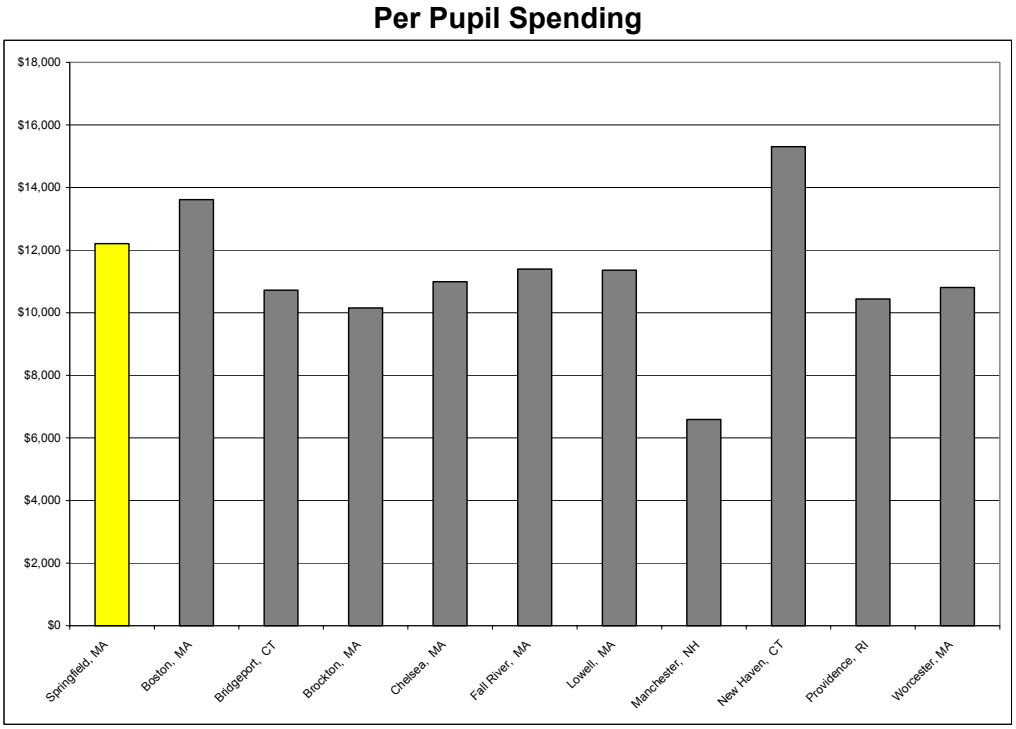
Total Square Footage of School Facilities



Source: School Districts

School Spending and Staffing

Springfield spent a total of approximately $12,207 per student in 2003. This is the sum of operating, capital, and non-K-12 expenditures, and also includes interest expenses related to debt and payments to other governments. Springfield's spending is $1,071 higher than the average of $11,136 for the comparable districts.

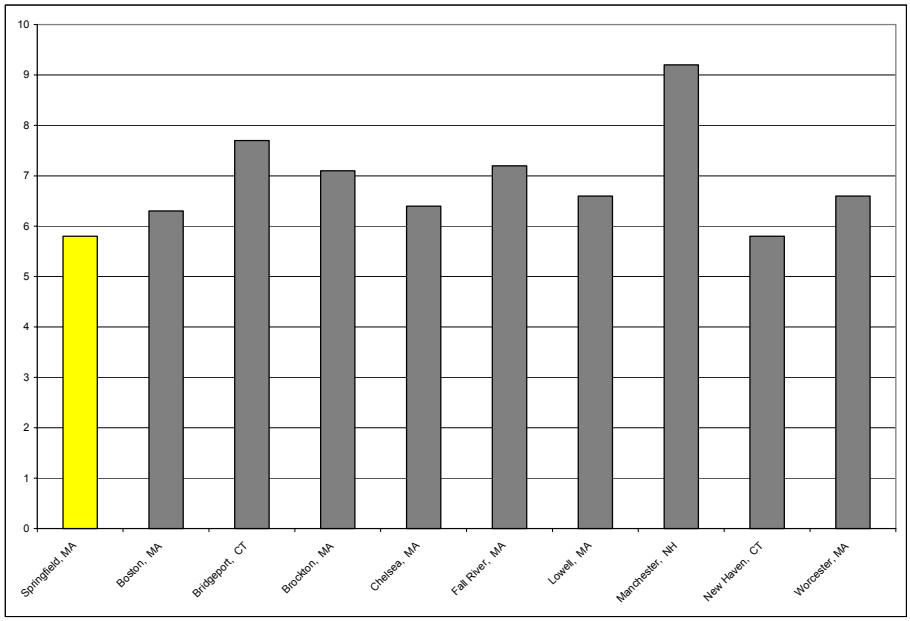


Source: www.schoolmatters.com

The next two charts compare the staffing levels of each of the comparison districts in relation to the number of students they serve per teacher and per staff member of the districts. A higher ratio indicates that a district serves more students per employee. Data from 2003 was used for this comparison. Providence, RI was not used for this comparison.

Springfield's ratio of 5.8 students per staff member was tied with New Haven for the lowest ratio comparable districts, and was 1.19 less than average ratio of 6.99. School Matters recommends the use of student-staff ratios over student-teacher ratios because of discrepancies in collection, especially in the given the large number of teachers who have non-classroom assignments.

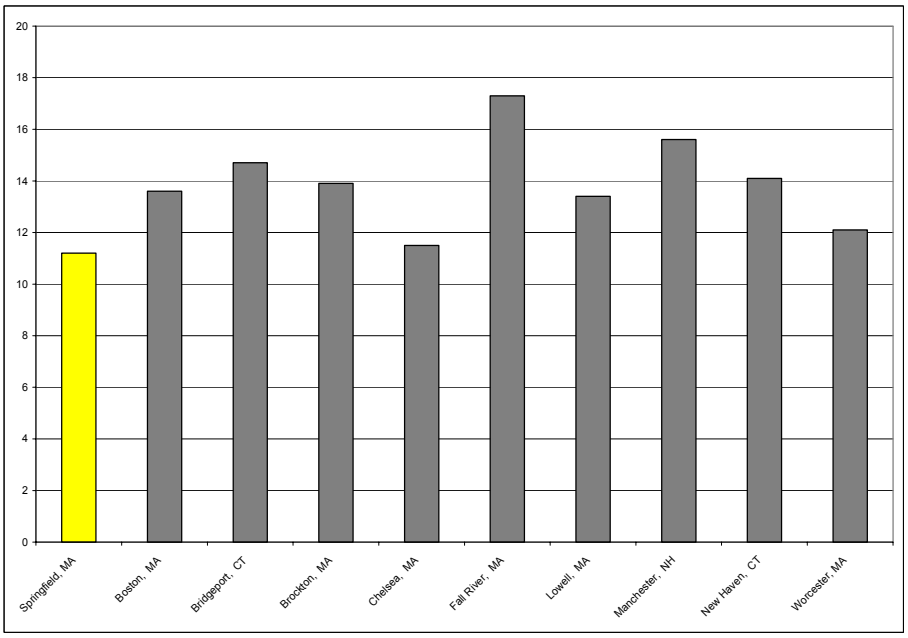
Ratio of Students to Total Staff



Source: www.schoolmatters.com

This chart illustrates the ratio of Students to teachers. Springfield's ratio of 11.2 students for every teacher is the lowest among the districts for which data was available. Springfield is 2.8 students below the comparable average of 14 students per teacher.

Ratio of Students to Teachers

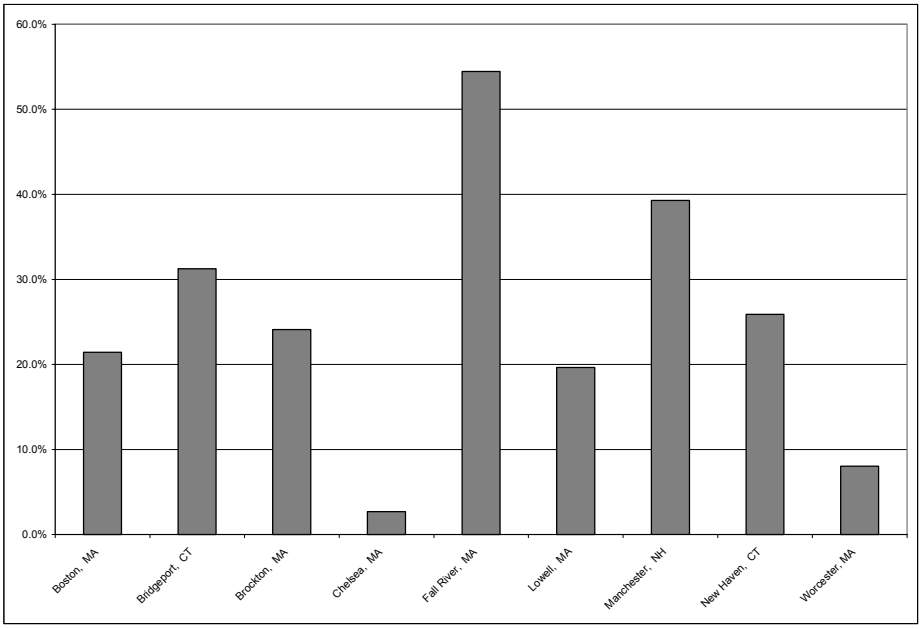


Source: www.schoolmatters.com

In 2003, SPS is staffed at higher levels (and thus has lower student to teacher and staff member ratios) than nearly all of the comparison districts. In fact, at 11.2 students per teacher, the SPS is 25.2 percent less efficient in serving its students than the average of all the comparison districts. For Massachusetts Districts, the results are only slightly more favorable for the SPS (21.73 percent less efficient). Evaluating student per staff member ratios, the SPS, which has a ratio of 5.8 students per staff member, is 23.06 percent less efficient than the average of all the Districts and 15.52 percent less efficient than the other Massachusetts Districts. In fact, the following charts indicate that nearly all of the comparable Districts are more efficient in serving their students than the SPS.

This chart illustrates the percentage difference between Springfield's student teacher ratio and the ratio of the eight available comparable districts.

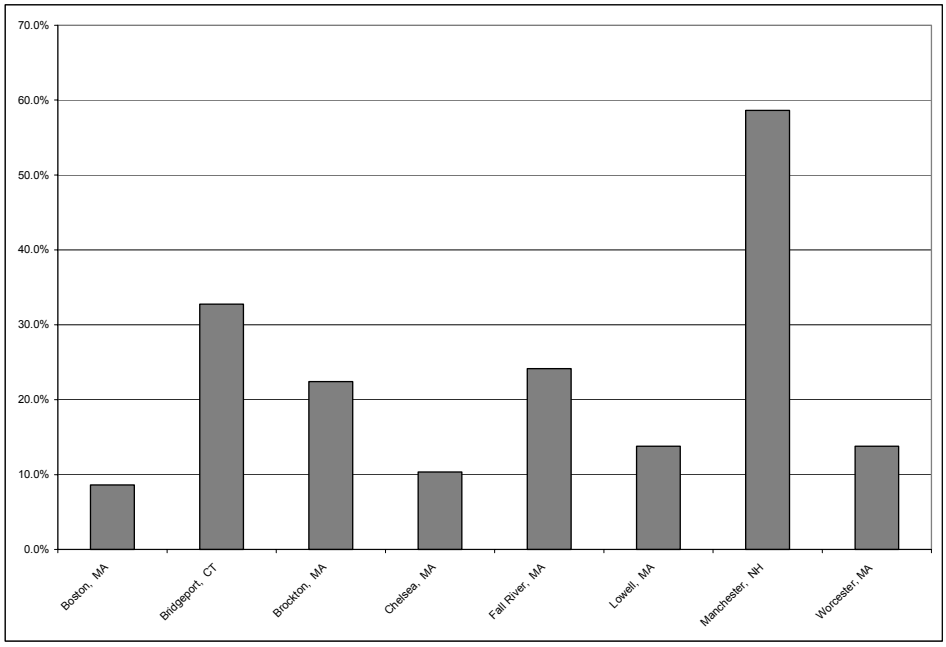
Percentage Difference from Springfield's Students to Teacher Ratio



Source: www.schoolmatters.com

This next chart shows the percentage difference between Springfield's students per total staff ratio and the ratio of the eight available comparable districts. Manchester had the highest at 58.62 percent and Boston the lowest at 8.62 percent.

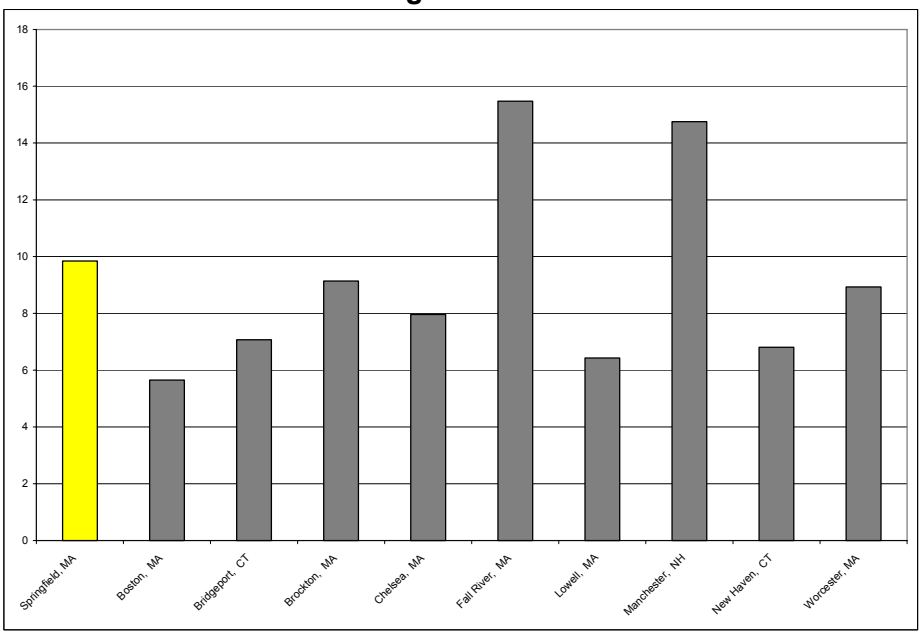
Percentage Difference from Springfield's Students Per Total Number of Staff Ratio



Source: www.schoolmatters.com

Springfield ranks third of the eleven districts researched for the ratio of Teaching Staff to Administrative staff, with a ratio of 9.84. This figure is only 0.71 higher than the average of 9.13. No data was available for Providence, RI.

Ratio of Teaching to Administrative Staff



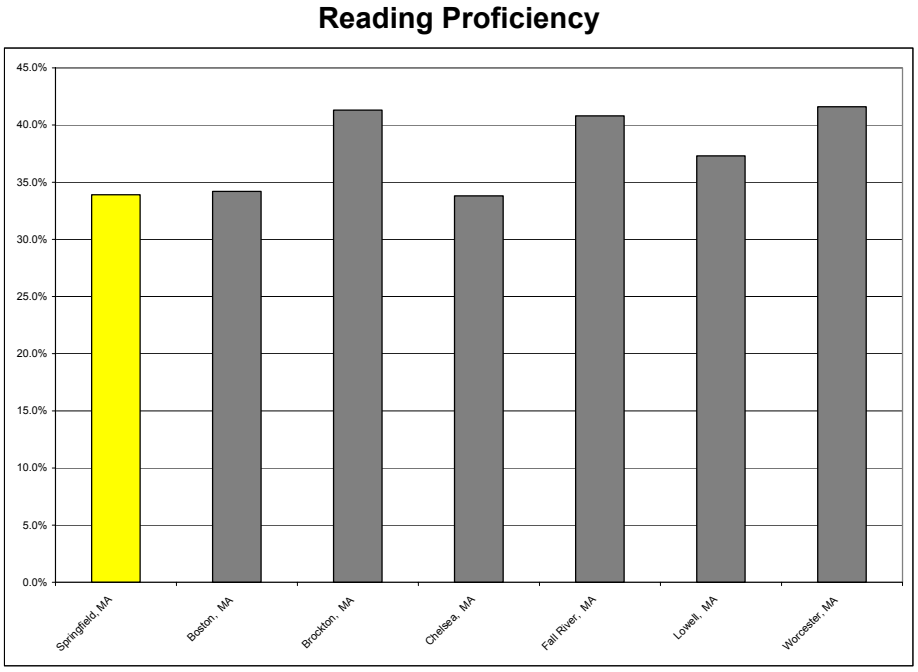
Source: www.schoolmatters.com

Student Performance

This section presents information on the levels of student achievement in each system. This information was gathered to evaluate the overall effectiveness of the school districts and to determine if the districts were getting high quality results for their expenditures. For this analysis only comparable districts from Massachusetts were used.

As one can see from the overall proficiency of the comparison districts displayed in the following two charts, none of the school systems are performing at high levels of proficiency in either reading or math. Springfield performs toward the bottom of both analyses, indicating a need for significant improvement in student achievement.

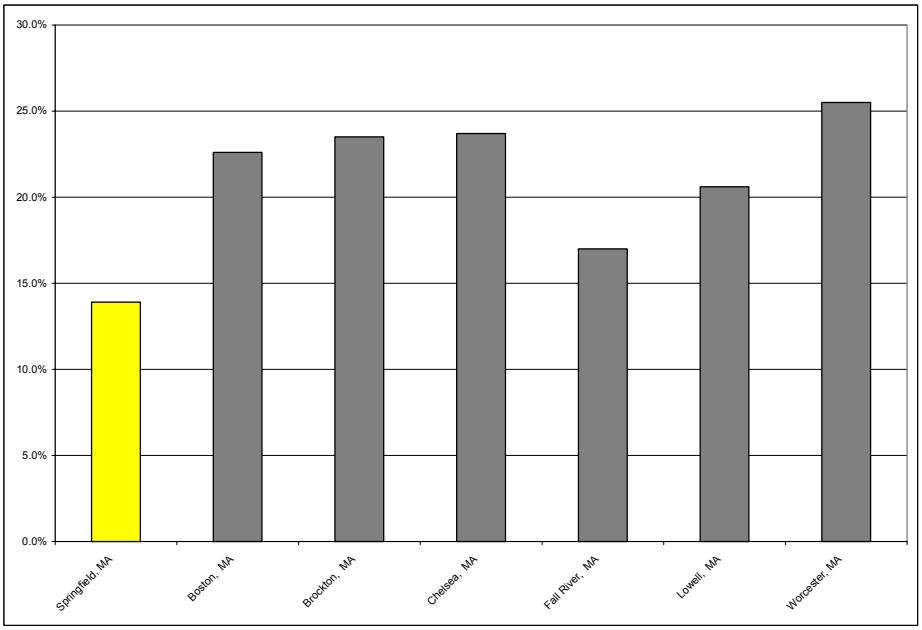
This chart illustrates the overall reading proficiency for the seven Massachusetts districts evaluated in 2003. At 33.9 percent, Springfield is among the lowest ranked districts, and is 4.27 percentage points below the comparable average of 38.17 percent.



Source: www.schoolmatters.com

Springfield's student performance ranks at the bottom of the comparable districts for mathematics proficiency as well for 2003. Springfield's 13.9 percent rating is 8.25 percentage points below the comparable average of 22.15 percent.

Mathematics Proficiency



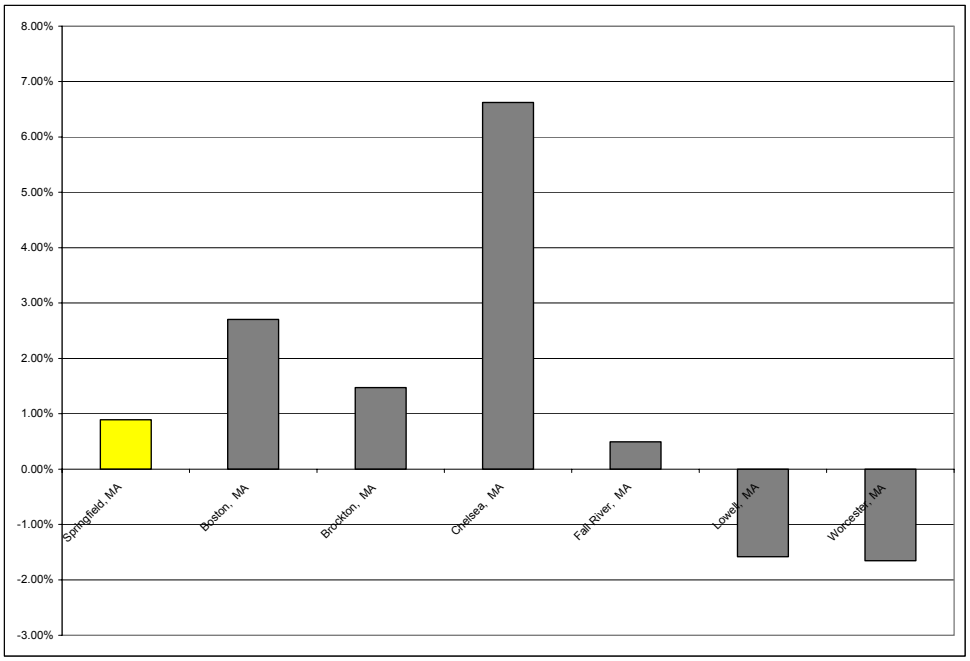
Source: www.schoolmatters.com

Absolute results alone can often be misleading, however. If one looks at the improvement in the academic performance of students in the comparison districts, a positive trend can be seen in the Springfield School District.

Springfield has improved the proficiency of its students by 0.9 percent in reading and 12.1 percent in math from 2002 to 2003. While Springfield has shown improvement in the proficiency of its students, its gains are not as strong as some of the comparison school districts. Specifically, Worcester exhibited dramatic improvements in both reading and math over 2002 and 2003.

This chart illustrates the percentage change in overall Reading Proficiency from 2002 to 2003 for the comparable Massachusetts districts. Springfield's increase of 0.9 percent may be small, but is relevant nonetheless, considering the fact that it is just 0.45 percentage points below the comparable average of 1.34 percent, which is skewed by Chelsea's improvement.

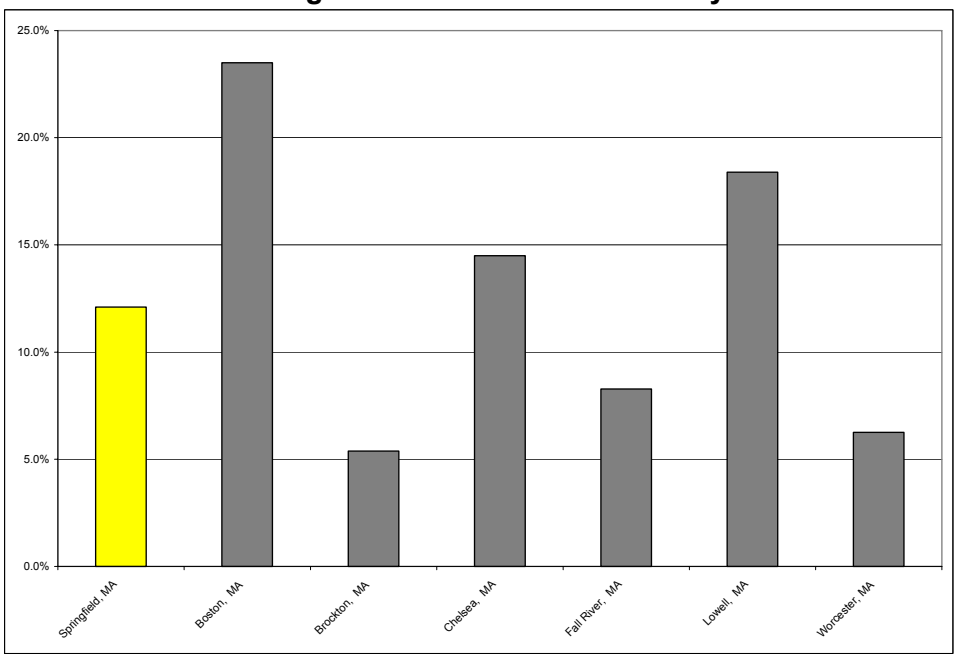
Change in Reading Proficiency



Source: www.schoolmatters.com

The next chart shows the percent change in Mathematics proficiency from 2002 to 2003. Here Springfield's improvement is far more pronounced, with scores rising 12.1 percent on average. This increase is just 0.62 percentage points below the average increase in the comparable districts, 12.72 percent.

Change in Mathematics Proficiency



Source: www.schoolmatters.com

INITIATIVES INDEX

Springfield Public Schools
Initiatives Index

Initiative Number	Prioritization	Name	Fiscal Impact FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10	Total	Approval Needed	Page Number
Central Administration										
CA01	Short-term	Align Administrative Staffing with Comparable Districts	$142,500	$285,000	$427,500	$570,000	$570,000	$1,995,000	M, U	CA - 11
CA02	Short-term	Consider Outsourcing Administration Functions	CBD	CBD	CBD	CBD	CBD	CBD	M	CA - 20
CA03	Immediate	Implement a Performance Management System	CBD	CBD	CBD	CBD	CBD	CBD	M	CA - 21
CA04	Short-term	Initiate a Comprehensive Personnel/Human Resources Review	CBD	CBD	CBD	CBD	CBD	CBD	M	CA - 21
CA05	Short-term	Implement a Modern ERP/Financial/Procurement Technology Software System	CBD	CBD	CBD	CBD	CBD	CBD	L, M	CA - 22
CA06	Intermediate	Make Organizational Design Improvements	CBD	CBD	CBD	CBD	CBD	CBD	M	CA - 22
CA07	Intermediate	Organize and Implement a Productivity Bank	$0	($6,500)	($31,500)	($30,800)	($35,100)	($103,900)	L	CA - 24
Purchasing										
PS01	Intermediate	Develop Outcome Based Performance and Price Measures for Purchasing Function	CBD	CBD	CBD	CBD	CBD	CBD	M	PS - 7
PS02	Short-term	Establish a Price Comparison Measurement System	CBD	CBD	CBD	CBD	CBD	CBD	M	PS - 8
PS03	Immediate	Redesign Procurement Processes	CBD	CBD	CBD	CBD	CBD	CBD	L, M	PS - 8
PS04	Immediate	Automate the Purchasing Process	CBD	CBD	CBD	CBD	CBD	CBD	L, M	PS - 15
PS05	Short-term	Reduce Time Required to Complete Requisition and Contracting Process	CBD	CBD	CBD	CBD	CBD	CBD	L, M	PS - 15
PS06	Intermediate	Assess Customer Satisfaction with Procurement Function	CBD	CBD	CBD	CBD	CBD	CBD	M	PS - 16
PS07	Short-term	Implement Enhanced Cooperative Purchasing	$0	$39,100	$78,300	$78,300	$78,300	$274,000	M	PS - 17
PS08	Intermediate	Evaluate Bidding and Bonding Levels for Purchasing	CBD	CBD	CBD	CBD	CBD	CBD	L, S	PS - 18
Facilities Maintenance										
FM01	Intermediate	Outsource the Custodial Function	$210,000	$315,000	$315,000	$315,000	$315,000	$1,470,000	M	FM - 11
FM02	Intermediate	Consider Outsourcing the Facilities Management Functions	$50,000	$100,000	$100,000	$100,000	$100,000	$450,000	M	FM - 17
FM03	Intermediate	Consider Outsouring Lawn and Field Care and Snow Plowing	CBD	CBD	CBD	CBD	CBD	CBD	M	FM - 18
FM04	Immediate	Establish a Clear Reporting Authority for Custodians	CBD	CBD	CBD	CBD	CBD	CBD	M, L	FM - 19
FM05	Intermediate	Determine the Right Mix of In-House and Outsourced Tradespeople Through the Implementation of Performance Measures	$5,000	$10,000	$10,000	$10,000	$10,000	$45,000	M, L	FM - 19
FM06	Short-term	Implement Quarterly Reports	CBD	CBD	CBD	CBD	CBD	CBD	M, L	FM - 21
FM07	Intermediate	Continue Development of the Work Order Tracking System	$5,000	$10,000	$10,000	$10,000	$10,000	$45,000	M, L	FM - 22
FM08	Short-term	Make Maintenance and Repair of Kitchen Equipment a Facilities Maintenance Function	FS15	FS15	FS15	FS15	FS15	FS15	M, L	FM - 23
FM09	Short-term	Implement Time Clocks	$26,000	$51,000	$51,000	$51,000	$51,000	$230,000	M	FM - 23
FM10	Immediate	Develop Policies and Procedures for Custodians	$5,000	$5,000	$5,000	$5,000	$5,000	$25,000	M	FM - 24
FM11	Intermediate	Implement a Comprehensive Energy Conservation Program	$60,000	$120,000	$120,000	$120,000	$120,000	$540,000	M	FM - 24
FM12	Short-term	Increase Collection of Permit Fees	$40,000	$40,000	$40,000	$40,000	$40,000	$200,000	M, L	FM - 26
FM13	Short-term	Centralize the Scheduling of School Buildings and Fields	FM12	FM12	FM12	FM12	FM12	FM12	M, L	FM - 27
FM14	Intermediate	Implement an Asset Tracking System	$5,000	$10,000	$10,000	$10,000	$10,000	$45,000	M, L	FM - 28
FM15	Intermediate	Implement a Vandalism Billing System	$2,500	$5,000	$5,000	$5,000	$5,000	$22,500	M	FM - 28
FM16	Short-term	Allow Staff to Perform Tasks Outside of Their Primary Function	$19,100	$38,300	$38,300	$38,300	$38,300	$172,300	L, U	FM - 29

Initiative Number	Prioritization	Name	Fiscal Impact FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10	Total	Approval Needed	Page Number
FM17	Short-term	Develop a Comprehensive Security Plan	CBD	CBD	CBD	CBD	CBD	CBD	M	FM - 30
FM18	Short-term	Limit Sick Leave Usage by Custodians	$6,000	$12,000	$12,000	$12,000	$12,000	$54,000	M	FM - 30
Transportation										
TR01	Short-term	Implement Market Based Revenue Opportunities	$126,400	$112,300	$97,800	$83,800	$83,800	$504,100	M, O	TR - 12
TR02	Short-term	Implement Monthly Reports	CBD	CBD	CBD	CBD	CBD	CBD	M	TR - 13
TR03	Short-term	Pay the PVTA for the Students that Actually Use the Service	$29,000	$46,000	$34,000	$22,000	$22,000	$153,000	M, O	TR - 14
TR04	Short-term	Improve Contract Management	$9,600	$8,900	$8,100	$7,200	$7,400	$41,200	M	TR - 15
TR05	Intermediate	Continue to Limit the Number of House Stops	$23,800	$48,800	$50,000	$51,300	$52,600	$226,500	M	TR - 16
TR06	Intermediate	Reduce the Number of Bus Monitors	($55,300)	$36,000	$71,000	$113,000	$113,000	$277,700	M	TR - 17
TR07	Short-term	Consider the Implementation of GPS on School Buses	($250,000)	($50,000)	($50,000)	($50,000)	($50,000)	($450,000)	M	TR - 19
Telecommunications										
TC01	Short-term	Assign City CIO to Coordinate School Department Technology Activities	CBD	CBD	CBD	CBD	CBD	CBD	M	TC - 8
TC02	Short-term	Develop Integrated Technology Management Plan	$0	$0	$21,000	$21,000	$21,000	$63,000	M, L	TC - 9
TC03	Short-term	Develop and Expand Database Systems	CBD	CBD	CBD	CBD	CBD	CBD	M	TC - 10
TC04	Intermediate	Subcontract School Department's Expertise in Erate Program	$5,000	$10,000	$10,000	$10,000	$10,000	$45,000	M, L	TC - 11
TC05	Intermediate	Use Leases to Acquire Technology Equipment	CBD	CBD	CBD	CBD	CBD	CBD	M, L	TC - 11
TC06	Immediate	Develop Cellular Phone Use Policy	$6,500	$11,000	$11,000	$11,000	$11,000	$50,500	M	TC - 13
TC07	Immediate	Broaden and Enforce Landline Telephone Use Policy	CBD	CBD	CBD	CBD	CBD	CBD	M	TC - 14
TC08	Intermediate	Develop Telecommunications Infrastructure	CBD	CBD	CBD	CBD	CBD	CBD	M, L	TC - 15
TC09	Intermediate	Seek Alternative Means of Funding Technology Investments	CBD	CBD	CBD	CBD	CBD	CBD	M	TC - 15
TC10	Short-term	Assist Food Services Program to Expand Use of Swipe Cards	FSP	FSP	FSP	FSP	FSP	FSP	M	TC - 16
TC11	Intermediate	Enhance Asset Tracking System	$0	$0	$8,000	$8,000	$8,000	$24,000	M	TC - 16
Food Services*										
FS01	Short-term	Outsource the Food Services Function	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 8
FS02	Short-term	Outsource Management of Food Services Program	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 12
FS03	Short-term	Increase Enrollment of Eligible Students for Free and Reduced Price Meals	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 13
FS04	Short-term	Increase Participation of Eligible Students in School Meals	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 14
FS05	Short-term	Raise Meal Prices	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 16
FS06	Short-term	Maximize Appropriate Cost Allocation to Food Services Fund	$519,000	$1,039,000	$1,559,000	$1,559,000	$1,559,000	$6,235,000	M	FS - 17
FS07	Short-term	Develop and Monitor Monthly Profit and Loss Statements	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 18
FS08	Short-term	Develop a Strategic Plan and Implement Performance Measurement System	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 18
FS09	Short-term	Align Administrative Staffing with Comparable Communities	FS 12-15	FS 12-15	FS 12-15	FS 12-15	FS 12-15	FS 12-15	M	FS - 20
FS10	Intermediate	Align Cafeteria Workforce with Recommended State Levels	$53,600	$107,000	$160,000	$160,000	$160,000	$640,600	M	FS - 20
FS11	Intermediate	Implement Time Clock System	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 21
FS12	Intermediate	Improve Use of Technology	$2,200	$4,500	$4,500	$4,500	$4,500	$20,200	M	FS - 21
FS13	Short-term	Improve Inventory Control System	$2,200	$4,500	$4,500	$4,500	$4,500	$20,200	M	FS - 22
FS14	Intermediate	Simplify Purchasing Process	$2,200	$4,500	$4,500	$4,500	$4,500	$20,200	M, L	FS - 23
FS15	Short-term	Transfer Responsibility for Maintenance of Kitchen Equipment to Facilities Maintenance Department	$1,100	$2,200	$2,200	$2,200	$2,200	$9,900	M, L	FS - 24
FS16	Intermediate	Implement an Equipment Replacement Plan	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 25

Initiative Number	Prioritization	Name	Fiscal Impact FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10	Total	Approval Needed	Page Number
FS17	Intermediate	Implement an Asset Tracking System	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 26
FS18	Short-term	Develop System for Customer Feedback on Food Services	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 26
FS19	Intermediate	Implement Employee Performance Reviews & Employee Development Programs	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 27
FS20	Intermediate	Develop and Enforce School Department Vending Machine Policy	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 27
FS21	Immediate	Audit All Cash Functions of the Food Service Program	FSP	FSP	FSP	FSP	FSP	FSP	M	FS - 28
FS22	Short-term	Develop More Formal Communication Between Local Health Inspectors and FSP	FSP	FSP	FSP	FSP	FSP	FSP	M, L	FS - 28
Special Education										
SE01	Short-Term	Track and Monitor Student Information, Service Provisions, and Placements in "Real Time"	CBD	CBD	CBD	CBD	CBD	CBD	M	SE - 25
SE02	Short-Term	Conduct Regular Analyses of Staffing, Programs, and Associated Expenditures	CBD	CBD	CBD	CBD	CBD	CBD	M	SE - 27
SE03	Immediate	Ensure Accurate and Complete Reimbursements from State and Federal Agencies	CBD	CBD	CBD	CBD	CBD	CBD	M	SE - 29
SE04	Immediate	Provide Sufficient Staff to Accurately Identify Student Needs and Ensure Compliance with Federal and State Regulations	CBD	CBD	CBD	CBD	CBD	CBD	M	SE - 30
Total - General Fund			**$1,051,400**	**$2,418,600**	**$3,186,200**	**$3,345,800**	**$3,343,000**	**$13,345,000**		
Total - Food Services Fund (Exclude FS02)			**$256,900**	**$695,100**	**$998,100**	**$1,063,100**	**$1,063,100**	**$4,076,300**		
GRAND TOTAL			**$1,308,300**	**$3,113,700**	**$4,184,300**	**$4,408,900**	**$4,406,100**	**$17,421,300**		

Approval Needed:
M - School Department Management
U - Union
L - Local (Springfield School Committee and/or City Council)
S - State Government
F - Federal Government
O - Other

CBD - The fiscal impact cannot be determined with the information currently available.

* FSP indicates that savings are attributable to the Food Service Program. Fiscal impacts here are to the General Fund.
See FSP worksheet for the impact on that Program.

Note: The estimates of changes in the revenues and expenditures of the initiatives in this report are based on available information from the School Department, our experience with other jurisdictions, and general industry indicators. These estimates are not guaranteed; rather, they are provided to indicate the possible results from the implementation of each initiative. Actual results will vary, depending on circumstances at the time of implementation.

Springfield Public Schools
Food Services Program Initiatives

This table shows the financial impact of these initiatives on the Food Service Program.

Initiave Number		Name	Fiscal Impact FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10	Total	Approval Needed	Page Number
FS01	Short-term	Outsource the Food Services Function	$0	$528,000	$1,057,000	$1,057,000	$1,057,000	$3,699,000	M	FS - 8
FS02	Short-term	Outsource Management of Food Services Program	$0	$211,000	$422,000	$422,000	$422,000	$1,477,000	M	FS - 12
FS03	Short-term	Increase Enrollment of Eligible Students for Free and Reduced Price Meals	$0	$45,000	$90,000	$90,000	$90,000	$315,000	M	FS - 13
FS04	Short-term	Increase Participation of Eligible Students in School Meals	$148,000	$222,000	$296,000	$296,000	$296,000	$1,258,000	M	FS - 14
FS05	Short-term	Raise Meal Prices	$340,000	$340,000	$340,000	$405,000	$405,000	$1,830,000	M	FS - 16
FS06	Short-term	Maximize Appropriate Cost Allocation to Food Services Fund	($519,000)	($1,039,000)	($1,559,000)	($1,559,000)	($1,559,000)	($6,235,000)	M	FS - 17
FS07	Short-term	Develop and Monitor Monthly Profit and Loss Statements	$52,500	$105,000	$105,000	$105,000	$105,000	$472,500	M	FS - 18
FS08	Short-term	Develop a Strategic Plan and Implement Performance Measurement System	$52,500	$105,000	$105,000	$105,000	$105,000	$472,500	M	FS - 18
FS09	Short-term	Align Administrative Staffing with Comparable Communities	FS12-15	FS12-15	FS12-15	FS12-15	FS12-15	FS12-15	M	FS - 20
FS10	Intermediate	Align Cafeteria Workforce with Recommended State Levels	$152,000	$304,000	$456,000	$456,000	$456,000	$1,824,000	M	FS - 20
FS11	Intermediate	Implement Time Clock System	$6,500	$13,000	$26,000	$26,000	$26,000	$97,500	M	FS - 21
FS12	Intermediate	Improve Use of Technology	$6,400	$12,900	$12,900	$12,900	$12,900	$58,000	M	FS - 21
FS13	Short-term	Improve Inventory Control System	$6,400	$12,900	$12,900	$12,900	$12,900	$58,000	M	FS - 22
FS14	Intermediate	Simplify Purchasing Process	$6,400	$12,900	$12,900	$12,900	$12,900	$58,000	M, L	FS - 23
FS15	Short-term	Transfer Responsibility for Maintenance of Kitchen Equipment to Facilities Maintenance Department	$3,200	$6,400	$6,400	$6,400	$6,400	$28,800	M, L	FS - 24
FS16	Intermediate	Implement an Equipment Replacement Plan	$1,000	$2,000	$2,000	$2,000	$2,000	$9,000	M	FS - 25
FS17	Intermediate	Implement an Asset Tracking System	$1,000	$2,000	$2,000	$2,000	$2,000	$9,000	M	FS - 26
FS18	Short-term	Develop System for Customer Feedback on Food Services	$0	$2,000	$2,000	$2,000	$2,000	$8,000	M	FS - 26
FS19	Intermediate	Implement Employee Performance Reviews & Employee Development Programs	$0	$0	$10,000	$10,000	$10,000	$30,000	M	FS - 27
FS20	Intermediate	Develop and Enforce School Department Vending Machine Policy	CBD	CBD	CBD	CBD	CBD	CBD	M	FS - 27
FS21	Immediate	Audit All Cash Functions of the Food Service Program	CBD	CBD	CBD	CBD	CBD	CBD	M	FS - 28
FS22	Short-term	Develop More Formal Communication Between Local Health Inspectors and FSP	CBD	CBD	CBD	CBD	CBD	CBD	M, L	FS - 28
TC10	Short-term	Assist Food Services Program to Expand Use of Swipe Cards	$0	$21,000	$21,000	$21,000	$21,000	$84,000	M	TC - 16
TOTAL 1 (Excluding FS02)			**$256,900**	**$695,100**	**$998,100**	**$1,063,100**	**$1,063,100**	**$4,076,300**		
TOTAL 2 (Excluding FS01 and FS02)			**$256,900**	**$167,100**	**($58,900)**	**$6,100**	**$6,100**	**$377,300**		

Total 1 assumes outsourcing the entire Food Services Program
Total 2 assumes that the program will continue to be handled in-house

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Note: The estimates of changes in the revenues and expenditures of the initiatives in this report are based on available information from the School Department, our experience with other jurisdictions, and general industry indicators. These estimates are not guaranteed; rather, they are provided to indicate the possible results from the implementation of each initiative. Actual results will vary, depending on circumstances at the time of implementation.

III. CENTRAL ADMINISTRATION

CENTRAL ADMINISTRATION

MISSION

The mission of the central office is to ensure that the Springfield Public Schools ("SPS") is operating efficiently and providing a high level of service to students, parents, teachers and the Springfield community. Central administration coordinates the administrative, financial and educational activities of the organization with the sole purpose of providing the students of the School Department with the highest quality education.

OBJECTIVES

- To improve the quality of education delivered to the students of the SPS
- To efficiently manage the fiscal operations of the School Department
- To provide adequate staffing to all schools and the central office within the boundaries of funding currently available to operate the organization
- To ensure that the School Department is maximizing all of its human and financial resources to increase student achievement across the School Department
- To ensure that the School Department is operated in accordance with all federal, state and local regulations and laws

MAJOR ORGANIZATIONAL UNITS

SPS's central administration is divided into six primary executive units which are managed by a Superintendent of Schools who reports to a seven member School Committee. The major executive units include the following:

- Professional Development, Research and Accountability and Federal Programs;
- Special Education, School Services and School Operations;
- School Improvement Services and School Safety/Security;
- Human Resources and Legal Services;
- Transportation, School Choice, Student Assignment and Attendance; and
- Finance, Food Services and Information Technology.

Each of these executive functions is supported by other offices that provide services to schools and that advance the primary functions of each of the executive functions. In addition, three Assistant Superintendents oversee the operations and performance of all of SPS's school sites.

School Committee (8 FTEs-1 paid FTE).[1] The School Committee is a seven member governing board for the SPS. It is responsible for setting policies and procedures for the SPS and for overseeing the overall performance of the School Department. The School Committee also hires and manages the performance of the Superintendent of the SPS.

Superintendent's Office (4 FTEs). The Superintendent of Schools, along with three assistants, is responsible for the development and implementation of School Department wide policies and procedures that support increased student achievement and require the organization to operate in an efficient and effective manner.

Special Assistant to the Superintendent Office – Beach (1.67 FTEs).[2] The Office of the Special Assistant to the Superintendent is responsible for managing several functions within the SPS. These functions include the following:

- Research and Accountability (8 FTEs). Research and Accountability oversees the performance of all SPS schools and researches best practices for the Department to use in educating children. The department is also responsible for analyzing data on student performance and reporting results to the Superintendent and the School Committee.
- Professional Development (6 FTEs). Professional Development is responsible for designing and delivering training to all SPS staff. The department is particularly focused on delivering best practice teaching strategies to schools so that they can best educate children in all of SPS's schools.
- Curriculum and Instruction (18 FTEs). Curriculum and Instruction provides teaching resources to all SPS schools to ensure that they are teaching with the most beneficial strategies for students. The department also provides support to schools in addressing the specific needs of each student in the SPS.
- Early Childhood Education (2 FTEs). Early Childhood Education delivers pre-school services to children in the City of Springfield. The department works closely with other school functions to make certain children enter the school system prepared to learn at grade level.
- Federal Programs (0 FTEs). Federal Programs includes the management and supervision of two primary federal programs – No Child Left Behind and Title I Funding. This department ensures that the School Department is in compliance with the provisions of these funding and legislative programs.[3]
- School Volunteers (2 FTEs). School Volunteers coordinates the provision of services in schools of volunteers. The department is responsible for recruiting, placing and training volunteers in school sites throughout the SPS.
- School Improvement (3 FTEs). School Improvement provides direct support for school that are designated0 as under performing pursuant to State and Federal statutes.

[1] All references to FTEs are for central office staff only. There may be other personnel working in these divisions, but these individuals are assigned to schools or treated as school based staff.

[2] Includes Assistant Superintendent and 67% of two administrative resources allocated to all of the Assistant Superintendents and Special Assistant to Superintendent. Same analysis for other Assistant Superintendents.

[3] Two FTEs dedicated to this function. One is Special Assistant and one is accountant dedicated to Finance Office.

- Zone 3 Schools and Principals. The Office of the Special Assistant to the Superintendent is also responsible for managing the performance of 18 schools in the SPS system.

Assistant Superintendent Office – Warwick (1.67 FTEs). The Office of the Assistant Superintendent (Warwick) is responsible for managing the performance of the following functions in the SPS:

- Special Education (15.8 FTEs). Special Education oversees the provision of special education services to SPS students who qualify for additional services under federal, state and local law. The office supervises the provision of these services and manages the placement of students in special education programs.
- School Nurses (2 FTEs). This department oversees the provision of nursing services in all of the SPS's school sites.
- Student Services (3 FTEs). Student Services provides guidance and supplemental support services for students.
- Physical Plant (3 FTEs). Physical plant manages all the maintenance and facilities related functions of the School Department. The function is responsible for repairing and maintaining all of the SPS schools and providing custodial services for schools.
- Zone 1 Schools and Principals. The Assistant Superintendent is also responsible for managing the performance of 13 schools in the SPS system.

Assistant Superintendent Office – Southworth (1.67 FTEs). The Office of the Assistant Superintendent (Southworth) is responsible for managing the performance of the following functions in the SPS.

- Project Lead (3 FTEs). Project Lead is an initiative from the Wallace Foundation to develop new leaders in education for the School Department. This private foundation contributes approximately $1 million per year for this initiative.
- Federal Magnet Grant (3 FTEs). This office is responsible for the implementation of the $8,326,192 three (3) year Federal Magnet grant that is designed to attract students to five (5) schools with various types of educational programs.
- Safety and Security (3 FTEs). Safety and Security is responsible for ensuring the safety of children and SPS employees in all of the Department's facilities.
- Zone 2 Schools and Principals The Assistant Superintendent is also responsible for managing the performance of 16 schools in the SPS system.

Human Resources and Legal Office (8.25 FTEs). The Office of Human Resources is responsible for carrying out all personnel related functions for the SPS. This office also manages the legal team that performs a variety of legal functions for the School Department.

Parent Information and School Choice Office (18 FTEs). This office is responsible for managing the Department's school choice program, attendance related matters and the

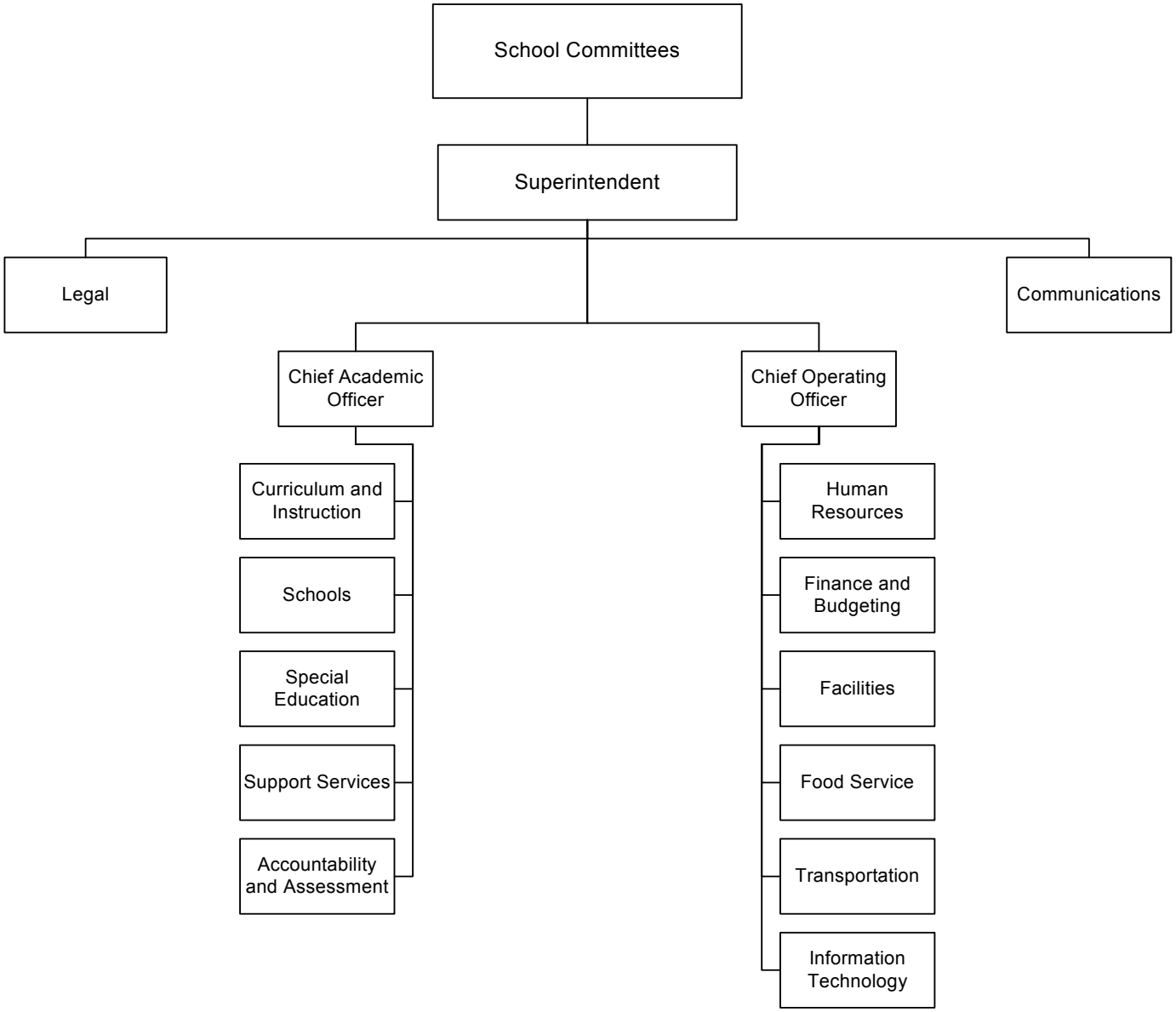
transportation of children to schools throughout the School Department. The office also analyzes data for the School Department.

Finance Office. Finance is responsible for overseeing all finance related functions of the SPS including accounting, payroll, purchasing, budgeting and financial analysis. The function also oversees the delivery of information technology services to the Department and the provision of food services in all school sites.

- Finance (17 FTEs). Finance is responsible for overseeing all of the Department's financial functions as well as managing procurement and grants administration.
- Technology (4 FTEs). Technology is responsible for maintaining all hardware and software utilized in School Department facilities. The function also does software development for the Department's computer systems.
- Food Services (.3 FTE).[4] Food Services is responsible for providing breakfast, lunch and after school snacks to students at all SPS sites.

[4] For purposes of presentation, Assistant Finance Manager was assigned to Food Services 30% time.

Organizational Chart



BEST PRACTICES

High performing urban school systems often have similar characteristics, structures and ways of operating that permit them to achieve outstanding results in a cost effective manner. These districts often have policies, procedures and processes in place that create a work environment that is completely focused on student achievement and continuously improving the performance of the organization. Below are listed a number of best practices often found in successful urban school systems:[5]

Management Structures

- The roles and responsibilities of the board and superintendent have been clearly delineated, and board members and the superintendent have policies to ensure that they have effective working relationships.
- The board and superintendent have established written policies and procedures that are routinely updated to ensure that they are relevant and complete.
- The Department's organizational structure has clearly defined units and lines of authority that minimize administrative costs.
- The Department's organizational structure and staffing of educational programs minimizes administrative layers and processes.
- The Department periodically reviews its administrative staffing and makes changes to eliminate unnecessary positions and improve operating efficiency.
- Management analyzes strategic plans for measurable objectives or measurable results.

Planning and Budgeting

- The superintendent and school board exercise effective oversight of the Department's financial resources.
- The Department has a multi-year strategic plan with annual goals and measurable objectives based on identified needs, projected enrollment, and revenues.
- The Department has a system to accurately project enrollment.
- The Department links its financial plans and budgets to its annual priorities in the strategic plan and its goals and objectives; and resources are focused towards achieving those goals and objectives.
- The Department produces an annual budget that is tied to the strategic plan and provides useful and understandable information to users.
- When necessary, the Department considers options to increase revenue.

[5] The best practices presented here are taken from the State of Florida's Office of Program Policy Analysis and Government Accountability (OPPAGA). OPPAGA has compiled an excellent list of best practices for schools in nearly every area of operation.

Financial Management

- The Department periodically analyzes the structure and staffing of its financial services organization.
- The Department has adequate financial information systems that provide useful, timely, and accurate information.
- Department financial staff analyzes significant expenditure processes to ensure they are appropriately controlled.
- The Department has established adequate internal controls.
- The Department ensures that it receives an annual external audit and uses the audit to improve its operations.
- The Department has an effective internal audit function and uses the audits to improve its operations.
- The Department periodically reviews cash management activities, banking relationships, investment performance, and considers alternatives.

Accountability

- The Department has clearly stated goals and measurable objectives that can be achieved within budget for each major educational and operational program.
- The Department formally evaluates the performance and cost of its major educational and operational programs and uses evaluation results to improve program performance and cost-efficiency.
- The Department clearly reports on the performance and cost-efficiency of its major educational and operational programs to ensure accountability to parents and other taxpayers.
- Department administrators use both academic and nonacademic data to guide them in their decision making about improving K-12 education programs.

GAP ANALYSIS

The following table presents a gap analysis between SPS's administrative function and school system best practices found in other high performing schools. The table identifies SPS's strengths and weaknesses and drives the development of initiatives to improve the performance of the function.

SPS Administrative Gap Analysis

Best Practice	SPS Practice	Addressing Performance Gap
Management Structures		
1. Roles of Board and Superintendent are clearly delineated and policies are in place to establish roles.	Superintendent and Board have delineated governance and management responsibilities. Formalization of roles and training on roles should be enhanced.	Continue to affirm governance versus management roles of Board and Superintendent. Provide additional training on roles of Board and staff.
2. Written policies and procedures exist that are current and used to operate the organization.	SPS has and recently updated policies and procedures related to business functions.	Ensure that up to date policies and procedures exist for all functions of the Department. Policies and procedures should be reviewed and updated on a routine basis.
3. Organizational structure is clearly defined with a focus on decreasing administrative costs.	Over the past several years, SPS has focused on decreasing administrative costs. Organizational structure is somewhat confusing and needs to be compared to best practices.	Continue focus on administrative efficiency and compare organizational structure to best practice school districts.
4. Department routinely evaluates organizational structure and eliminates unnecessary functions.	SPS annually reviews necessity of administrative functions. Organizational structure has been redesigned in recent history.	Complete best practice review of organizational design.
5. Management analyzes strategic plans to make certain they are achieved, clear and focused on student achievement.	SPS has "Culture of Achievement" documents, as well as Department improvement and school improvement plans. Plans are used to drive student achievement.	Continue use of plans to drive change and consider creating user friendly and public plan for all interested parties to review and comment upon.
Planning and Budgeting		
1. Superintendent and Board exercise effective oversight over Department's financial resources.	SPS does manage its fiscal resources on an annual basis. Reports are provided to Superintendent and Board on routine basis.	Continue current practice and implement routine reports for Board, staff and interested external parties.
2. Department has a multi-year strategic plan with annual goals and measurable objectives based on identified needs, projected enrollment, and revenues.	SPS has an improvement plan but has not developed multi-year financial or strategic plan that manages to resources available to fund initiatives in future years (beyond one year).	Continue to plan for future years and develop multi-year financial and strategic plan.
3. Department has a system to accurately project enrollment.	SPS has a system to project enrollment that captures student data and charts birth rates to calculate enrollment in future years. SPS is challenged with mobility of student population.	Complete best practice analysis of other urban district enrollment systems and implement findings.

Best Practice	SPS Practice	Addressing Performance Gap
4. Department links its financial plans and budgets to its annual priorities in the strategic plan and its goals and objectives; and Department resources are focused towards achieving those goals and objectives.	SPS focuses its financial resources on priority areas. SPS could improve multi-year financial planning and tying plans to resources available to fund programs.	Continue current practice and extend practice to multi-year financial planning tied to strategic plan goals and objectives.
5. Department produces an annual budget that is tied to the strategic plan.	SPS does this.	Continue current practice.
6. Department considers options to increase revenue.	SPS considers alternative revenue sources. Have considered advertising revenue, erate funding, school building rentals, grants funding, etc.	Department needs to continue evaluating opportunities and focus on implementing ideas that are considered. City and community have to permit SPS to pursue opportunities.
Financial Management		
1. Department has adequate financial information systems that provide useful, timely, and accurate information.	SPS has in-house financial system for budget and finance functions. Personnel information is kept in SQL database.	Replace current financial system with modern financial/ERP software system. Implementation should be done in concert with City and done as soon as possible.
2. Department has established adequate internal controls.	Appear to be strong though not full evaluated in this study.	Ask external auditors for suggestions to improve internal controls.
3. Department ensures that it receives an annual external audit and uses the audit to improve its operations.	Done annually.	None.
4. Department has an effective internal audit function and uses the audits to improve its operations.	Do not have internal audit function. Considering implementing internal audit function in conjunction with City Auditor.	Implement internal audit function in concert with City as soon as possible.
5. Department periodically re-views cash management activities, banking relationships, investment performance, and considers alternatives.	SPS deposits all funds collected with City accounts. City manages performance of all investments and develops all banking relationships on behalf of SPS.	None.

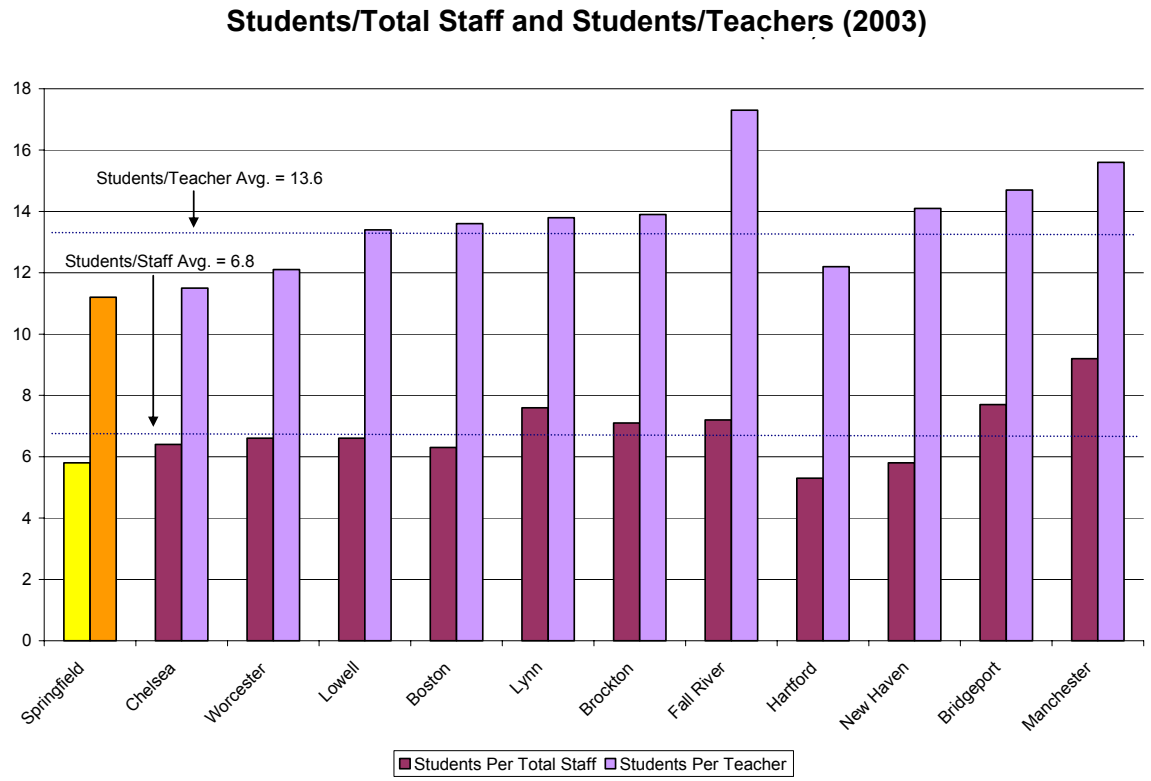
Best Practice	SPS Practice	Addressing Performance Gap
Accountability		
1. Department formally evaluates the performance and cost of its major educational and operational programs and uses evaluation results to improve program performance and cost-efficiency.	SPS does evaluate the efficiency of its operations and directs resources to spending priorities. Formal document detailing this work is not created on an annual basis.	Develop formal plan that highlights goals and objectives and compares performance to goals. Produce quarterly reports on status of achievement of goals and objectives.
2. Department clearly reports on the performance and cost-efficiency of its major educational and operational programs to ensure accountability.	SPS does not currently do this. City is implementing performance based budgeting and SPS is participating in that initiative.	Implement performance based budgeting and use information collected to drive decision making.
3. Department administrators use both academic and nonacademic data to guide them in their decision making.	SPS does not routinely quantify data that is presented to staff and Board. SPS does evaluate student performance data to drive decision making around student achievement.	Formalize process of gathering information and presenting it to Board, staff and interested external parties. Prepare quarterly reports for Board to drive routine decision making. Implement data “war room” to review data and evaluate improvement on key metrics.

INITIATIVES

CA01 Align Administrative Staffing with Comparable Districts

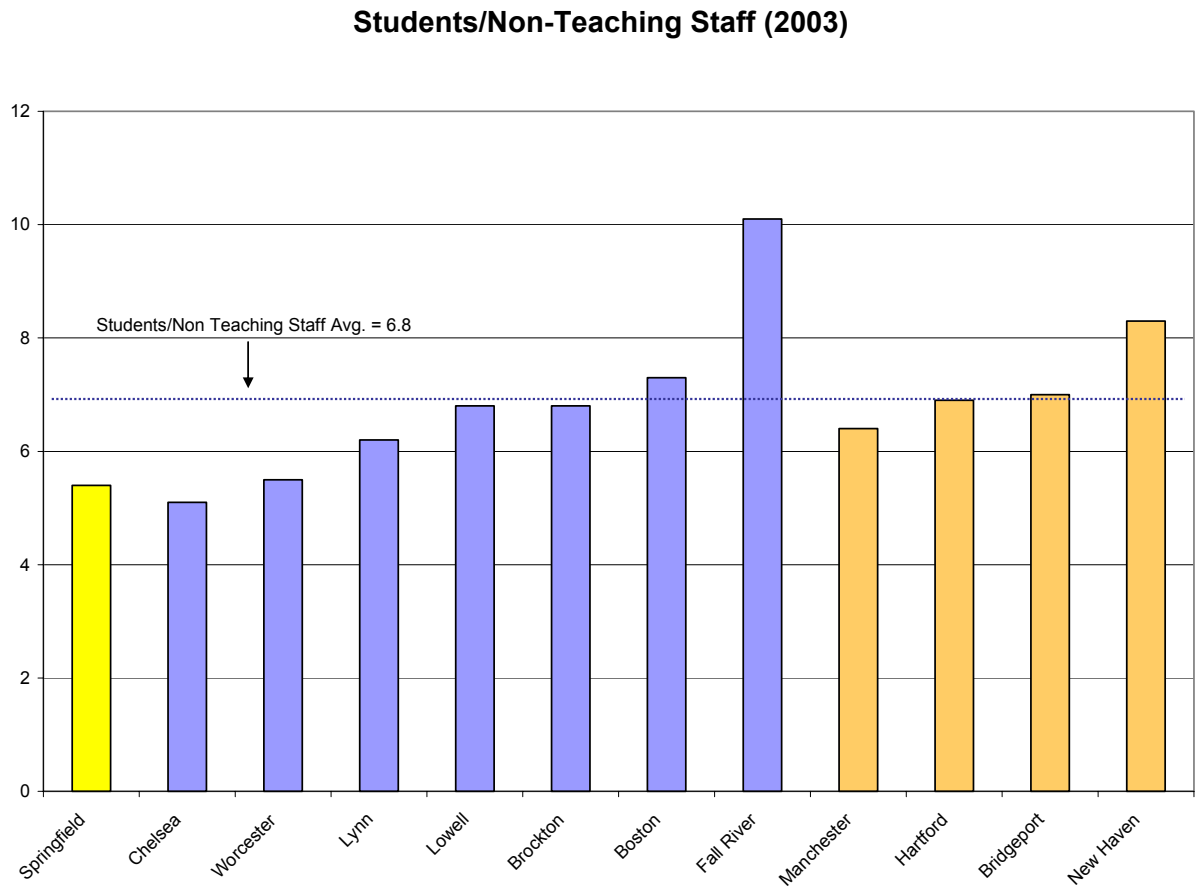
Prioritization:	Short-term	**Required Approval:**	School Department Management, Union
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	$1,995,000

According to the most recent data available for comparison, Springfield Public Schools may have opportunities to reduce its administrative costs. Although the data presented here portrays SPS's central administration as more or less efficient than the comparison school districts based on the type of information analyzed, it is in SPS's best interest to look for opportunities to save money spent on activities outside of schools and classrooms. To begin with, the charts below indicate that SPS has lower student to teacher and student to non-teaching staff member ratios than the comparison districts.



Source: www.schoolmatters.com[7]

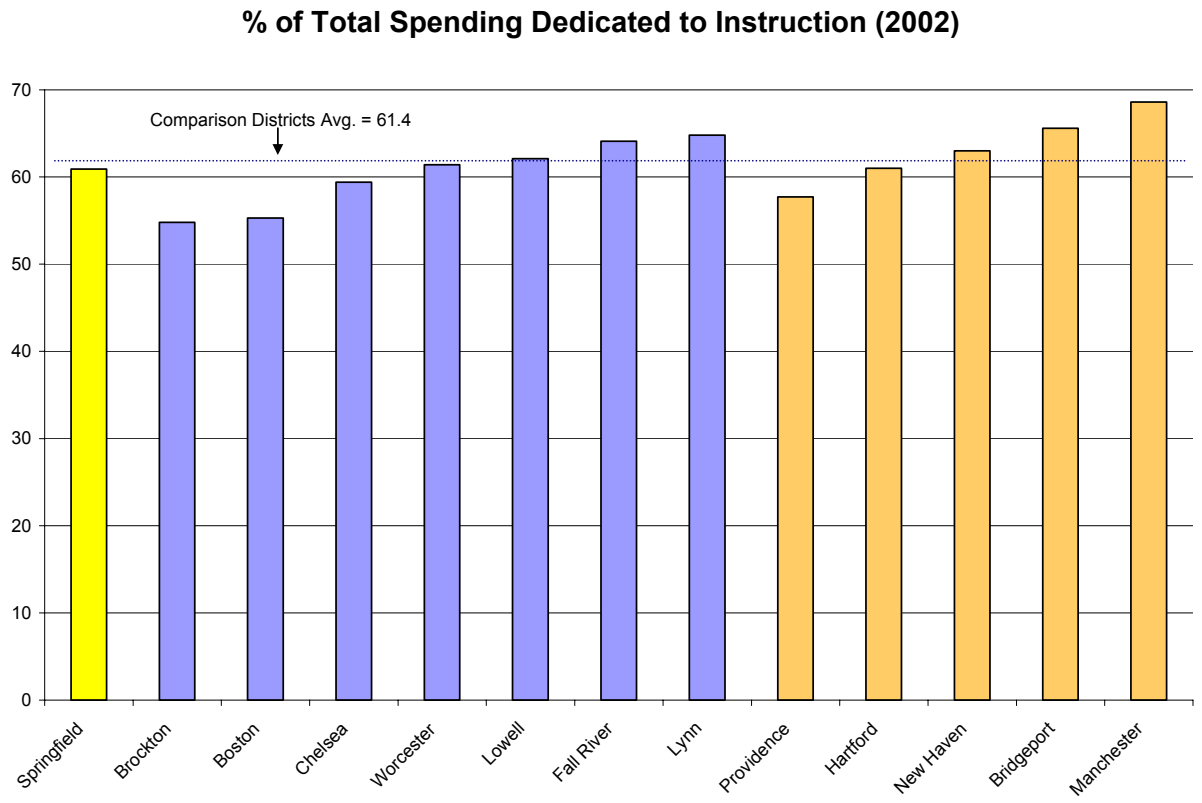
[7] The majority of the data used in this report was obtained from www.schoolmatters.com. School Matters is a recent data gathering project completed by Standard and Poor's credit rating agency that gathered like financial, student achievement and operational data from all school districts and schools across the United States. Standard and Poor's completed this project with funding from the Bill and Melinda Gates Foundation and the Broad Foundation, two of the leading educational reform foundations currently operating in the United States. The most recent data available from School Matters was used to perform the analysis in this report.



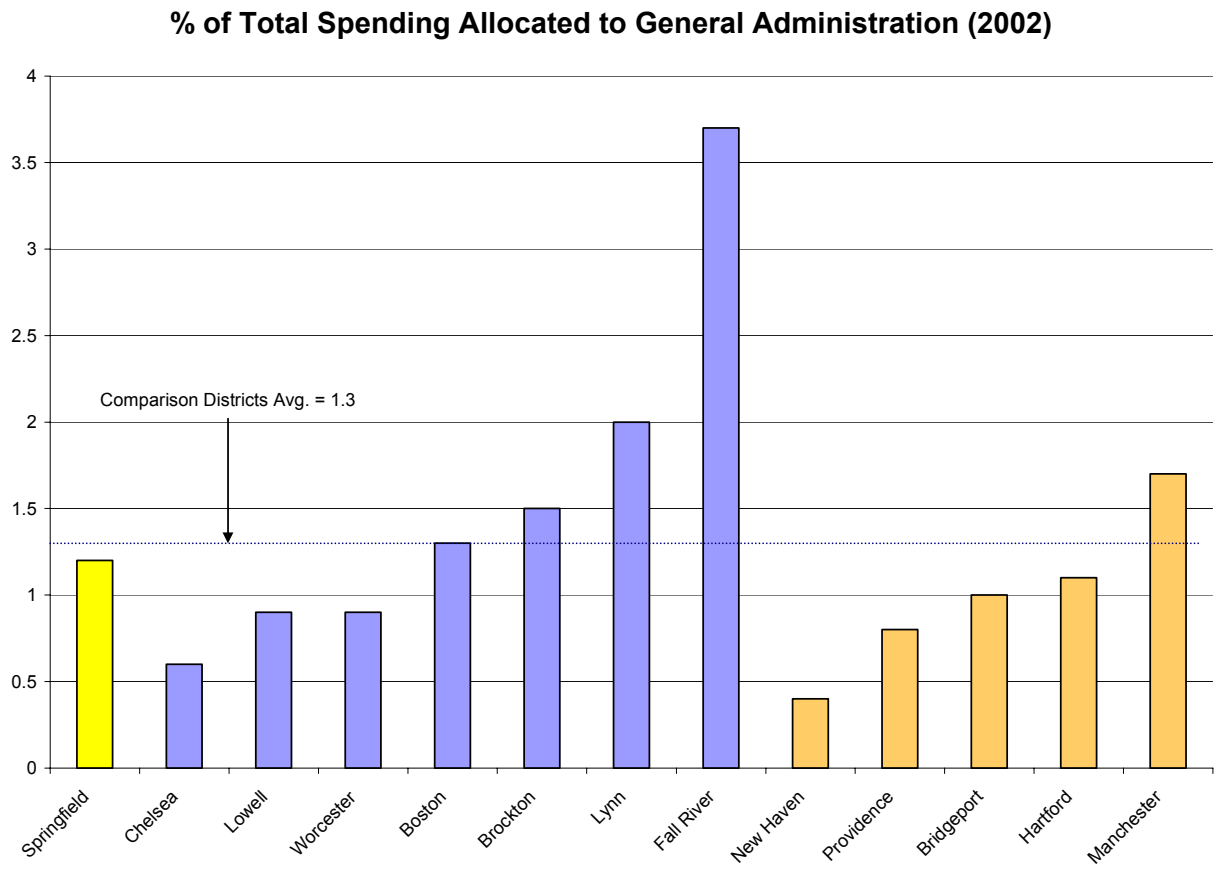
As shown above, the SPS student to staff ratio is 17.2% lower than the average of the comparable districts and 15.5% lower than the comparison Massachusetts school systems (lower meaning the district serves fewer students with each staff member). SPS is also serving fewer students per teacher than the comparison districts. At 11.2 students per teacher, the SPS's student to teacher ratio is 21.4% lower than the average of the comparison districts and 19.2% lower than the Massachusetts comparison districts. As a result, the SPS should be able to identify opportunities to serve more students with its current staffing levels or reduce staffing levels to serve its current student population.

Recognizing that there are significant differences in every school system, any evaluation of reductions in staffing must be carefully analyzed and considered. However, if the SPS improved its students/staff member ratio simply to the next most inefficient Massachusetts district (Boston at 6.3 students/staff member), it could reduce total staff by 364 based on its current student population. Even if one assumed a reduction of 50 percent of this amount and an average employee cost of $30,000 (wages and benefits), this reduction would save the SPS over $5.4 million. While no one would propose immediately cutting $5.4 million in staffing costs from the SPS's budget without a thorough review of the needs for staffing, the above analysis indicates a significant opportunity to cut personnel costs in the SPS.

While there is much to be learned about organizational efficiency from analyzing staffing levels, there are other measures of cost efficiency that must also be evaluated. One of these measures is the percentage of spending districts dedicate to different functions. In the charts below, comparisons are made of the amount of money each of the comparable districts allocates to instruction and general administration. The results are presented on the following page.[8]



[8] Note that the most recent year this data was available for review was 2002. School Matters requested the most current information available from districts across the country and the results presented here represent the newest data available from each of the comparison districts in this study.



Source: www.schoolmatters.com

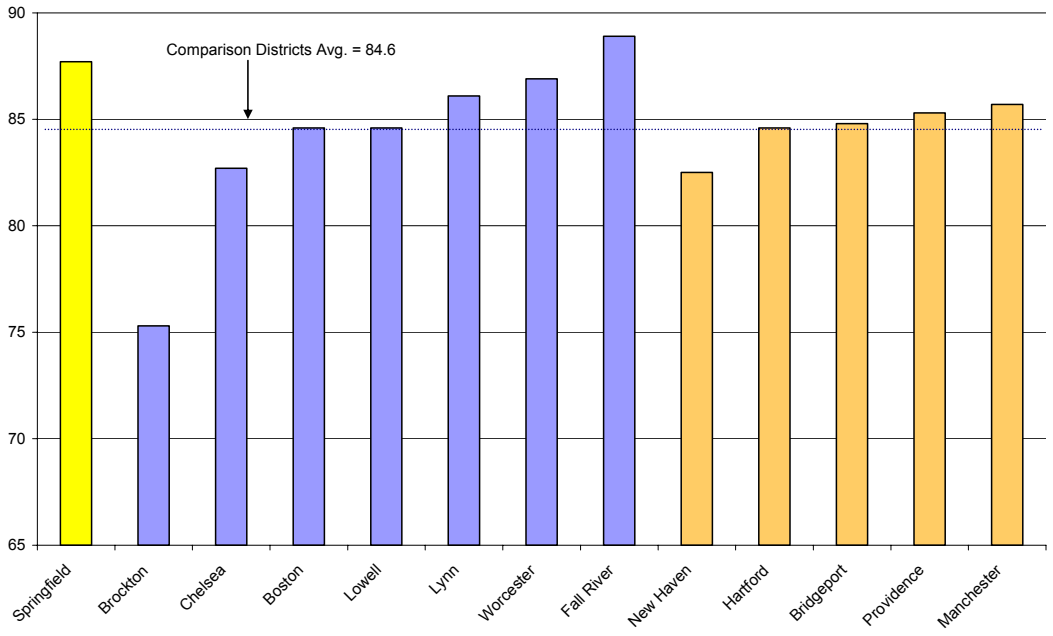
As one can see from these charts, the SPS compares favorably to the other study districts. In terms of spending allocated to instruction, the SPS allocates less than one percent less of its total spending to instruction than the average of all of the comparison districts. When compared to just the Massachusetts study districts, the SPS allocates the same amount of funding to instruction as the average of the other districts and exceeds the allocations of Brockton, Boston and Chelsea. While one could argue that all of these districts should allocate more of their total spending to instruction, one cannot dispute that the SPS spends on instruction in a way that is comparable to other similar school districts.

The SPS also compares favorably to the other districts in terms of its funding of general administration to operate the Department. In fact, the SPS spends 8 percent less on general administration than the average of all of the study districts and spends 20 percent less than the Massachusetts comparison districts. When Fall River is removed from the Massachusetts average (because of its unusually high spending level), the SPS spends the same amount on general administration as the smaller sample average. This spending pattern indicates that, on at least this one measure of efficiency, the SPS is efficiently spending money on the administration of its organization and is not operating with an overstaffed administrative team.

Because of the difference in the two analyses presented, additional information must be gathered to determine why the SPS has significantly higher staffing levels than the comparison school districts but still funds its instruction and general administration budgets at comparable levels to the other study districts. One possible explanation for the difference is that the SPS pays less for each employee it hires (though the results below indicate that this is not the case). Another explanation for the discrepancy in the results is the manner in which data and staffing levels are categorized by each school district. A detailed analysis of these findings would be best completed in a detailed human resources and staffing review of the entire organization. Other potential issues that may merit consideration in assessing the differences between these analyses include the reductions in staffing by the School Department since 2003 and the possibility that the management of certain grants require additional administration.

Another way to evaluate the efficiency with which a school district operates is to evaluate the amount it spends on its largest single expenditure – compensation. Using the latest information available for the comparison districts, the following results appear:

% of Total Spending Allocated to Compensation (2002)

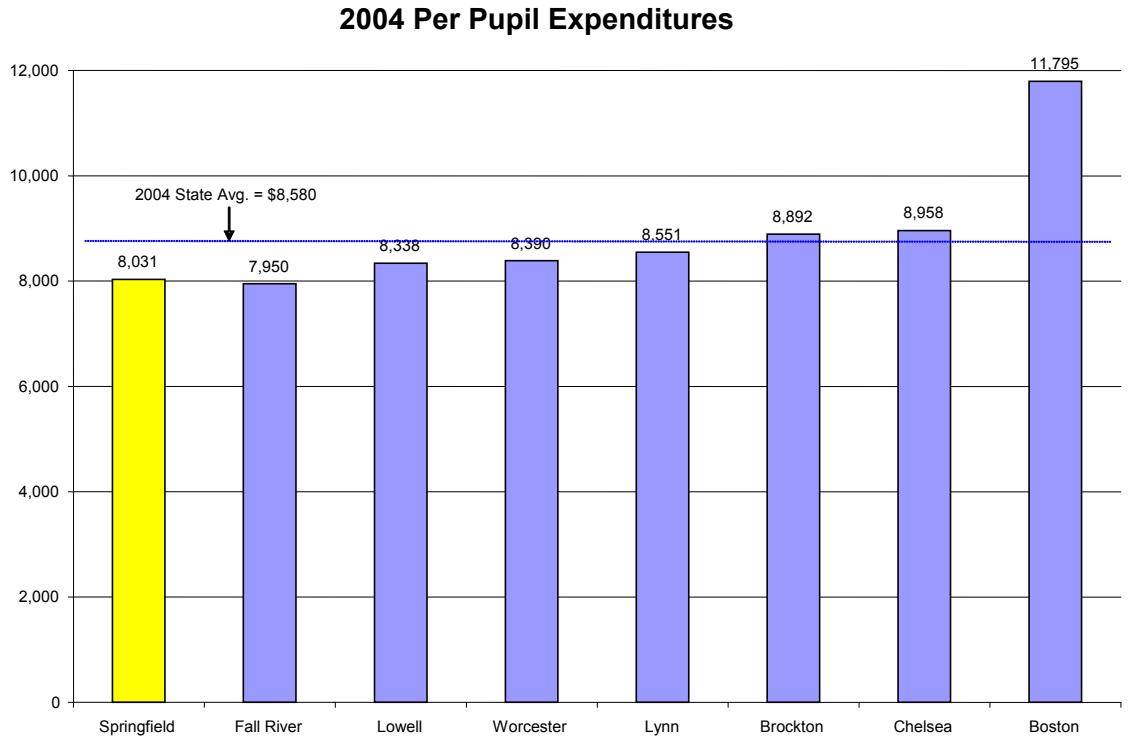


Source: www.schoolmatters.com

As one can see from this data, the SPS spends more on compensation than most of the other districts and pays 3.7 percent more for its personnel costs than the average of all the comparison districts and the same amount as the average of the Massachusetts study districts. This finding may indicate that the SPS is paying too much for its personnel resources or that more likely, it has more people providing services to its students than the other school districts. In either case, there may be an opportunity for the SPS to save money by reducing the percentage of its budget

that is allocated to compensation. If a 3.7 percent savings in were applied just to the administrative 2005 employees working at the SPS's central office, this would result in an annual savings of $229,100.[11]

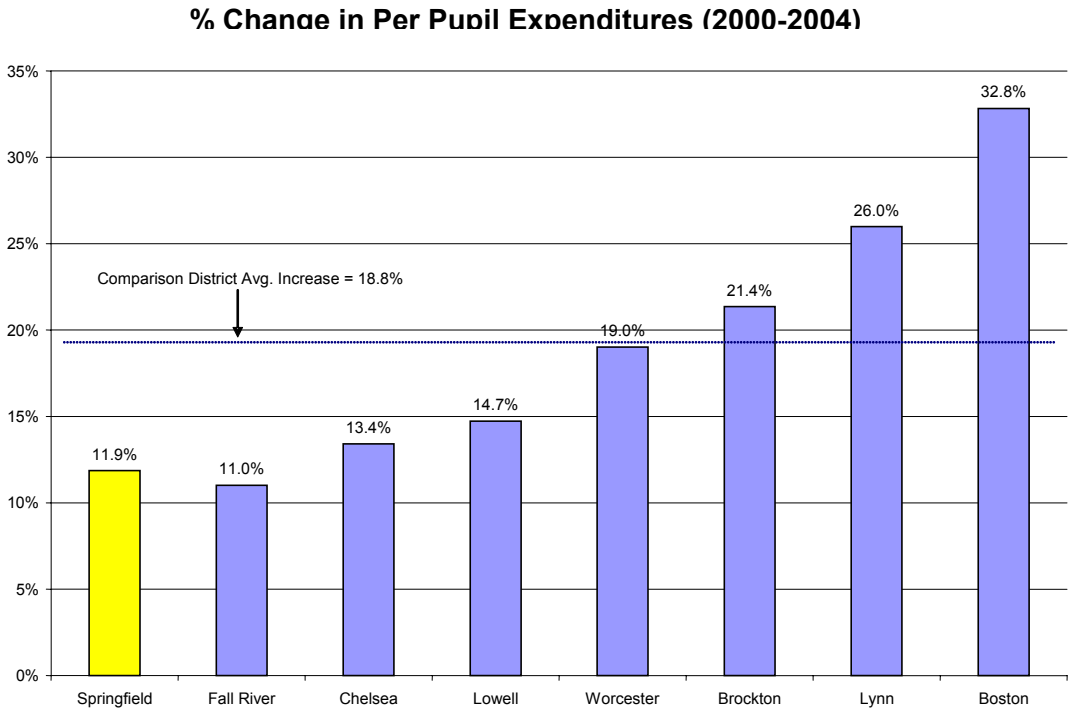
While evaluations of staffing levels and spending allocations provide some measure of the efficiency of any organization, one final way to evaluate cost efficiency is to assess the amount of money a school district actually spends on a per pupil basis. Using 2004 data from the Massachusetts Department of Education, the following spending patterns appear.



The SPS spent $8,031 per pupil in 2004 compared to a state average of $8,580. This amount was the second lowest of the comparison districts and includes spending on all categories of students.

As shown in the chart below, from 2000 to 2004, the SPS saw its per pupil expenditures increase 11.9 percent. This was the second lowest percent increase among the comparison school districts.

[11] This analysis is based on a spreadsheet provided to PFM by the Executive Director of Finance for salaries of SPS employees working in the district's central office.



Source: Massachusetts Department of Education

The SPS is delivering its educational services at a lower level of per pupil spending than the comparison districts and nearly seven percent lower than the Massachusetts state per pupil spending average. In addition, SPS's funding levels have increased at a slower rate over the past five years than all but one of the comparable Massachusetts districts.[12] In fact, the SPS's rate of growth in per pupil funding the past five years is nearly 37 percent less than the average of the other districts. This analysis reveals that at least a part of the challenge of maintaining the financial stability of the SPS centers on funding the school system at adequate levels. It is difficult to dispute that the SPS will continue to struggle to balance its future budgets when its per pupil spending levels so significantly lag spending levels in other districts. Resolution of this issue will be of particular importance to the future financial health of the SPS.

Conclusions

The Springfield Public Schools is presently challenged to find ways to significantly increase the academic achievement of the children who attend its schools. The Department also confronts fiscal challenges that make it unlikely that it will receive additional funding to educate its students. Unfortunately, these are problems and challenges that many, if not most, urban public school systems across the United States face today. The SPS will have to work diligently to find ways to continue to balance its operating budget at the same time it increases student achievement. The analysis completed in this review indicates that there are several opportunities that the SPS can further explore that may save the Department money and that can reduce the size of the organization's central administration. The results of the analysis also indicate that

[12] In addition, the state average increase for all districts in Massachusetts was 20% from 2000 to 2004.

there are at least three other comparable school districts that the SPS can look to for guidance in better managing its fiscal resources and to increase student achievement.

Worcester and Chelsea

Neither the Worcester nor Chelsea School Districts are identical to the SPS in any of the categories highlighted in this report. Nonetheless, both face many of the same challenges that the SPS does in terms of educating economically disadvantaged and minority populations of students. They also face many of the same financial challenges that the SPS confronts. Within this context; however, both outperform the SPS in the level of student achievement in their Districts and the efficiency with which they operate their school systems. In fact, if one analyzes the data, the following results materialize when compared to the SPS:

- Worcester and Chelsea had higher levels of student achievement in reading and math than the SPS in 2003, and Worcester had significantly higher increases in gains in reading and math achievement from 2002 to 2003.
- Worcester and Chelsea had better staffing ratios (per teacher and per staff member) than the SPS.
- Worcester and Chelsea spent less of their total spending on general administration in 2002.
- Worcester and Chelsea spent less on compensation than the SPS in 2002.
- Worcester and Chelsea were able to grow per pupil funding for its schools at higher levels than the SPS from 2000 to 2004.

The data presented in this report indicate that the Worcester and Chelsea school systems have obtained better achievement results with arguably more efficient less costly administrative structures. As a result, Worcester and Chelsea should be considered the most obvious "best practice" school districts the SPS should evaluate to identify ways to contain administrative costs and to increase student achievement. It is beyond the scope of this assignment to identify the specific strategies these two Districts use to obtain the results they do, but it is clear that there is something to be learned by better understanding how the Districts get the results they do in a financial and economic situation similar to the one faced by the SPS.

Boston

Boston Public Schools is the largest public school system in the Commonwealth of Massachusetts. It educates significantly more children than the SPS but also faces many of the same challenges as the SPS. The District is led by a highly regarded Superintendent and has been nominated three times for the Broad Prize in Urban Education.[13] The District also compares to the SPS in the following ways:

[13] An annual award sponsored by The Broad Foundation which recognizes the urban public school systems across the United States who demonstrate the most improvement in raising academic achievement for all students in a school district at the same time the organization reduces the achievement gaps between all students and students of color and students of lower economic status. Previous winners of the award include the Houston Independent School District (Texas), the Long Beach Unified School District (California) and the Garden Grove Unified School District (California).

- Boston has similar levels of student achievement in reading and math as the SPS
- Boston has better staffing ratios than the SPS
- Boston allocates less of its total budget to compensation
- Boston has found ways to significantly increase its per pupil funding levels since 2000

Much like Worcester and Chelsea, the SPS should learn more about how Boston Public Schools operates and how it funds its operations. There may be strategies utilized in Boston that would be applicable to the operations of the SPS. In addition, Boston Public Schools faces many of the same challenges as the SPS and demonstrates many of the same inefficiencies of the SPS. It is possible that Boston is exploring ways to address these problems. This information would be beneficial to the SPS.

Cost Savings

The analysis presented in this report provides information that will assist decision makers in evaluating the cost efficiency of the SPS's central administration function. Some of the data presented indicates that the SPS has a significant opportunity to reduce overall staffing levels or to increase the numbers of students served by each teacher or staff member. Nonetheless, real opportunity to improve the efficiency of the central administration and/or reduce costs of central administration should be available if the Department carefully evaluates the way it operates its school system.

For instance, analysis in the body of this report indicates that the SPS has two potential areas of focus for reducing administrative costs:

1. Reducing administrative staffing levels to be more in line with the comparison school systems; and
2. Reducing overall compensation levels to achieve savings.

Implementing either of these strategies could save the SPS significant money. For instance, if the SPS improved its students/staff member ratio simply to the next most inefficient Massachusetts district (Boston at 6.3 students/staff member), it could reduce total staff by 364. Even if one assumed a reduction of 50 percent of this amount and an average employee cost of $30,000 (wages and benefits), this reduction would save the SPS over $5.4 million.

As an alternative strategy, SPS could identify ways to reduce its overall compensation spending to be in line with the average compensation costs of the comparison districts. Though difficult to implement, the SPS does spend 3.7 percent more for its personnel costs than the average of all the comparison districts and the same amount as the average of the Massachusetts study districts. Applying this 3.7 percent savings just to the administrative 2005 employees working at the SPS's central office, this would result in an annual savings of $229,100.

One specific way for the SPS to work toward administrative cost savings is for it to annually review vacant positions in the operating budget. PFM was informed by the SPS that the

upcoming FY2005-06 budget includes two current vacancies and five anticipated vacancies in its unionized employee pool (Unit B) and 12 vacancies in its non unionized pool (Unit Z). Simply eliminating these positions from the budget, which does not require laying off any employee, would produce substantial annual savings. Assuming a conservative annual employee cost of $30,000 (salary and benefits), the elimination of the 19 vacant positions in the upcoming budget would result in $570,000 in savings. Staggering the implementation of this initiative over time would produce the following fiscal impact.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	75%	50%	25%	0%	0%
Fiscal Impact	$142,500	$285,000	$427,500	$570,000	$570,000

CA02 Consider Outsourcing Administrative Functions

Prioritization: Short-term **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

Typically, an organization would not consider outsourcing its core competency. In the case of public education; however, two school systems have recently outsourced the entire management of their administrative functions to outside vendors. In both St. Louis (2003) and New Orleans (2005), a turnaround management firm was brought in to streamline district operations, cut costs and increase the efficiency with which the school system operates. While currently an option, the practice of outsourcing the administration of a school system is a strategy that should be carefully reviewed by policy makers. In addition, the SPS should consider options to outsource additional administrative systems where these services could be provided at lower cost and/or greater efficiency. Examples of services sometimes outsourced include: payroll, computer repair and maintenance, etc.

Because implementation of an initiative such as this would require an up front investment and returns are unknown, the fiscal impact cannot be determined.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

CA03 Implement a Performance Management System

Prioritization: Immediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

High performing organizations and school districts utilize a performance management system to guide all organizational activities. In this type of system, data and qualitative information is obtained for every function of the organization. This information is compiled and presented to the management team. Senior leadership then uses this information to assess the effectiveness and efficiency of every function of the organization. Data is used to identify strategies to improve performance and the cycle is repeated on an annual basis.

SPS will be participating in the City's performance based budgeting initiative, and this work should be combined with a comprehensive performance management system. Doing this will increase the productivity of the organization and identify specific areas where cost efficiencies can be realized. This initiative specifically refers to a performance management system for the administration of the Department. SPS appears to have made more progress in developing a student information system. There may be learnings or overlaps in the use of technology that could be used to implement this initiative that are currently being used to run the student information system.

No immediate savings can be attributed to this initiative at this time.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

CA04 Initiate a Comprehensive Personnel/Human Resources Review

Prioritization: Short-term **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

The first initiative in this section of the report identifies potential opportunities for the SPS to further contain its administrative costs. To effectively do this, the Department should complete a detailed personnel review of the administrative functions of the organization and identify the workflows of each staff member employed in an administrative function. This assessment should be used to identify opportunities to combine work and departments, increase efficiency and reduce costs associated with administering the Department. A comprehensive review of this nature should be completed by a qualified human resources consulting firm.

An initial investment in the review will be required to implement this initiative. The fiscal impact cannot be determined.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

CA05 Implement a Modern ERP/Financial/Procurement Technology Software System

Prioritization: Short-term **Required Approval:** Local, School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

SPS and the City utilize an outdated financial and procurement system to perform sophisticated financial, human resources and procurement transactions. The City and the SPS should jointly replace the existing MAPPER system with a modern ERP software system. This software will perform all of the financial, procurement and human resources functions required of the organizations and ensure that system leaders have current and useful information at their disposal to make informed decisions about managing the City and the School Department. The system should be installed by a known and competent information technology firm and should be implemented as soon as is possible. The system is likely to cost over $250,000 and may cost significantly more than this. High performing governmental entities utilize this type of ERP system to manage the day to day functions of government.

An initial investment in the review will be required to implement this initiative; the fiscal impact cannot be determined.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

CA06 Make Organizational Design Improvements

Prioritization: Intermediate **Required Approval:** School Department Management

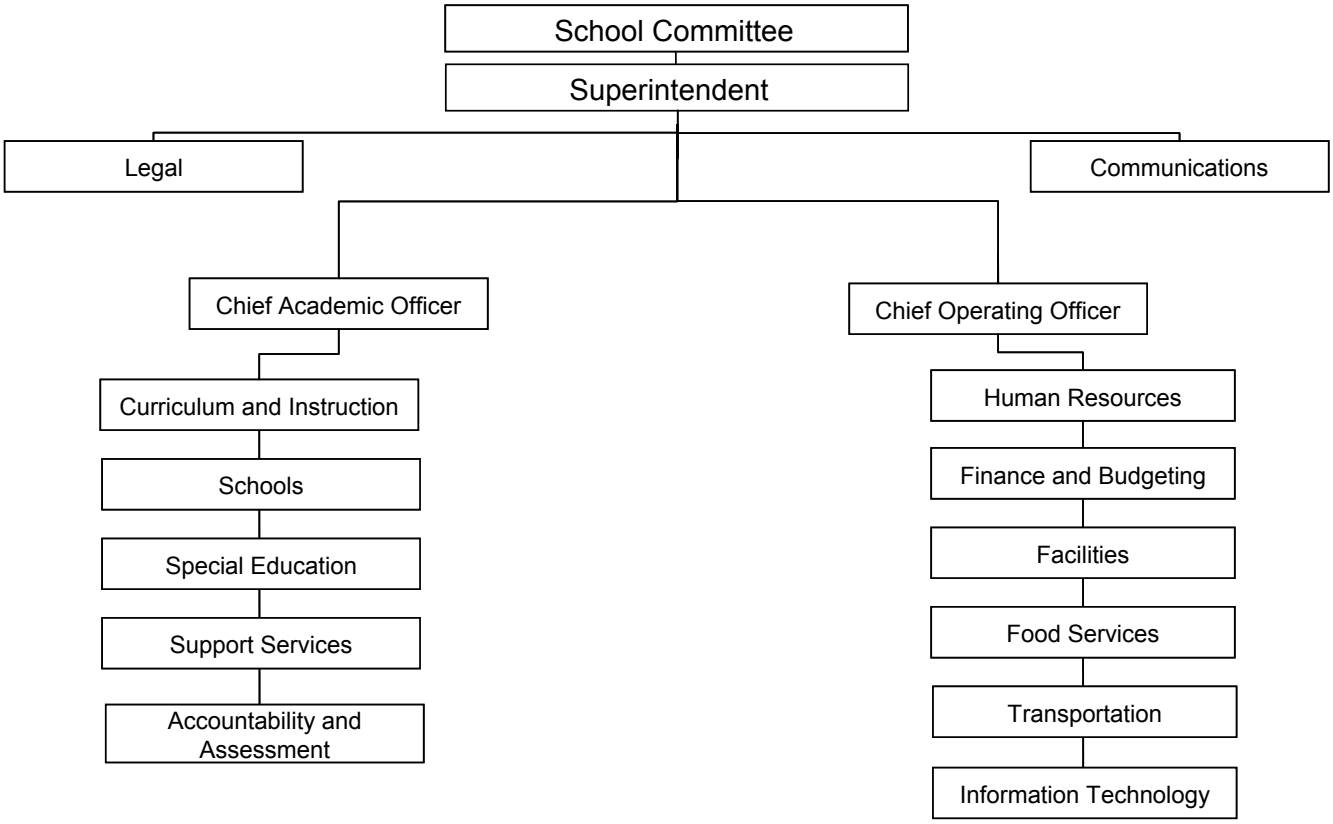
Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

The organizational structure of the SPS is relatively straightforward. Nonetheless, for an organization of its size, the Department should consider a simpler, more streamlined organization at the senior levels of the organization. In this structure, the Superintendent would have two primary direct reports – one person in charge of all instructional activities and another individual responsible for all operational activities of the organization. Structuring the organization this way will increase the accountability of the senior leadership, at the same time it

streamlines responsibility for organizational activities. An additional benefit of organizing in this manner will be that the Department will be able to attract more experienced professionals to take on the senior leadership roles in the organization and who have experience in more of the functional areas to be overseen.

In the above design, the organization might look as follows:

Alternative Organization Design for SPS



In determining the appropriate structure for the organization, the SPS should consider other alternative organizational designs. Many school districts across the country are evaluating the manner in which they manage operations and are implementing changes to organizational design that allow them to better serve schools and students. A best practice analysis of other school system organizational structures would benefit any redesign undertaken by the SPS.

The fiscal impact of this initiative cannot be determined.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

CA07 Organize and Implement a Productivity Bank

Prioritization: Intermediate **Required Approval:** Local
Rev/Exp: Exp **5 Year Fiscal Impact:** ($103,900)

The SPS should consider creating a revolving fund to provide initial funding for departmental initiatives that will result in future cost savings or revenues. Too often, projects that promise real returns are not advanced or even seriously discussed because of the constraints of annual operating budgets. The revolving fund will provide loans for projects that will save money or increase revenues and will make certain that the loan is repaid so that other projects can be funded.

Although the revolving fund will require an initial investment, this initiative can translate into cost savings, increased revenues, and more efficient operations. The revolving fund will allow department heads to look for longer term savings and advance projects not possible using only their annual operating budget allocation. It will also capitalize on suggestions by front-line, operational staff, often the best source of ideas to improve service delivery and create efficiencies.

Providing capital for projects allows managers to think beyond the annual budget and to advance projects that will achieve cost savings in the long-run. In the two scenarios presented below $200,000 and $500,000 respectively in bond proceeds is generated through the issuance of debt. (Clearly, at these small levels of proceeds, funding the productivity bank would be part of a much larger bond issue.) These proceeds are considered capital funds and should be spent and monitored in the same way as other capital funds. As part of a bond issue, they are subject to the same legal restrictions as all bond proceeds. However, under the productivity bank model the projects funded with these proceeds should generate operational savings at a level adequate to cover the debt service on the respective debt. The projected debt service for these two sized productivity banks is shown below, assuming that this initiative begins in two years.

Discounted Fiscal Impact

$200,000 Issue

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	$0	($6,500)	($31,500)	($30,800)	($35,100)

$500,000 Issue

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	$0	($16,300)	($81,300)	($79,400)	($82,500)

IV. PURCHASING

PURCHASING

MISSION

Purchasing and procurement operates to ensure the cost effective procurement of supplies, materials, equipment and contractual services for the Springfield Public Schools ("SPS") by obtaining quality goods and services in a timely and professional manner. All services are provided in a fair manner and in accordance with all applicable laws and regulations.

OBJECTIVES

Purchasing and Procurement is responsible for acquiring goods and services on behalf of the SPS in a manner that ensures:

- Adherence to City laws and regulations
- Procurement of goods and services at their most competitive price
- Efficiencies and economies of scale are realized when available
- Operations run smoothly, services are provided in a timely manner and outdated resources are appropriately disposed.

The SPS's purchasing function is overseen by the Executive Director of Finance. One budget analyst in Purchasing spends approximately 20 percent of her time managing the acquisition of resources for the School Department and overseeing the purchase order system of the SPS. Another clerk spends an estimated 60 percent of her time processing purchase orders once they are approved by the budget analyst. Several budget analysts spend a small portion of their time verifying expenditures of grant funds and the Assistant Director of Finance is responsible for overseeing the purchasing of food for Food Services. Though the SPS plays a role in the purchase of goods and services for the organization, the majority of the purchasing function is completed by the City of Springfield's Procurement Office.

SPS processes approximately 7,500 purchase orders per year and purchases approximately $70 million in goods and services on an annual basis.[1] The top ten categories of purchasing in FY2003-04 were as follows:

[1] General fund and grants totals for FY2005 as of March 29, 2005 were $54.3 million in purchases and 7,519 purchase orders – VA 17s.

SPS Top Ten Purchasing Items (FY2004)

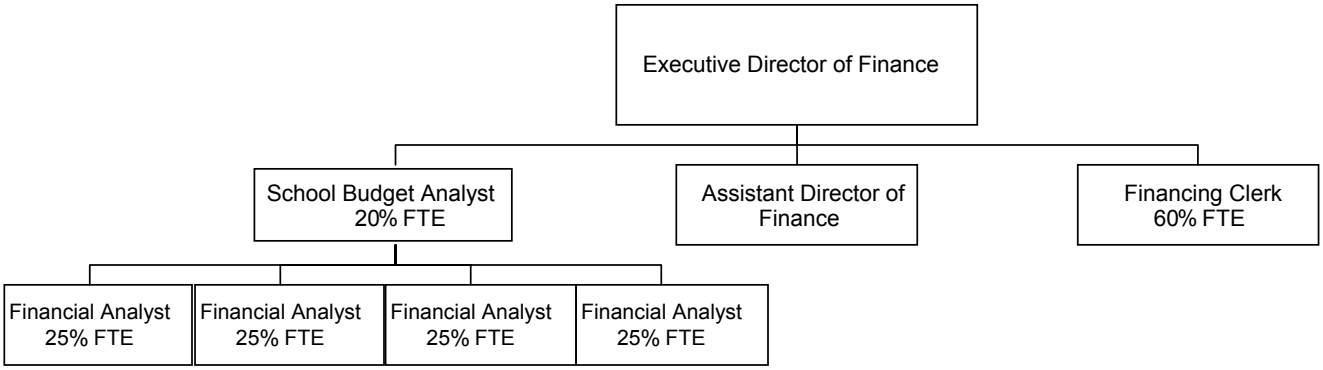
Type of Service or Supply	Amount Spent
Professional Development	$7,828,965
Transportation, Regular Education	$6,256,509
Transportation, Special Education	$5,321,434
Electricity	$3,027,568
School Supplies	$2,874,399
Computers	$1,867,516
Textbooks	$1,385,965
Oil	$1,176,085
Gas	$903,287
Copiers	$847,655
Total	**$31,489,383**

MAJOR ORGANIZATIONAL UNITS

In the SPS, Purchasing employs no full time employees. The Finance staff provides the bulk of staffing for this function in the form of one budget analyst, one finance clerk and part time assistance from four other financial analysts who are primarily tasked with verifying funds available for grant related purchases by schools. A summary of the resources used by the function are described below:

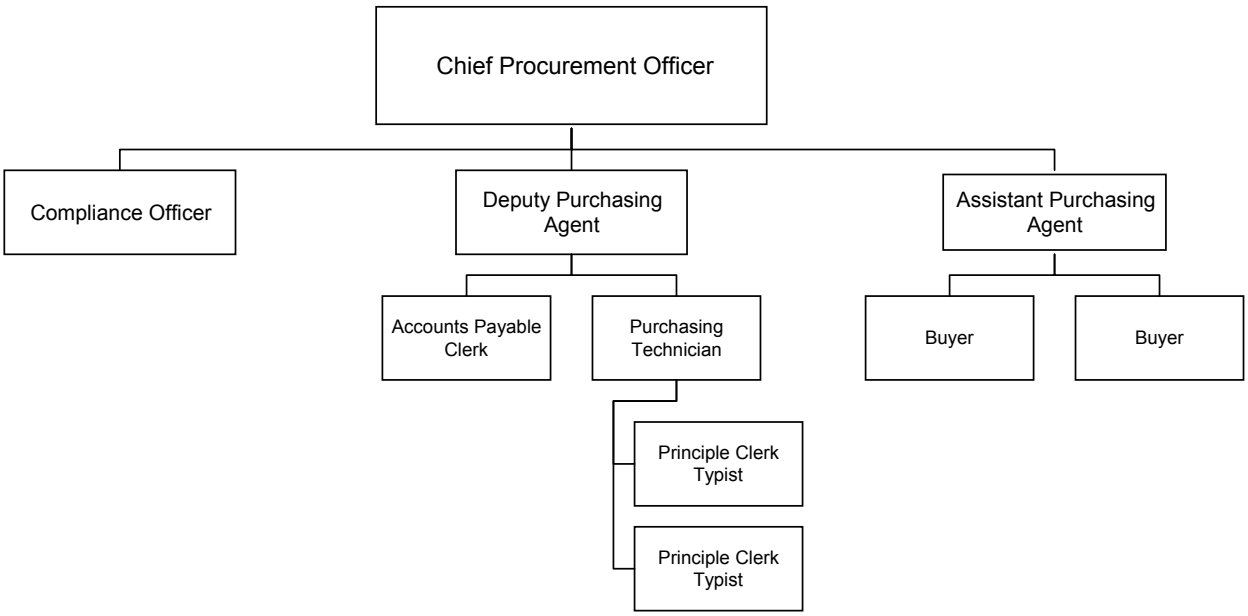
Purchasing Services (1.8 FTEs).[2] SPS resources dedicated to the Purchasing function are primarily responsible for managing the flow of purchase orders through the School Department's financial system and for verifying the accuracy of purchase orders. The majority of procurement occurs within the City of Springfield's Purchasing Department.

School Organizational Chart



[2] Figure based on 20 percent of Budget Analyst's time, 60 percent of one Finance Clerk's time and 25 percent of the time of four grants related Financial Analysts in the Finance Department.

City Organizational Chart



BEST PRACTICES

Outstanding purchasing functions in other governmental entities often have similar characteristics, policies and procedures that permit them to provide services to clients in the most effective manner. These characteristics often include the following:

- The continuous review and updating of business systems, procedures and processes to ensure that the function is efficiently operating.
- The identification and implementation of technological advances that maximize service efficiencies reduce administrative time and costs and maximize competition in the bidding process.
- The use of cooperative purchasing agreements with other similar entities.
- The maintenance of an accurate and extensive database of potential vendors for all goods and services; including lists of minority and woman owned firms who could participate in purchasing related bids.
- The continuous assessment of customer satisfaction to ensure the appropriate delivery of services.
- The ongoing assessment of price competitiveness and measurement of the department's performance using outcome based performance measures.
- The provision of professional development and training to departmental employees.

- The systematic review of bidding, bonding and insurance level requirements used in the purchasing function to increase price competitiveness and administrative efficiency.[3]

GAP ANALYSIS

The following table presents a gap analysis between SPS's purchasing function and purchasing best practices found in other governmental entities across the United States. The table identifies SPS's strengths and weaknesses and drives the development of initiatives to improve the performance of the function. In the SPS's case, many of the functions typically performed by a purchasing department are performed by the City of Springfield's Purchasing Department. Where possible, the gap analysis is applied to the City's purchasing function. However, this report is focused on the performance of the School System's purchasing function.

SPS Purchasing Function Gap Analysis

Best Practice	Springfield Practice	Addressing Performance Gap
1. Accurate and up to date performance benchmarks are in place and compared to other similar organizations on at least an annual basis.	Limited measurement of performance that is not compared to other organizations and is not reported on at least an annual basis.	Development of outcome based performance measures which are compared to other similar organizations and reported out at least annually.
2. A long range strategic plan for the function is in place and utilized to guide the operations of the department.	No plan is in place. Planning is done informally.	Development of a five year strategic operating plan for the function.
3. Goals and objectives for the department are developed on an annual basis and are monitored throughout the year.	No goals and objectives in place.	Development of annual goals and objectives for the function.
4. Price competitiveness is measured and reported on at least an annual basis.	Not done.	Development of a list of comparison measures, identifying comparable entities and reporting results on at least an annual basis.
5. Systematic assessment of customer satisfaction is performed and results of satisfaction levels are reported at least one time per year.	Customer satisfaction is assessed informally.	Development of a process, forms and database to collect customer satisfaction results.
6. Timely on-site assistance is available to customers and vendors of the purchasing	Available from current staff.	Development of formal plan and processes to provide customer assistance throughout the year.

[3] Examples of governmental entities operating high performing purchasing functions include: Fairfax County, VA; Indianapolis, IN; Charlotte, NC; and Portland, OR.

Best Practice	Springfield Practice	Addressing Performance Gap
function.		
7. Cooperative purchasing agreements are in place with other entities (including state purchasing programs).	Done through state contracts for purchase of many goods and cooperative purchasing agreements with other local governmental entities.	Identify additional opportunities to cooperatively purchase goods and services where savings can be realized.
8. Modern technology is utilized to advertise bids and RFPs, to register vendors, to maintain bidder lists and to disperse standard contracts and bid documents.	Not in place for SPS. City has internal system in place for City purchases. System not functional for SPS.	Expand City's purchasing system to include school system. Implement modern technology to advertise bids, register vendors and disperse purchasing documents.
9. The monetary limits for bidding requirements and performance bonds are evaluated at least every five years for appropriateness and price competitiveness.	Not reviewed by the City on a formal basis and compared to other local governments or states on an informal basis.	Complete formal review of various floors and performance bonds and develop report for City and State with recommended changes to levels.
10. An integrated purchasing, inventory management, purchase order requisition software system is utilized to manage the procurement process.	Not in place.	Identify system requirements and evaluate cost of implementing a comprehensive purchasing/financial/erp system to be used by SPS and the City. Comprehensive systems typically cost $250,000 and above.
11. Contracts, RFPs, RFQs and invitations to bid are based off of standard documents.	Done.	Identify improvements to documents to streamline purchasing process.
12. Contracts are issued for multiple years where possible and/or include renewal addenda in place of annual contracts.	Most contracts are executed for one year though they can be issued with renewal options. Renewal process requires execution of amendments to contract.	Identify a process to expedite contract renewal where desired by City and the SPS. Consider entering into multi-year contracts where possible and appropriate and where allowed by law.
13. Departmental staff is provided with professional development in purchasing best practices on an annual basis.	Budget Analyst and Executive Director of Finance have received limited training in purchasing best practices.	Staff training in purchasing best practices should be provided on an annual basis. Training should include programs sponsored by the National Association of Purchasing Officers.
14. Where possible, decision making for purchasing decisions is moved to the level closest to the purchasing decision.	Done on limited basis for small items at schools. Office and school supplies can be purchased on master contracts with vendors but require submission of purchase orders.	Expand decentralization of small and routine purchases.

Best Practice	Springfield Practice	Addressing Performance Gap
15. Procurement cards or other purchasing procedures are in place to make small and routine purchases in the organization.	Not in place. Pilot program was tried at one school but never implemented system wide.	Evaluate use of decentralized purchasing system for small and routine purchases and develop financial controls to ensure appropriate spending.

INITIATIVES

PS01 Develop Outcome Based Performance and Price Measures for Purchasing Function

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

The procurement of supplies, services and equipment should be well coordinated, multiple vendors should compete on transactions and administrative costs should be low in comparison to cost of goods and services purchased. The time required to process purchasing transactions should range from a few days for small routine items to a few weeks for larger items.

Currently, the SPS's purchasing function does not formally use performance measures to assess its cost efficiency. A team consisting of the Budget Analyst, the Executive Director of Finance and the City Procurement Officer should begin to establish performance measures to monitor and report on the function's performance and to diagnose inefficiencies in the process of purchasing. Suggested outcome based measures include the following:

- Number of purchase requisitions completed per month and per year;
- Number of bids completed per month and per year;
- Value of purchased processed per month and per year;
- Administrative costs per $100 of purchased goods (this figure should be done for the SPS and for the SPS/City combined process);
- Total cost of the function as a percentage of the total value of all transactions completed (should not exceed 1percent of total amount); and
- Average time required to complete a purchase requisition, an over $5,000 requisition and an over $25,000 requisition, bid and contract.

Measures should be used to identify and address potential problems and to strategically improve performance. Especially in the case of routine/small purchases, there is significant room for improvement in the efficiency with which purchases are completed. Currently, the process to complete a VA-17 is cumbersome for the smaller purchases (under $5,000) that the SPS completes.

Though the development of measures and the use of them to drive efficiency will benefit the SPS, fiscal impacts of this initiative are difficult to quantify at this time.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

PS02 Establish a Price Comparison Measurement System

Prioritization:	Short-term	**Required Approval:**	School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	CBD

Understanding the price competitiveness of purchases made by the SPS is critical to the success of the purchasing function. Although the staff involved with the purchasing function seem to have an informal understanding of the competitiveness of the Department's purchasing, the function can formalize this process to better understand its efficiency. Purchasing can leverage technology, best practice research and relationships with other schools, governments and associations to develop a simple database of price measures. Doing this will ensure the Department that it is successfully negotiating competitive prices for the goods it purchases. The SPS should be especially diligent about monitoring the prices of contracts and goods that are bought on sole source contracts (e.g. a contract with an office supply store). While these contracts are often efficient to administer and avoid costly warehousing expenses, they must be carefully evaluated to make certain the Department is receiving the best pricing on all the purchases made off of these contracts.[4]

Although financial benefits may accrue from an effective price benchmarking program, savings are not certain and are difficult to quantify without more information and data.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

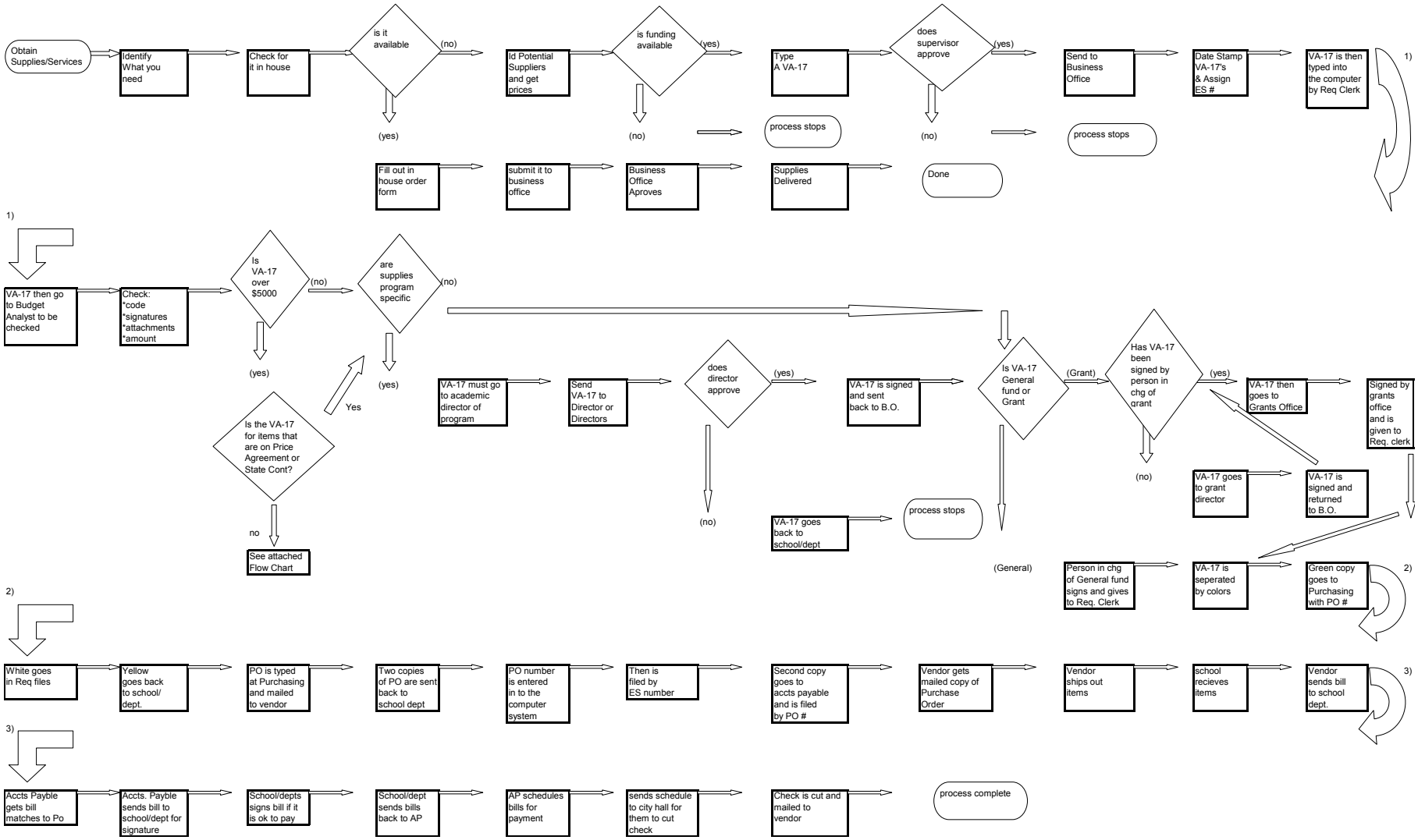
PS03 Redesign Procurement Processes

Prioritization:	Immediate	**Required Approval:**	Local, School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	CBD

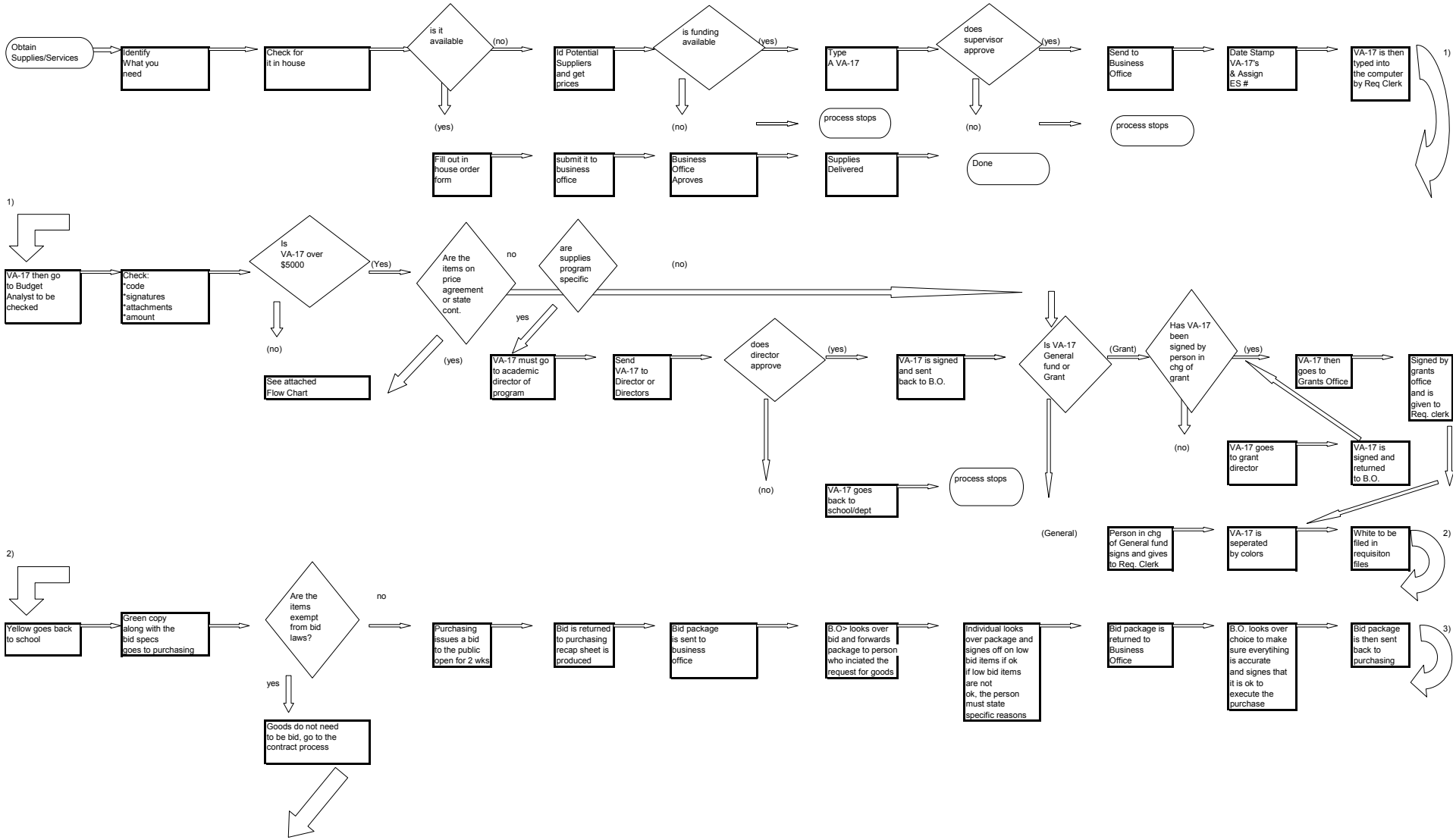
SPS's procurement processes, for both procurements under $5,000 and over $5,000, are cumbersome, labor intensive and require too much time to complete. The process for completing a purchase of goods and services for both under $5,000 and over $5,000 are documented on the following pages. As one can see from these flowcharts, there are numerous steps to complete both processes. Many of the steps should be evaluated for consolidation, elimination or should be completed through the use of technology that can expedite the time required to complete the steps, or in some cases, eliminate the steps all together.

[4] For example, Manchester, NH Public Schools has negotiated a contract with its office supplies vendor to provide bulk rate prices for all purchases by the district regardless of size.

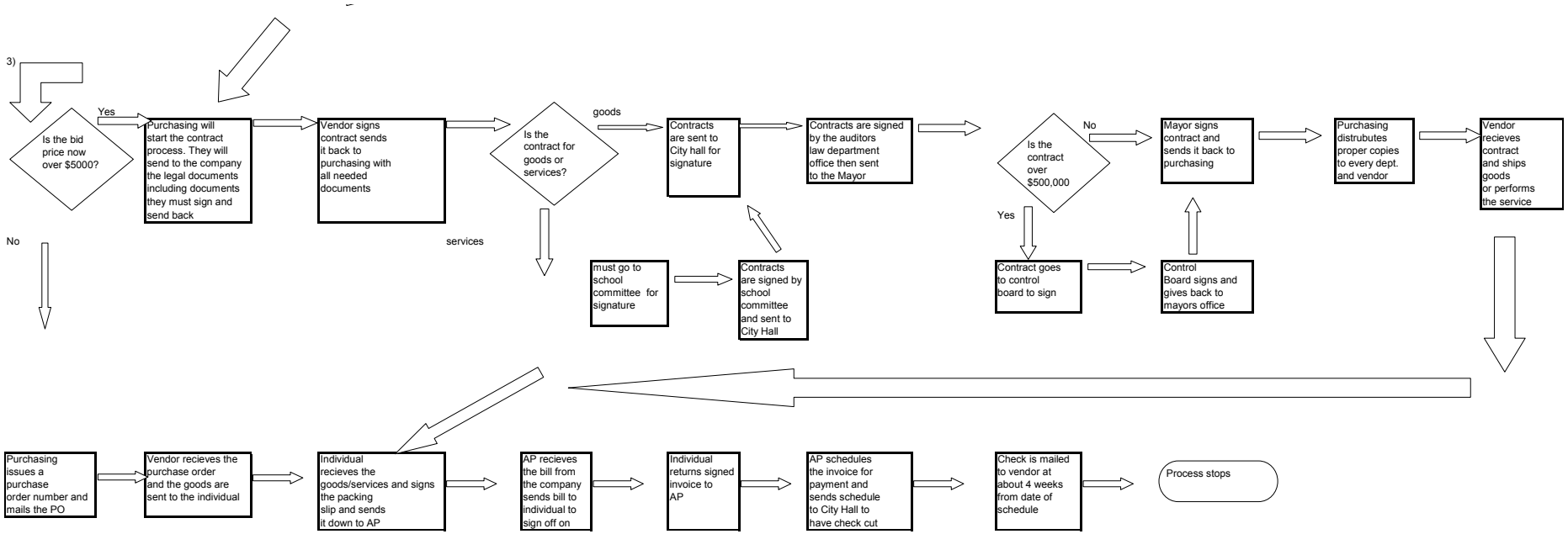
Existing Flow Chart for Obtaining Supplies/Services Under $5,000



Existing Flowchart for Obtaining Supplies/Services over $5,000 – Part 1



Existing Flowchart for Obtaining Supplies/Services over $5,000 – Part 2



Though public sector procurement is often hampered in its ability to quickly fulfill purchasing requisitions, steps should be taken to minimize the amount of paperwork that is required to complete a purchasing transaction, to reduce the number of sign offs required to purchase routine and small ticket items and to better coordinate the various activities that have to be undertaken to complete a purchasing transaction. Certainly, the SPS and the City of Springfield must complete legally required steps to procure goods and services, but where possible, the cumbersome processes to procure goods (both under $5,000 and over $5,000) should be streamlined and redesigned.

There are several modifications to the above procurement processes that might reduce the administrative burden of completing the processes. The following suggestions might reduce the time required to complete the processes:

Purchases under $5,000

- Create a list of the most commonly purchased items by SPS employees and develop an internal template with required attachments to complete these purchases. The template would include a filled in VA-17 that would simply need to be signed by required parties and any attachments that need to go along with the requisition to make sure the appropriate item is purchased. Doing this will eliminate some of the time required to type up individual VA-17s.
- Negotiate additional price agreements with providers of the most routinely purchased items in the SPS. Doing this will reduce the time it takes to secure a contract with a vendor and to have goods and services delivered to SPS schools.
- Automate the process of checking for available funds for procurement so that the Budget Analyst does not have to manually check for funds available for every purchase. If the City's MAPPER system can be utilized to perform this function, it should be used. Otherwise, the SPS and the City should install its own financial/procurement system. Doing this will significantly reduce the time required by the Budget Analyst to check for available funds for every purchase. This improvement in the technology of the procurement process would be a module of a fully implemented modern ERP software system (see CA 05 Initiative in Administration Chapter).
- All VA-17s should be completed online using the MAPPER system just as City departments complete them. Doing this will prevent SPS employees from completing the cumbersome task of typing up each requisition form. VA-17s could also be automatically populated with routine information to expedite the completion of the form (school name, school id, etc.). This step would also eliminate the step where the SPS's Requisition Clerk has to enter the information from each VA-17 into a computer system. Date stamps could also be automatically attached to requisitions rather than doing this step manually.
- If technology could be utilized to complete the above step, the system could also seek departmental, school and budget approval for a requisition at the same time. This would reduce the time required to obtain all of these approvals and not burden employees with any additional work. Requisitions would not be sent to vendors or filed until all required approvals are obtained. Rather than doing the process sequentially as it is done now, the

process could be completed at the same time by all parties. This would prevent any one approval from slowing down the requisition process.

- If the MAPPER system can be used to electronically generate VA-17s, the process of creating, filing and copying multiple copies of the form could be eliminated. All of this information could be stored in an electronic database and/or multiple copies of the form could be printed.
- The SPS has built excellent controls into its purchasing process, but the downside of these controls is that they slow down the time it takes to procure goods and services. While it is understandable that the Finance Department wants to make sure schools are appropriately spending available funds for items, the number of sign offs required to complete the purchasing process is greater than the signatures required in many of the City's other departments. Certainly, the school system has more employees and more unique items to purchase, but the SPS does purchase these items every year. To make any school based purchase in the Department, the following individuals have to sign off on the purchase:

    - Employee requesting goods or services
    - Principal or supervisor
    - Budget Analyst (check for funds available)
    - Director of program that funds are being spent on
    - Financial analyst (if grant funded) or Budget Analyst
    - Executive Director of Finance or Assistant Finance Director (for Food Services) if over $5,000
    - City's Chief Procurement Officer
    - School based official when item is received

- If the SPS moved to an audit of purchase approach for small and routine items that are purchased (as well as using technology to validate approvals and funds available), the number of signatures to complete the procurement process could be reduced. In this arrangement, the Budget Analyst and the Finance Director could rely on the financial system to verify funds available for purchases and audit requisitions to make sure schools and employees are spending funds appropriately. Using an audit approach, could also allow the SPS to reduce the number of sign offs the financial function has to provide for every requisition. While some control is lost in this initiative, there must be a balance between getting goods and services to schools as quickly as possible and making certain all appropriate procedures and processes are followed. Risk in this initiative can be reduced by only allowing this change to procedure for small and routine purchase (e.g. under $500).

<u>Purchases over $5,000</u>

The process for purchasing goods and services over $5,000 is nearly identical to the process for securing goods and services under $5,000. The major difference is that purchases over $5,000 require phone or written quotes from at least three vendors and a contract between the vendor

and the City of Springfield/the SPS must be entered into. Purchases over $25,000 are required to be publicly bid and also require a contract between the vendor and the City/SPS. As a result, all of the above initiatives to redesign the procurement process apply to over $5,000 procurements. Any changes to the over $5,000 process require changes to City purchasing policies and procedures and are outside of the scope of this review. Nonetheless, two initiatives are worth mentioning for review by the Control Board.

- Because the process of completing a purchase order requisition for an item over $5,000 takes anywhere from three to eight weeks to complete, some consideration must be given to reducing the time required to obtain goods for the City and the SPS.[5] Time delays in purchasing negatively influence worker productivity and often result in higher costs of goods because vendors build into their prices the time it takes to negotiate with the City for the purchase of their goods or services. One simple way to reduce the time it takes to complete this process is to circulate contract/bid/purchase order documents to all parties who must sign the documents at the same time.[6] Presently, the documents flow from one office to the next which can result in any one office serving as a hindrance to completing the process in a timely manner. To safeguard against inappropriate procurements, the Chief Procurement Officer could provide final sign off after all other signatures are obtained.
- The City's procurement process utilizes the MAPPER technology system to automate some portions of the procurement process that are manually completed in the SPS. Nonetheless, the City should enhance the MAPPER system so that it can perform additional procurement functions that will expedite the process of buying goods and services. If it cannot be improved the system should be replaced with a modern ERP system (see CA 05 Initiative in Administration Chapter). For example, the Chief Procurement Officer is currently not able to review the City's level of purchasing at any given time without going through a lengthy data request process. He must submit a data request to the MIS department and then a program is run to generate the report. This process takes so much time to complete that data is not routinely evaluated by the department. This is cumbersome and timely process prevents the department from evaluating its efficiency and the way it operates.

The redesign of the procurement process is complicated and likely to require an investment in technology to implement the majority of the recommendations. Nonetheless, real benefits in terms of reduced employee costs and time to process purchase orders will be realized by implementing this initiative.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

[5] In contrast, Boston, MA informed PFM that it processes purchase orders in approximately three weeks time.

[6] For SPS purchases, signatures are required by an SPS employee, the City Law Department, the City Auditor, the City CFO (if contract is for more than one year), the Chief Procurement Officer and the Mayor.

PS04 Automate the Purchasing Process

Prioritization:	Immediate	**Required Approval:**	Local, School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	CBD

As indicated in the 30B Audit conducted by The Abrahams Group, the SPS and City procurement process is paper intensive and not as automated as best practice purchasing functions. As described above, the procurement process is cumbersome, time consuming and requires the completion of multiple copies of paperwork.

The City and the SPS should work together to develop an integrated and automated purchasing system that will minimize hard copy paperwork.[7] The procurement process could produce an automated purchase order with electronic signatures to document the approval of the school requesting the purchase and the necessary individuals who approve the purchase and verify the availability of funds to make the purchase. The automated system should also provide SPS staff with capability to electronically access records and procurement information. If the City's current MAPPER system can be adapted to meet these requirements and be integrated into the SPS's purchasing function, that system could fulfill some of the functions described above. If the MAPPER system cannot meet this functionality, the City and the SPS should consider ways to purchase a new purchasing system to perform these functions. While there will be an initial up front investment to purchase and install the technology, savings should accrue over time from reduction in the time required to process the paperwork required to complete the currently manual process.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

PS05 Reduce Time Required to Complete Requisition and Contracting Process

Prioritization:	Short-term	**Required Approval:**	Local, School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	CBD

As described in initiative PU 03, redesigning the process to procure goods and services in the SPS will reduce the time it takes to procure items. This is an important for two primary reasons:

1. Reducing the time to purchase goods and services will save money for the SPS and the City by reducing the administrative costs of completing the steps in the purchasing process, and

[7] It is PFM's understanding that the City of Springfield is exploring an automated purchasing system that could be utilized by the SPS and integrated into its procurement process. This work should be expedited if possible.

2. Timelier purchasing benefits the end users of the process by making them more effective at their work and builds positive morale for employees.

While the primary way to expedite the time that is required to secure goods and services in the SPS is to redesign the purchasing process and to better utilize technology in purchasing, one other item should be considered for implementation. Procurement cards are essentially controlled spending credit cards that allow approved organizational employees to purchase small ticket items without having to complete a lengthy requisitioning process. The use of procurement cards certainly opens any organization to uncertainty regarding financial controls, they also reduce the time that is required to purchase goods. The City of Springfield and the SPS should explore the possibility of using procurement cards to obtain at least some of the goods and services they currently buy. A pilot procurement bank (Visa, Mastercard, American Express) card program could be instituted to test the use of these cards in a City department or school within the SPS.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

PS06 Assess Customer Satisfaction with Procurement Function

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

Though this initiative will not likely save money for the SPS, it is important for the purchasing function to assess the satisfaction of its customers (primarily school based staff and central administrators). It is likely that there will be some areas where the function can improve its performance if it better understands the needs and problems of customers. For example, the VA-17 process for smaller ticket purchases with its manual process and long time lag from submission of requisition to receipt of order (ranging from two weeks to four weeks in time) may be a place where SPS purchasing customers may have ideas on how to improve the purchasing process. Understanding customer needs has the added benefit of improving relations between the purchasing function and the users of the function. Just asking for feedback will positively impact the relationship between purchasing and its customers.

Once feedback has been received, the purchasing function should use this information to improve its performance. Though these efforts may reduce costs in future years, it is difficult to estimate these savings at the current time.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

PS07 Implement Enhanced Cooperative Purchasing

Prioritization:	Short-term	**Required Approval:**	School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	$274,000

The SPS currently purchases many goods and services in cooperation with other regional governments and schools. It also buys goods of price agreements and through state contracts that provide enough scale to drive costs down. Examples of goods purchased cooperatively include the following:

Example SPS Items Cooperatively Purchased

Cooperative Agreements	Price Agreements	State Contracts
Fuel (oil and gas - City and regional cooperative)	Transportation Services Office Supplies Text Books Photo Copiers and Supplies	Paper Milk School Supplies Technology Hardware Technology Software

While SPS is already participating in multiple cooperative purchasing arrangements, it should continue to expand this effort by researching opportunities for expanded cooperative purchasing with neighboring schools and governments and developing relationships with other buyers though organizations such as the Massachusetts Association of School Business Officials and the National Association of Purchasing Managers. Opportunities for web based cooperative purchasing should also be explored.

By seeking additional cooperative purchasing opportunities, the SPS may be able to reduce administrative costs and lower the prices of purchased goods. Though the organization purchases nearly all of its largest purchases in a cooperative manner (totaling nearly $32 million in spending in FY 2004), there may still be opportunities to purchase additional goods and services with other entities that may result in savings for the SPS. For instance, if SPS partnered with surrounding schools to procure some of its professional development services ($7,828,965 in FY 2004), it may be able to save substantial money. Just a one percent increase in price efficiency on this set of expenditures would save the organization over $78,000 per year. Applying similar savings to the remaining purchasing the SPS completes on an annual basis would also produce substantial savings. For purposes of this analysis, it is presumed that it will take the SPS one year to organize partnerships with other schools to purchase professional development related services. Actual savings will depend on the negotiations that are completed with partnering organizations.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	100%	50%	0%	0%	0%
Fiscal Impact	$0	$39,100	$78,300	$78,300	$78,300

PS08 Evaluate Bidding and Bonding Levels for Purchasing

Prioritization:	Intermediate	**Required Approval:**	Local, State
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	CBD

At $5,000, the City of Springfield's bidding limit requiring the creation of a contract between the City and any vendor is lower than some other cities (e.g. Manchester = $15,000, Philadelphia = $10,000 and Atlanta = $25,000). While there are many good reasons a city will set its bidding trigger at a low level (including an ability to manage purchases and to increase price competitiveness) and it is difficult legislatively to change bid limits, there are costs of having a low bid limit. The bid limit likely increases the time that is required to purchase some routine items that may not necessarily need to be multi-quoted or have contracts developed to purchase. If the time to reduce some of these purchases can be shortened, savings may be realized by the SPS. For the purposes of this report, no savings are attributed to this initiative.

In Springfield's specific case, the City and the SPS could easily reduce the time required to procure goods and services between $5,000 and $24,999 by not requiring a contract for these purchases. Chapter 30B only requires price quotations from at least three bidders. The City has added its own requirement that contracts be let for purchases that fall within this price range.

The City and the SPS should also be aware that bonding level requirements are often an impediment to price competitiveness and competition in the governmental purchasing arena. Often times, small businesses and new companies, may have difficulty meeting bonding requirements and are therefore unable to compete for City and SPS business. While it is difficult to quantify the number of vendors who do not compete for City and SPS business because of bonding requirements, it is an issue that should be reviewed and evaluated.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

V. FACILITIES MAINTENANCE

FACILITIES MAINTENANCE

MISSION

The Facilities Management staff strives to provide the employees, staff and citizens of Springfield with public buildings that are safe, clean and comfortable. The staff continuously seeks new ways to improve operations through collaboration, training and professional management.

OBJECTIVES

- Implement preventative maintenance program the increase the efficiencies and improve the overall environment of buildings
- Ensure the work order system is in effect and establish benchmarks to measure improvements and maintenance
- Develop and complete five and ten year master plans that incorporate building improvements and energy efficiencies
- Implement maintenance upgrades to schools

The facilities maintenance and custodial functions are administered by the Facilities Division of the newly created Department of Parks, Buildings and Recreation. The Department was formed from the former School Plant Operations Department and the City Departments of Facilities Management and Parks and Recreation on December 4, 2005. The Facilities Division is responsible for the following in the schools:

- Custodial services
- Facilities maintenance
- Grounds and infrastructure maintenance
- Energy usage and conservation
- Capital and infrastructure planning

General cleaning in the schools is done by 228 (authorized headcount) custodians, and preventive and other maintenance services are provided by 18 tradespeople who also maintain other City facilities. These tradespeople are supplemented by tradespeople from private firms. There are nine administrative staff who manage and provide overall direction for the school maintenance functions within the Department of Parks, Buildings, and Recreation.

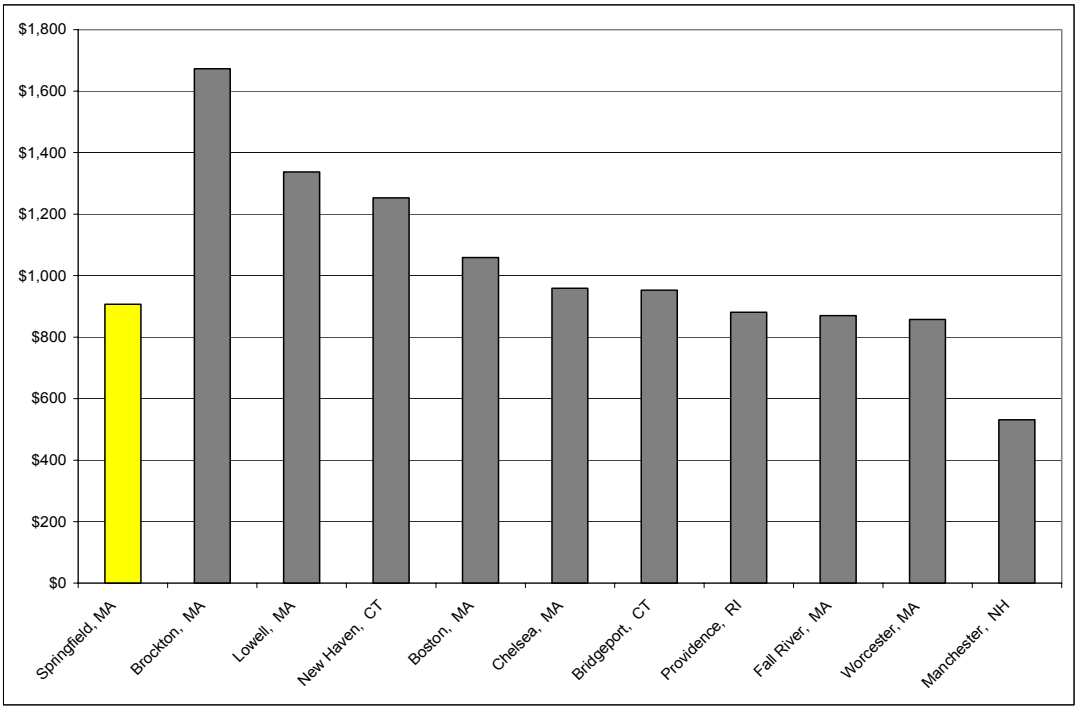
The Facilities Division has made great strides in improving the management and maintenance of school facilities in 2005 through initiatives such as the implementation of an automated work order tracking system and the development of a capital needs assessment in February, contracting with Western Massachusetts Electric to retrofit fixtures to achieve energy savings in February and March, and contracting with a energy services manager in April. To continue to improve, the Division should implement performance measurements and standardized reports.

The Department should also work to achieve cost savings through the outsourcing of functions, when appropriate, and through the implementation of a comprehensive energy strategy.

The City and the School Department should improve record keeping and make data available to managers and the public. For example, the amount of operational and maintenance spending on schools over the last several years cannot be determined at present. Systems are now in place, however, to track maintenance spending by facility. To compare maintenance spending by Springfield with other schools, information from School Matters was used.[1] While this information is useful, the data are from 2002 and do not reflect the most recent experience by Springfield Public Schools (SPS).

According to data from School Matters, SPS spends $907 per pupil on operations and maintenance. In comparison with its peers identified for this study, Springfield spends less per pupil than six districts, $130 less per pupil than the average of $1,037 and $49 less than the median of $956.[2] Based on the 2002 students of 25,091, this means that Springfield is spending approximately $3.27 million less on operations and maintenance activities than if it was meeting the average per pupil expenditures of the cities identified for this study.

Per Pupil Expenditures on Operations and Maintenance



Source: www.schoolmatters.com

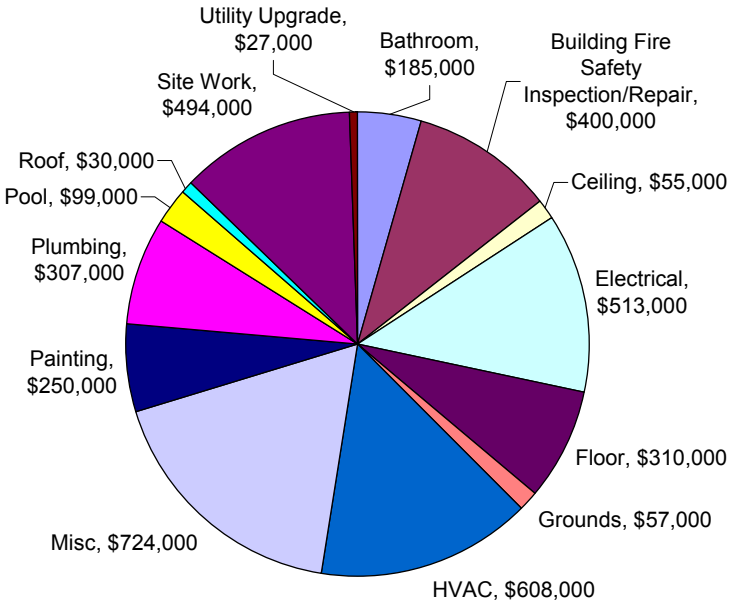
[1] School Matters publishes information about schools (www.schoolmatters.com); it is a new national education evaluation service developed by the Education Commission on the States, the Standard & Poor's Company, the Bill and Melinda Gates Foundation and the Broad Foundation.

[2] School Matters, 2002 expenditures available from www.schoolmatters.com. The represents spending on the care, upkeep, and safety of buildings and equipment. Expenditures include payments from all funds for salaries, employee benefits, supplies, materials, and contractual services related to operations and maintenance

For Springfield, this relatively low level of spending is likely an indication of deferred maintenance for the school facilities. When the new department was formed on December 4, 2004 the backlog of maintenance reports numbered approximately 2,500. The new Department has developed a $4.1 million plan to address maintenance issues, and, based on the projects identified, there is a wide range of maintenance needs. This will help to bring Springfield more in line with the average per pupil operations and maintenance spending of its peers. Approximately $600,000 has been expended since February, and the Division expects to expend $1.4 million from mid-June through October. Based on the work to date and its assessment of the school facilities, the Department of Parks, Buildings, and Recreation anticipates that a $2 million investment in maintenance should be made annually.

The following graph shows the type and estimated cost of the repair items in the maintenance plan:

Anticipated Maintenance Costs by Category



To help SPS address maintenance requests, a new web-based facilities maintenance system was developed and launched under the leadership of the Interim Deputy Director of Buildings. This replaced an inefficient work order system in which work orders moved through the following numerous steps:

- Work order was hand-written by the school custodian or a clerk
- Typed by school clerks
- Approved by the Director of the Facilities
- Entered into the school's mainframe by a facilities clerk and entered into a written log
- Issued
- Work completed
- Items were marked as complete in the system

In the new system, senior custodians and school clerks enter requests electronically. The requests include basic information, including a priority level of emergency, critical, or routine. Requests are forwarded electronically to a clerk who, under the direction of the Interim Deputy Director of Buildings, reviews and approves the work and assigns a maintenance staff person or a private contractor. When the work is finished, work orders are marked as complete in the system. For more information, see Exhibit 1 at the end of this chapter.

Tradespeople were assigned to the existing three school geographic zones in April 2005. Maintenance tickets are grouped by zone, trade, and school, so that maintenance staff can be deployed efficiently. At any time, the status of the work order can be reviewed in the system.

The Division is planning enhancements to the system that will include a system to automatically assign work orders based on priority, time elapsed since the ticket was entered and approved, and the location of the work. Additionally, the Division plans to use scanners that are already present in each school to track the time that contracted tradespeople spend in the schools completing work orders by July 1, 2005.

The Division is working to clear a backlog of maintenance requests. The City has committed to expend $4 million on deferred maintenance, $2 million in FY2004-05 and another $2 million in FY2005-06. This funding will pay for major improvements such as site improvements, floor repairs, masonry repairs, and HVAC improvements, as well as the general backlog of maintenance requests. Outside contractors working to reduce the backlog of maintenance requests are paid from this $4 million allocation.

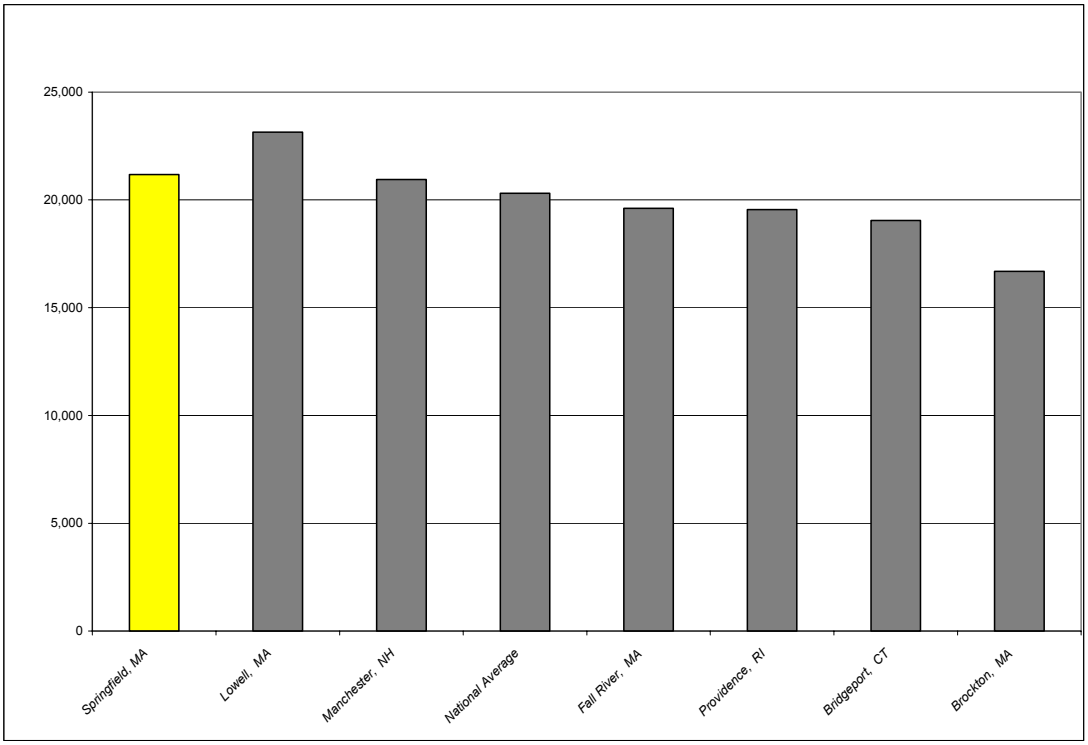
Custodians are the front line of the facilities maintenance function and provide various services in all of the school buildings including cleaning, mowing, snow removal, general maintenance and grounds care. There are 4,247,733 square feet of school and administrative space that is cared for by the custodians.

	Number of Custodians	Total Square Feet	Sq. Ft. per Custodian	National Median	>3,500 Students
Current Headcount	200.5	4,247,733	21,186	25,444	20,311
Total Authorized	228.0	4,247,733	18,630	25,444	20,311

Based on the most recent American School and University Maintenance and Operations Cost Study, this is 4,258 square feet less than the national median and 875 more than the national median for schools with over 3,500 students for the current headcount of 200.5 custodians.

Comparing the number of custodians per square foot to national averages and other departments can be useful in understanding, generally, if the number of custodians is appropriate. However, it should be noted that the number of custodians that a school department has is a function of the age and condition of buildings and the number of buildings and their size. At 21,186, only Lowell has a higher number of custodians per square foot than Springfield.

Number of Custodians per Square Foot



Springfield has 18 tradespeople that care for 4.2 million square feet of building space, or about 236,000 square feet per tradesperson. This is much higher than the national average as reported by the American School and University annual Maintenance and Operations Cost Study, although Springfield relies on contracted tradespeople to supplement the in-house staff. See Initiative FM05 for more information. Also, see page CC-7 for data comparing the peer school districts' facility square footage.

	Number of Tradespeople	Total Square Feet	Sq. Ft. per Maintenance Worker	National Median	>3,500 Students
Current Headcount	18.0	4,247,733	235,985	87,931	85,572

According to the Department of Parks, Buildings, and Recreation, it has been over eight years since building permits have been inspected and brought up to date. This was identified in December 2004 and the Department anticipates that occupancy permits will be in place for all facilities by September 2005. In mid-January a contract was awarded for the inspection of fire suppression equipment. This work was completed in June 2005.

MAJOR ORGANIZATIONAL UNITS

The 300 FTEs that provide services to the Springfield Schools are in either the School Department or the Department of Parks, Buildings, and Recreation. There are additional employees in the City Department of Parks, Buildings and Recreation. The employees listed here are responsible for the facilities maintenance function in the schools. In addition to these employees, there are 45 people involved with school security. This includes a director, secretary, 11 building monitors, and 32 police officers.

Administration (9 FTEs). Administrative staff oversees the custodial staff and the tradespeople and are involved in scheduling of school facilities by outside groups. Additionally, they are responsible for coordination of maintenance activities and capital planning. The Department is planning the creation of three zone managers to oversee custodians and facilities maintenance staff in each of the three zones. These administrative staff also administer other city buildings and facilities.

Administrative positions who deal with school maintenance issues are:

- Director
- Deputy Director of Operations
- Buildings Supervisor
- Assistant Buildings Supervisor
- Supervisor of Custodians and Maintenance
- Support Specialist
- Senior Financial Analyst
- Assistant Director of Employee Operations
- Administrative Assistant

Custodial Services (228 FTE). The Department provides daily cleaning services for buildings and for other services such as maintaining floors and windows. The current headcount is 200.5. General custodial activities include the following:

- Securing each facility
- Furniture moving
- Grounds maintenance
- Removing snow from walkways
- Light bulb changing
- Assisting in receiving supplies
- Maintenance and operation of the heating system
- Cleaning of classrooms
- Regulating heat and ventilation systems
- Submitting work orders
- Other duties as assigned by principal

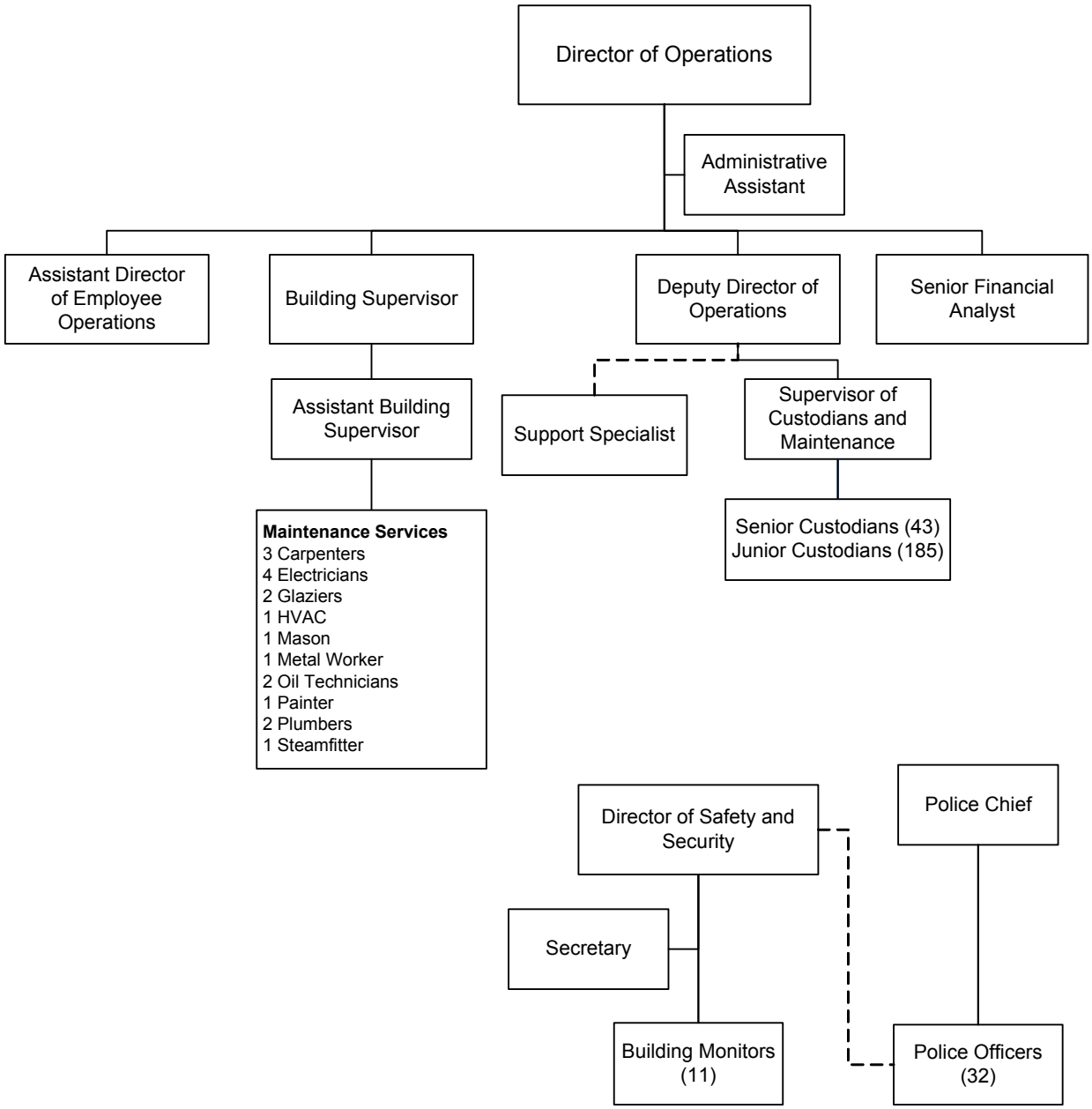
Maintenance Services (18 FTEs). The Department uses both in-house and contracted personnel to provide facilities maintenance. Generally, tradespeople are licensed within their trades. The following tradespeople provide services for the Schools and the City. Of these, a painter and an electrician are paid for and are used exclusively by the School Department. The others also provide services to City buildings.

- Carpenter (3)
- Electrical (4)
- Glazier (2)
- HVAC (1)
- Mason (1)
- Metal (1)
- Oil Technician (2)
- Painter (1)
- Plumber (2)
- Steam (1)

Security (45 FTEs). The Director of Safety and Security reports to an Assistant Superintendent and is responsible for coordinating building monitors. Police officers that serve in the schools report to the Police Department, which provides the Director of Safety and Security with periodic information on the officers' assignments. Additionally, the Director is responsible for the alarms in the schools, the issuance of facility master keys, and security cameras. Of the 32 police officers indicated below, approximately 22 are funded by the School Department; the balance are funded by the Police Department.

- Director of Safety and Security
- Secretary
- Building Monitors (11)
- Police Officers (32)

ORGANIZATIONAL CHART



BEST PRACTICES

Outstanding facilities maintenance functions in other governments demonstrate the following characteristics:

- Provides custodial services effectively and efficiently;
- Has accountability mechanisms in place to ensure performance and efficiency;
- Has systems in place to solicit feedback from customers;
- Keeps facilities in good repair through preventative maintenance;
- Has adequate staff development programs for all levels of staff;
- Efficiently handles repairs and maintenance through a work order tracking system;
- Plans for long-term capital improvements;
- Maintains a constant effort to contain and reduce energy costs and usage; and
- Collects appropriate revenues.

Excellent facilities maintenance functions also empower employees to improve the operations of their department. These organizations also demonstrate a sense of urgency in maximizing the efficiency of functions and streamlining any bureaucratic aspects of their work.

BEST PRACTICE GAP ANALYSIS

The following table presents a gap analysis between Springfield's facilities maintenance function found throughout the United States. The table identifies Springfield's strengths and weaknesses. Furthermore, this analysis provides the basis for the initiatives described in the following section.

Springfield Facilities Maintenance Function Gap Analysis

Best Practice	Springfield Practice	Addressing Performance Gap
1. There are accountability mechanisms in place to ensure performance and efficiency.	Principals evaluate custodians with one to five years of service annually and those with more than five years every other year.	Springfield should implement an annual review process for all employees that involves central administration, principals, and the Facilities Division.
2. There are systems in place to solicit feedback from customers.	There are no systems in place to solicit feedback from customers.	Principals should be surveyed at least quarterly to determine if services (cleaning, facilities maintenance) are being performed effectively.
3. Keeps facilities in good repair through preventative maintenance.	Preventative maintenance activities are not scheduled through the work order tracking system.	The Department is focusing on a backlog of facilities maintenance requests and plans to implement a preventive maintenance program.

Best Practice	Springfield Practice	Addressing Performance Gap
4. There are adequate staff development programs for all levels of staff.	There is a general lack of training for custodians, although training is planned in the use of cleaning products.	Springfield is addressing the general lack of training by planning in-service programs. Other staff should have reasonable access to memberships in organizations where employee and department performance could be improved through access to training, best practices, and new ideas for delivering services.
5. Efficiently handles repairs and maintenance through a work order tracking system.	A work order tracking system has been implemented since February 2005.	Springfield has taken the first step by implementing the work order tracking system and has additional phases planned to enhance and improve this system.
6. Plans for long-term capital improvements.	The Facilities Division has prepared a capital needs assessment of the Schools.	There is currently no capital plan, though one is being completed as part of this project.
7. Maintains a constant effort to contain and reduce energy costs and usage.	Springfield contracted with Western Massachusetts Electric during the months of February and March to retrofit various facilities.	The Department should continue to work to reduce energy costs through the implementation of best practices found in other schools and the U.S. Department of Energy's *School Operations and Maintenance: Best Practices for Controlling Energy Costs.*
8. Collects appropriate revenues.	Revenues are collected from groups who use school facilities and for the recovery of costs related to repairing damage caused by vandalism.	The School Department should recover more of the costs associated with providing facilities to groups.

INITIATIVES

FM01 Outsource the Custodial Function

Prioritization:	Intermediate	**Required Approval:**	School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	$1,470,000

The School Department's 4.2 million square feet of classroom and other space is cared for by a team of 228 custodians, when fully staffed. The current headcount is 200.5. A Department of Parks, Buildings and Recreation review found that employees were averaging 13 days of sick time when the year was only 75 percent complete. In 2003-04, $246,633 in overtime – over a third of custodial overtime costs – was paid to custodians to cover absences. Additionally, staff performing "spot-checks" at schools are finding that custodians are not performing their work. And, a few custodians are being investigated for inappropriate use of School telephones.

If it is the goal of the Schools and the Finance Control Board to reduce overtime, improve individual performance, and enhance the appearance of schools, then outsourcing the custodial function should be fully investigated. Contracting for this service, as has already been undertaken in New Haven, Connecticut, Providence, Rhode Island, and Manchester, New Hampshire could reduce costs and improve the appearance of school facilities.

There are two models that Springfield could follow. It could either outsource the management of the existing employees or it could outsource the entire function. New Haven uses Aramark to manage in-house custodians and maintenance staff. Manchester and Providence have outsourced their entire custodial function. Manchester uses Aramark and Providence has contracted with Sodexho.

Outsource Management Functions

In 1990, the School District of New Haven entered into an agreement with Aramark to provide management of the maintenance, custodial, and building commission services in its 49 schools including preventive maintenance, corrective maintenance, and minor construction projects. In 2005-06, it is estimated that the custodial and grounds maintenance component will cost approximately $450,000 as part of a larger $1.4 million annual contract that also includes facilities management services.

The following Aramark employees oversee the custodians:

- Director of Custodial Grounds & Warehouse
- Custodial & Warehouse Manager
- Grounds Manager

Aramark is responsible for consulting with and making recommendations to the District on custodial functions and services, providing recommendations and review of the staffing levels, working with the District to develop, implement, and maintain a custodial program that complies with all regulatory standards, producing reports, developing job descriptions and performance standards for each position under Aramark management, tracking employment and training, conducting performance and progress evaluations, and employee training. New Haven is not

able to quantify its cost savings, but has indicated that the custodial staff is smaller and that the schools are cleaner through the use of Aramark.

Bringing in a vendor to manage custodial services could benefit Springfield's School Department by reducing overtime, improving training, increasing preventative maintenance to reduce corrective maintenance, and improving the training of staff.

Outsource the Entire Custodial Services Function

The City of Manchester outsources its entire custodial and grounds functions for approximately 120 custodians at a cost of between $4.0 and $4.3 million a year. Custodial services have been outsourced since the mid-1990s, and the current agreement dates from June 1999. The Manchester contract specifies very specific duties for its facilities that establish the frequency for the emptying of trash receptacles, the number of times per week that spot cleaning will occur, the surfaces in the library to be cleaned, and the cleaning and disinfection routine for restrooms. The contract also specifies annual cleaning activities to be conducted during summer vacation as well as more intensive cleaning to be conducted during December holidays, February, and Spring vacations.

Principals in each school are interviewed regularly and rate the vendor's services on a 1 – 5 scale on items such as:

- Effectiveness of building supervision
- Training of custodial employees
- Cleanliness of the building
- Appearance of the grounds

The City's annual cost is between $4 and $4.3 million for approximately 120 custodians as well as materials and supplies. The City estimates that costs would be $600,000 to $700,000 higher if it performed these services in-house. This is an estimated savings of between 12 and 14 percent. Manchester's agreement was negotiated several years ago and has been adjusted by the Boston CPI-W (Consumer Price Index for Urban Wage Earners and Clerical Workers) annually.

Springfield currently spends approximately $7.0 million annually on custodial services and cleaning supplies. A savings of only half of Manchester's savings (6 percent) would represent $420,000 annually, or $840,000 is 12 percent savings were realized. Additionally, Springfield would likely benefit from cleaner facilities.

Springfield could also outsource a portion of the custodial staff as Chicago has done. In 1995, as part of an ongoing effort to operate and maintain school building in a cost-effective manner, the School District of Chicago began a program to partially outsource some custodial staff. The District replaced public "Board Custodians" with outsourced custodians through three vendors. The District currently employs approximately 800 Board Custodians at a rate of $14.80 per hour and 2,000 outsourced custodians who are paid on a scale ranging from rate of $9.90 per hour to $13.30 per hour. Of the District's $106 million annual custodial budget, approximately $75 million (71 percent) is paid to vendors.

Outsourced custodians in the District have the same job descriptions as Public employees, and are under the supervision of a public employee, the school engineer. They are also managed by an off-site supervisor working for the vendors. The District pays a management fee for this service. Additionally, the District Custodial Director conducts inspections of all school buildings in order to track Performance Measures, which are rated on a Pass/Fail basis.

Factors of Importance in the Consideration of Outsourcing
Springfield will be able to determine if outsourcing its custodial and other functions would be more cost effective than providing these services in-house only by issuing an RFP for these services. Should the City decide to move forward, the following items that New Haven considered important should be considered as part of its RFP and contract:

Preparatory Steps/Baseline

- An acknowledgement must be made that the RFP was developed using current, complete, and accurate information to the best of its knowledge.
- The RFP should specify that the Department can contact any of the vendor's clients, current or past and that the Department could choose to reject any and all Proposals.
- All of the facilities to be cleaned and maintained should be documented, including the square feet of space. Any unique requirements (sensitive issues, schedule limitations, access issues, scope/frequency) should be stated if possible.
- The vendor should not be responsible for any pre-existing conditions and should be held harmless from and against any and all claims, damages, liabilities, costs and expenses related to pre-existing conditions. However, the vendor should make a good faith effort to identify and inform City of any conditions that interfere with completing scope.
- Prior to the contract period beginning, the vendor and an independent consultant should be required to perform basic assessments of the quality and efficiency of facilities maintenance services and recommend appropriate service levels and performance measures. The service assessment should include a review and evaluation of the operations, applicable equipment, materials, supplies, and other such matters.
- The Department and the vendor will need to consider who will provide the vendor with office space, storage space, warehouse and distribution space, and services including utilities, and office machinery (copiers, fax machines, and phones)
- It should be made clear that the Department has the sole authority to review, approve, and modify the budget, but that no budgetary modification will change the contract's financial terms. Does the City require a contract cancellation right if the budget for the contract is not approved?
- The number of employees, along with the work schedule, that the vendor provides should be established in the contract.
- Security and health checks that the Department feels are important should be provided by the vendor. The vendor should be allowed to charge for all checks required beyond their statutory requirement of asking for right to work documentation. This cost should be itemized in each respondent's proposal.
- Wages and benefits should be established in the RFP and contract. The vendor should be allowed to state a wage and benefit schedule by employee rank and a proposal of how

many staff of each rank will be needed. Will the City want to see a breakdown of cost, overhead and profit from each bidder?

- Employees of the vendor must be subject to the Department's rules and regulations.
- Will the contract be bid as union or open shop? If a union job, how will the Department's rules and regulations be reconciled with the vendor's collective bargaining agreement?
- Does the City have specific materials suppliers it expects vendors to use? Are any companies excluded from bidding because of prior experiences?

Scope of Services

- Does the City have equipment it expects the vendor to use? Is snow removal staffing to be included? Mechanical maintenance? Life/safety inspection/maintenance? Elevators?
- The frequency of the cleaning of various types of facilities should be included in the RFP and the contract.
- The RFP and contract process should establish which party would provide materials and supplies – the vendor or the School Department.
- The vendor should be required to develop Standard Operational Procedures for cafeteria staff to document responsibilities and establish performance benchmarks.

Vendor Performance

- A structure should be established in the contract to penalize the vendor if facilities are not maintained at an acceptable level and/or reward the vendor if expectations are surpassed. One way to do this would be to assess building condition based on a survey of principals to include ratings of cleanliness and responsiveness. Deficiencies should be assigned a monetary penalty based on their severity and a maximum time to correct deficiencies should be established. The vendor should receive an incentive payment if service levels are surpassed. The incentives should be structured after having established a baseline for current efficiency and quality of the facilities maintenance services. Success of incentive system is a function of agreement on standards/staffing levels. Who from City will conduct cleaning and maintenance inspections?
- The vendor and the Department administrator should meet on a regular basis to review profit and loss statement, performance reports, operational matters and general vendor performance. It should be during these meetings that proposed changes in scope are discussed.
- The vendor should survey customers periodically, report back results, and develop plans to address reasonable concerns. Recommend survey come from City administration to allow customers to give unfiltered responses. Who will be allowed to respond to survey?

Financial Arrangement

- The term of the agreement should be set with renewable options based on a well-established measure, such as the Consumer Price Index as published by the United States Department of Labor. An option for a fixed price might not be feasible. If the condition of the buildings has any unknowns, or if the vendor must work with existing maintenance staff, an initial two-year contract would give the vendor more comfort about having enough time to resolve any unforeseen issue and still achieve an exemplary performance level. Particularly where a union contract dictates timing and level of salary increases, the vendor might not be able to meet its obligations with only a CPI increase. An annual contract would give the City flexibility and the vendor incentive to maintain quality.

Business Terms

- For goods and services that the vendor purchases, the RFP and contract should specify which party receives the benefits of discounts and rebates. For example, the School Department could receive all local trade discounts, while the vendor could be entitled to receive and retain all cash discounts and all other discounts, rebates and allowances otherwise available to the vendor under its arrangements with distributors and suppliers. A provision should be included that if the vendor pays for supplies or services that they will be titled in the name of the Department (using the tax identification information).If the City builds in a significant lag to payment of vendor invoices, the vendor will be fronting supply costs. In such a case the vendor would probably want to retain discounts for prompt payment.
- Management staff should be named in the contract, subject to replacement only with the consent of the Department. If a person becomes unable to serve in the capacity specified in the contract, the vendor should be required to provide a replacement in a reasonable period of time. Such replacements must be required to be familiar with the assignment in some mutually acceptable manner before any predecessor can be reassigned.
- The vendor must be responsible for the payment of all salaries, payroll and other taxes, benefits, fees, and other charges or insurance required by any federal, state and local law, statute or regulation (including, but not limited to, unemployment taxes, Social Security contributions, worker's compensation premiums and all similar taxes and payments), attributable to the vendor's employees. It should be made clear that the Department will be responsible for the payment of these items for its employees. The contract should contain language to the effect that all that the vendor's staff are all employees of the vendor exclusively. The contract should also contain default and cure provisions, self-help provisions, and critical function clauses.
- Provisions should be included regarding the termination of the contract and contract breach.
- The contract could require that if net revenues are above a specified level, the vendor will make a contribution to a school scholarship fund or other related charity.

Contract Monitoring

- The Department should assign one member of central administration to oversee the vendor. In addition, the Department should have a periodic independent review of the facilities maintenance function and the vendor's performance. The cost of this review would be built into the contract.

New Haven, Connecticut Custodial Assignments

The numbers below represent the number of times per week that a service will be performed, unless otherwise noted (AN = As Needed, S = Scheduled Basis, N/A = Not applicable, WC = Weekend Cleaning)

Area	Sanitize/disinfect	Spot clean	Dust	Wet clean horizontal	Empty and clean waste	Dry mop floors	Spot clean floors	Damp mop floors	Vacuum carpets	Burnish floors	Pick up loose trash
Classrooms	S	AN	1	AN	5	3	AN	3	5	S	AN
Chalkboards/Whiteboards	S	5	5	S	-	-	-	-	-	-	-
Offices	S	AN	1	S	5	2	AN	2	2 min	S	AN
Entrances		AN	2	S	5	5	AN	5	5	S	AN
Laboratories	5	AN	2	3	5	5	AN	3	N/A	S	AN
Art Rooms	S	AN	5								AN
Library	S	AN	2	S	5	5	AN	2		S	AN
Auditorium	S	AN	1	S	5	5	AN	AN		AN	AN
Stage	S	AN	S	S	5	S	AN	S			AN
Music Rooms	S	AN	1	S	5	N/A	AN	N/A	2	N/A	AN
Closets			1	S	5	AN	AN	AN	AN	AN	AN
Drinking Fountains	5	AN	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	AN
Wrestling Room	3	-	-	-	-	-	-	-	-	-	-
Kitchen	N/A	N/A	N/A	N/A	5	5	5	5	N/A	N/A	AN
Public Telephone	5	AN	5	-	-	-	-	-	-	-	AN
Stairways	S	AN	1	S	5	5	AN	1			AN
Corridors	S	AN	1	S	5	5	AN	2	5	3	AN
Cafeteria	5	AN-	1	2	5	5	AN	5	-	3	
Cafeteria Tables	5	AN	1	5		-	-	-	-	-	
Cafeteria Chairs	5	AN	1	S		-	-	-	-		
Restrooms	5	AN	5	S	5	5	AN	5	N/A	S	AN
Locker Rooms and Showers	5	AN	1	5	5		AN	5			AN
Conditioning Area	AN	AN	AN	AN	AN	AN	AN	AN	AN	AN	AN
Gymnasium	S		S		5	5	AN	3	N/A	S	AN
Gymnasium Bleachers	S	AN	S	S/A N	N/A	N/A	N/A	N/A	N/A	N/A	AN
Gymnastic Room	N/A	-	-	-	-	-	-	-	-	-	N/A
Maintenance Closets	AN	AN	AN	AN	AN	AN	AN	AN	AN	AN	AN
Mechanical/Boiler Rooms	AN	AN	AN	AN	AN	AN	AN	AN	AN	AN	AN

To be conservative, the financial impact of this initiative was calculated by estimating that Springfield could save six percent of its FY2004-05 costs in the future. Savings are discounted

by 50 percent in FY2005-06 and 25 percent in FY2006-07 and beyond to allow time for implementation and because of uncertainty.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	25%	25%	25%	25%
Fiscal Impact	$210,000	$315,000	$315,000	$315,000	$315,000

FM02 Consider Outsourcing the Facilities Management Functions

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** $450,000

Springfield should also consider outsourcing the management of its facilities management function as New Haven has done. A $940,000 component of the $1.4 million contract that includes custodial services (described above in Initiative FM01) provides the following staff:

- Director of Plant Operations and Maintenance
- Contracts Manager
- Service Response Manager
- Maintenance Manger
- Director of Engineering and Technical Services
- Building Acceptance Manager
- Energy Manager
- Contracts Manager

Under the contract, Aramark is responsible for consulting with and making recommendations to the District on plant operations and maintenance services, providing recommendations and review of the staffing levels (initial and ongoing), and working with the District to develop, implement, and maintain a Plant Operations and Maintenance program that complies with all regulatory standards. Aramark also works with the New Haven School District on larger projects where the services of an independent contractor must be bid out.

New Haven has not quantified the savings that have resulted from the use of Aramark for facilities maintenance. Because of an aggressive school construction program, total square footage and the number of schools has not been stagnant. And, quantifying savings would be difficult because adequate data from before Aramark was hired do not exist. There are, however fewer full time employees in the trades and New Haven employs more tradespeople through outsourcing.

In the Energy Management Division, the position of Energy Manager was created. The energy manager consults with and makes recommendations to the District on energy management and any possible system improvements. It also maintains an energy management program that complies with regulatory standards.

The Department of Parks, Buildings, and Recreation anticipates spending $2 million in each year over the next several years for preventative and corrective maintenance activities. It is anticipated that contracting out the management of the facilities maintenance activities could result in decreased maintenance costs. Savings of even five percent of anticipated maintenance costs would be $100,000 each year. This initiative is discounted by 50 percent in FY2005-06 to allow time for implementation.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$50,000	$100,000	$100,000	$100,000	$100,000

FM03 Consider Outsourcing Lawn and Field Care and Snow Plowing

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

Springfield should consider outsourcing the care of its lawns and fields and its snow plowing. The function is currently handled at smaller schools by custodians and a crew of six individuals (the current headcount is three) at larger ones. This crew also delivers supplies, lines fields, and performs other duties. Seeding and aerating activities are done by vendors.

The School Department should consider the following as it considers outsourcing the function:

- Custodians in individual schools care for the lawns and plow snow; bringing in a vendor to perform these functions may not lead to the elimination of any of these staff, but could allow them to spend more time performing custodial duties inside the school
- Overtime is paid to custodians for snow plowing and sanding (In FY2003-04, that amount was $32,143)
- The are upcoming new equipment needs, according to staff
- The maintenance of current equipment is a cost that must be borne each year; outsourcing these services could eliminate these costs
- Currently, equipment and supplies such as gasoline, are stored at the schools

The Department of Parks, Buildings, and Recreation anticipates that it could outsource mowing at a cost of $90,000 a year. This is calculated at $50 per acre for each mowing X 60 acres X 30 mowings a year. The Department is working to determine the cost of snow removal by a vendor. It is anticipated that a portion of the six-member unassigned crew could be eliminated through the use of an outside vendor to perform these services. Additionally, equipment needs of approximately $200,000 a year could be eliminated.

The fiscal impact of this initiative will be determined after the Department determines the cost involved with snow removal by a vendor.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

FM04 Establish a Clear Reporting Authority for Custodians

Prioritization: Immediate **Required Approval:** School Department Management, Local

Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

Under the current organizational structure, both the City Department of Parks, Buildings and Recreation and the School Department have a role in overseeing the custodians. While personnel functions are handled by the School Department, the Department of Parks, Buildings and Recreation oversees their work generally. Both departments have been working cooperatively to assess the performance and the use of sick leave. To ensure that roles are defined appropriately, a joint memorandum that addresses the following should be issued:

- Custodial assignments, including the responsibility for making vacancy assignments
- Approval of overtime
- Training
- Hiring
- Performance reviews, including disciplinary actions

This initiative cannot be quantified as data did not exist to do so at the time of this study.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

FM05 Determine the Right Mix of In-House and Outsourced Tradespeople Through the Implementation of Performance Measures

Prioritization: Intermediate **Required Approval:** School Department Management, Local

Rev/Exp: Exp **5 Year Fiscal Impact:** $45,000

There are 16 City and two Schools Department tradespeople providing preventive and corrective maintenance for City facilities, including schools. This staff complement is currently being supplemented with outside tradespeople to address a backlog of maintenance requests.

An effective facility maintenance function can be one where there is a mix of in-house and outsourced tradespeople, although a tool to determine the number of tradespeople is needed. To do this, the Department needs to better understand the time required to complete maintenance requests through the implementation of a performance management system.

As a first step, the Department should track and report the time that it takes to complete the most common requests. After analyzing this data over a period of time, the Department can establish a goal for each of the types of maintenance requests that it receives.

The number and type of in-house maintenance staff is a function of the age and condition of facilities. While one school department may find it beneficial to have more electricians on staff, another might find it more useful to have more plumbers. As a point of comparison, the number of in-house tradespeople for three cities is presented below.

	Springfield	Bridgeport	Lowell	New Haven
Number of Students	26,594	22,493	15,472	20,329
Number of Schools	49	36	26	48
Carpenter	3	3	3	3
Electrician	4	3	7	2
Glazier	2	1		
HVAC	1	3	3	
Insulation / Asbestos		2		
Locksmith				1
Mason	1	4	2	
Metal Worker	1			
Oil Technician	2			
Painter	1	4	3	1
Plumber	2	2	3	2
Roofer		1	2	
Steamfitter	1	1		3
Total	**18**	**24**	**23**	**12**

Number of Schools and Students data from the National Center for Education Statistics, 2002 - 2003

Springfield can minimize costs and maximize resources by analyzing data from the new work order tracking system to understand for which trades a full-time in-house tradesperson is necessary and for which trades an outsourced tradesperson is the best option in terms of cost and efficiency. Performance goals have been established by the Division as follows:

- Emergency: 95 percent of work orders completed within 48 hours of the request date.
- Critical: 90 percent of work orders completed within 14 days of the request date.
- Routine: 90 percent of work orders completed within 30 days of the request date.

A review of the number and type of work that is being requested and the time that it takes both in-house and outsourced tradespeople to conduct this work will help the Facilities Division determine the right mix of in-house and outsourced tradespeople.

Optimization of the mix between in-house tradespeople and outsourced staff could achieve savings for Springfield because these services would be provided more cost effectively. This initiative assumes that a more efficient mix of in-house and outsourced tradespeople might save 0.5 percent of the anticipated annual maintenance spending of $2 million, or $10,000 a year. This initiative is discounted by 50 percent in FY2005-06 to allow time for implementation.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$5,000	$10,000	$10,000	$10,000	$10,000

FM06 Implement Quarterly Reports

Prioritization: Short-term **Required Approval:** School Department Management, Local CBD

Rev/Exp: Exp **5 Year Fiscal Impact:**

Quarterly, the Facilities Division should report on its performance by September 2005. The reports should include information on expenditures and revenues, including the following:

- Budget versus actual expenditures for the period, including:
  - Salaries and wages
  - Overtime
  - Materials and supplies
- Information about major expenditures
- Report of revenues received from permit fees
- Quantitative information from the work order tracking system about how work orders are progressing according to the established criteria of:
  - Emergency: 95 percent of work orders completed within 48 hours of the request date.
  - Critical: 90 percent of work orders completed within 14 days of the request date.
  - Routine: 90 percent of work orders completed within 30 days of the
- Qualitative information about the cleanliness of school buildings and satisfaction with facilities maintenance and custodial staff from principals and others

Qualitative information should be obtained from school principals on a quarterly basis through a survey.

The Chicago Public Schools have developed the following key outcome information regarding their custodial services. This information is helpful in comparing their performance to other schools.

Chicago Public Schools Key Outcomes

Key Outcomes	2003 Actual	2004 Projected	2005 Proposed
Cost of custodial services per square foot	$1.56	$1.54	$1.56
Cost of custodial services per student	$226.35	$225.78	$226.73
Square feet per custodian	23,226	23,624	23,624
% of schools meeting cleanliness standard	60%	70%	80%

This initiative cannot be quantified as data did not exist to do so at the time of this study.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

FM07 Continue Development of the Work Order Tracking System

Prioritization: Intermediate **Required Approval:** School Department Management, Local

Rev/Exp: Exp **5 Year Fiscal Impact:** $45,000

The City's newly created Department of Parks, Buildings and Recreation has developed a web-based work order system to track work order requests. Using this system, the Department is working to reduce the large back-log of maintenance requests.

The Department is planning a series of improvements designed to prioritize and sequence work orders and to track the time that outside contractors spend on-site. The Department should continue the development of the work order tracking system and incorporate the following by December 2005:

- **Preventive maintenance activities**. The current focus of the division is to reduce the backlog of maintenance requests. As the backlog decreases, the Division should reorient its focus to preventative maintenance activities. One way to ensure that this work is being done is to schedule these in the maintenance tracking system.
- **Warranty information**. All warranty information should be kept in the system to ensure that the School Department is not repairing or paying to repair equipment that is under warranty.
- **Kitchen Equipment**. Repairs to kitchen equipment are currently handled by the food service department. This work should be coordinated by the Facilities Division with work orders entered into the system.
- **Custodial Responsibilities**. Custodians are responsible for various maintenance activities, including the lubrication of ventilation systems. To ensure that this work is being performed, work orders should be generated from the work order tracking system for custodians.

The use of the work order tracking system will mean that work orders are handled more efficiently. Additionally, maintenance activities can be sequenced so that they are performed

more timely. Even if more efficient scheduling can save 0.5 percent of the anticipated annual maintenance spending of $2 million, Springfield can realize $10,000 a year. This initiative has been discounted by 50 percent in FY2005-06 to allow time for implementation.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$5,000	$10,000	$10,000	$10,000	$10,000

FM08 Make Maintenance and Repair of Kitchen Equipment a Facilities Maintenance Function

Prioritization: Short-term **Required Approval:** School Department Management, Local

Rev/Exp: Exp **5 Year Fiscal Impact:** See FS15

A recommendation regarding the provision of food services will be made as part of this report. If the School Department is to continue to provide food services in-house, the maintenance and repair of kitchen equipment should be handled by the Department of Parks, Buildings and Recreation rather than being handled independently by food services. With the development of its work order tracking system, requests could be entered at the schools and repair and maintenance could be handled centrally, as is being done with the School's other work orders. The cost of this maintenance activity would still be charged to the segregated food service account. This initiative is listed in the Food Services chapter as FS15, Transfer Responsibility for Maintenance of Kitchen Equipment to Facilities Maintenance Department.

FM09 Implement Time Clocks

Prioritization: Short-term **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** $230,000

The School Department should implement a time clock system to reduce the amount of time spent on payroll processing, errors and associated costs of calculating payroll, and the theft of time. Average savings estimates are 1.5 percent of total payroll. It is anticipated that scanners that were installed in each school to track attendance in after school programs could be used as a low cost way to implement a time clock system. Custodians do not have identification badges. If the Schools implemented badges for custodial employees, employees could use these badges to "scan" in and out each day.

The FY2004-05 budget for custodial services is $6.8 million, including $600,000 for overtime. If savings of 1.5 percent can be achieved in Springfield, then savings of $102,000 could be achieved annually. This initiative has been discounted by 75 percent in FY 2005-06 and 50 percent in future years to allow time for implementation and for uncertainty.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	75%	50%	50%	50%	50%
Fiscal Impact	$26,000	$51,000	$51,000	$51,000	$51,000

FM10 Develop Policies and Procedures for Custodians

Prioritization: Immediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** $25,000

Interviews with staff indicate that there are no policies and procedures for custodians. While a narrative of the work that they perform is found in their job description, this information is not specific enough to guide the custodians on a daily basis. According to school staff, various equipment maintenance activities that are the responsibility of custodians are not being performed. Examples of the equipment maintenance include checking pool chemicals and replacing air filters. Policies and procedures should include the schedule of maintenance for equipment under their care.

The development of processes and procedures for custodians will help ensure that the equipment under the care of custodians is better maintained and that corrective maintenance activities will be required less frequently. It is estimated that this could result in savings of $5,000 annually.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	$5,000	$5,000	$5,000	$5,000	$5,000

FM11 Implement a Comprehensive Energy Conservation Program

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** $540,000

Springfield is currently working with the Western Massachusetts Electric company to reduce energy consumption in 12 facilities. Additionally, it is in the process of issuing a RFP for a single firms to be responsible for environmental controls. It should expand its energy conservation initiatives to realize additional savings.

Springfield currently uses two different systems for environmental controls – Yankee Technology and Johnson Controls. The School Department is in the process of issuing a RFP for a single firm to be responsible for environmental controls in all facilities.

In the current fiscal year, the School Department is expected to expend approximately $6 million on oil, electricity, and gas. Ensuring that buildings are heated and cooled at appropriate levels and that HVAC equipment is turned on and off and appropriate intervals could help achieve

energy savings using the environmental controls currently in 15 facilities. Additionally, the installation of controls in additional facilities should be considered in the capital plan.

The Lowell, Massachusetts School Department has implemented various energy savings measures. About three years ago, Lowell worked with Massachusetts Electric to replace electric-powered fire exit signs with self-illuminating ones. The new signs have an estimated lifespan of 10 to 15 years, and pay for themselves in six years. Additionally, a vendor monitors the boilers. Before this, Lowell ran its boilers 24 hours per day, which increased heating costs and prevented it from conducting maintenance checks. Under the contract, the vendor turns the boilers off at the end of the day and turns them on before the next day begins and monitors each boiler and alerts the District to any malfunctions. Finally, a program has also been instituted in the Lowell Schools to install energy-saving light bulbs.

In 2001, the Rochester, New York School District (RCSD) began the implementation of what has become a nationally-recognized energy management program (RCSD received Energy-Star's top rating in NY in 2003-04). Multiple in-house as well as contracted services have been implemented in accordance with the RCSD's "Master Energy Plan," a set of policy guidelines developed by the RCSD.

RCSD replaced boiler steam traps in 15 of its least efficient schools. By the beginning of this year, steam traps in all 57 Rochester schools had been replaced. The result is that over the past five years, as the price of natural gas has risen nearly 300 percent, from $2.50 per decatherm in 2000 to $7 per decatherm (2005), the RCSD's natural gas heating expenditures have only increased from $2.1 million in 2000 to $3.8 million in 2005. Annual cost avoidance is estimated to be in excess $500,000 annually.

Beginning in 2003, Rochester implemented an electricity management program to supplement their heating program. Wendel Energy Services (WES) manages energy and HVAC consumption for the District. WES began by replacing all of the District's fluorescent lights with energy-saving T8 lights. RCSD then went on to replace all of their energy plant's motors, variable speed drives, as well as installing six new boilers.

Next, RCSD installed a "vending miser" on each of the District's vending machines. The District's vending machines are only operational after lunch hours, and this product detects movement before allowing products to be dispensed. When there is no motion detected, the

"vending miser" limits power to the machine by turning off the lights and regulating the compression system for refrigeration machines. RCSD conducted the installation in-house by their tradespeople.

With the help of Wendel Energy Services, RCSD also implemented an Energy Management System (EMS) which gives them complete control over the HVAC system from a remote location. Using this system facilities managers are able to control, monitor, and adjust HVAC systems in order to prevent malfunction and further preventative maintenance.

If Springfield Schools could save even two percent of its $6 million projected FY2004-05 energy costs through the implementation of energy savings measures, it could save $120,000 annually. This has been discounted by 50 percent in FY2005-06 to allow time for implementation.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$60,000	$120,000	$120,000	$120,000	$120,000

FM12 Increase Collection of Permit Fees

Prioritization: Short-term **Required Approval:** School Department Management, Local

Rev/Exp: Rev **5 Year Fiscal Impact:** $200,000

The School Department issues permits for groups to use school facilities. According to the Schools, there were 23,767 bookings for 80,362 hours from July 1, 2003 through June 30, 2004. In FY2003-04, $74,236 in overtime was paid to custodians for overtime related to permits, while $67,061 was collected in permit fees.

Description	Bookings	Hours
Non-Springfield Group	846	3,048
Springfield Public Schools / City of Springfield	10,933	41,505
Springfield Non-Profit Adult	3,009	8,335
Springfield Non-Profit Youth	3,765	9,912
Springfield Profit	5,214	17,562
TOTAL	**23,767**	**80,362**

Groups that use the facilities during the normal hours that a custodian is present are not charged for use of the facilities. Those groups that use the facilities outside of these normal hours are typically charged $20 per hour for the number of hours the facility is in use and the number of hours needed to clean the facility after its use. However, the Department lacks a consistent written policy regarding both permission for outside groups to use school facilities and fees for the use of these facilities. Further, it is understood that in a number of cases fees are waived. To ensure equity and to recover costs involved with providing facilities groups, a policy for building use and associated charges should be developed and strictly enforced. If fees are to be waived, that should be done by an individual or committee in a way that ensure fairness and equity.

According to the School Department CFO, the amount of overtime related to permits is likely low because of inconsistencies in the coding of overtime. He estimates that the cost to the Department for school use outside of regular hours, including overtime and energy costs is approximately $110,000 annually. If this is correct and only $67,061 was collected in permit fees, then there is a difference of about $40,000 in the amount that the School Department is expending to host these groups and the revenue that is being collected.

At a minimum, charges for permits should cover custodial overtime required for schools to be open. Springfield should also consider the appropriateness of its charges and include overhead expenditures. It also should consider charging groups for the use of facilities during normal

building hours. As an example of the revenue that could be realized, a fee of $20 an hour assessed for each of the 17,562 hours that organizations categorized as "Springfield Profit" could have yielded $351,240.

As the new policy is developed, Springfield should consider rates for each type of facility and the number of persons in attendance. For example, the use of a classroom could be less than that for the gymnasium. And, additional amounts could be charged for the use of equipment, such as sound systems and pianos.

The fiscal impact is the amount that the School Department indicates that it is spending to host groups, less the revenue collected. A new policy should at least ensure that the amount is collected.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	$40,000	$40,000	$40,000	$40,000	$40,000

FM13 Centralize the Scheduling of School Buildings and Fields

Prioritization: Short-term **Required Approval:** School Department Management, Local

Rev/Exp: Rev **5 Year Fiscal Impact:** See FM12

The scheduling of facilities' use is currently done by the School Department's Support Specialist. While the Specialist works closely with the Department of Parks, Buildings and Recreation, this function has not been unified between the two departments in a way that allows the coordination of facilities use and general maintenance. For example, the Department of Parks, Buildings and Recreation has indicated that it has had difficulties early on in planning building maintenance in determining from the School Department when facilities will be used this summer. Additionally, the Department of Parks, Buildings and Recreation would like to apply horticulture best practices to the care of school lawns and fields, including the "resting" of fields periodically. Many school teams already use Parks fields and their use is scheduled through the Parks Department.

The scheduling of building and fields should be done more centrally to allow the facilities, including fields, to be properly maintained. This could include formally moving the Support Specialist to the Department of Parks, Buildings, and Recreation.

This initiative will result in the increased collection of permit fees. See FM12 Increase Collection of Permit Fees for the fiscal impact.

FM14 Implement an Asset Tracking System

Prioritization: Intermediate **Required Approval:** School Department Management, Local

Rev/Exp: Exp **5 Year Fiscal Impact:** $45,000

The Department does not have an inventory of its assets. For example, it does not know how many doors or sinks are in the school system. This information would be helpful in the development of RFP's for maintenance services and for implementing maintenance schedules. If the City outsources its custodial functions, it could require the implementation of an asset tracking system as part of that contract. As an alternative, the Department of Parks, Buildings and Recreation has indicated that it may use existing staff to implement a system in summer 2005.

The implementation of an asset tracking system could help the Department coordinate maintenance and repair activities and could result in decreased maintenance costs. Savings of even 0.5 percent of the anticipated annual maintenance spending of $2 million could result in $10,000 a year. This initiative is discounted by 50 percent in FY2005-06 to allow time for implementation.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$5,000	$10,000	$10,000	$10,000	$10,000

FM15 Implement a Vandalism Billing System

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Rev **5 Year Fiscal Impact:** $22,500

Springfield should consider developing a vandalism billing system to recover the cost of repairing facilities and equipment after it is damaged. It is understood that a few schools have charged students for vandalism, but a centralized system should be developed for consistency and to ensure that those funds that are recovered are used to offset expenses related to repairing damage.

The Facilities Division estimates that that between $20,000 and $25,000 is expended each year to repair damage from vandalism. If the school department could collect 25 percent of this amount through a vandalism billing system, it would realize $5,000 annually.

The fiscal impact of this initiative has been discounted by 50 percent in FY2005-06 to allow time for implementation.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$2,500	$5,000	$5,000	$5,000	$5,000

FM16 Allow Staff to Perform Tasks Outside of Their Primary Function

Prioritization: Short-Term **Required Approval:** Local, Union
Rev/Exp: Exp **5 Year Fiscal Impact:** $172,300

Staff should be allowed to perform work outside of their job classification. Current practice is that most tradespeople do not work outside of their primary function, although the City is working to understand if there are contract provisions that prevent this from occurring. Additionally, custodians should be able to perform some maintenance functions, such as the tightening of loose bolts on partitions and the changing of light bulbs.

If it is determined that the contracts prevent tradespeople and custodians from being cross-trained and from performing work outside of their classification, these provisions should be eliminated to increase the efficiency of the Department. If there are no prohibitions against this work, then the Facilities Division should cross-train staff and make work assignments in a way that increases the efficiency of the Department. This review should be completed by November 2005.

Allowing tradespeople and custodians to perform work outside their primary function could reduce the amount of work that is outsourced to firms and could reduce the number of custodians in the School Department. This initiative assumes that $10,000 in maintenance activities annually will not need to be outsourced. In FY2004-05, $6.5 million was budgeted for 228 custodians, or an average of $28,370 a year. With a fringe benefit component of 35 percent, the average cost of a custodian is $38,300 a year. If even one custodian could be reduced through this initiative, a total of $38,300 could be saved annually. This initiative is discounted by 50 percent in FY2005-06 to allow time for implementation.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	$19,100	$38,300	$38,300	$38,300	$38,300

FM17 Develop a Comprehensive Security Plan

Prioritization: Short-Term **Required Approval:** School Management
Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

Springfield Public Schools should develop a security plan that should include the installation of additional security equipment in schools. Eleven of the school buildings currently have interior and exterior camera systems. These systems should be evaluated to determine if they are meeting the needs of the schools and a program should be developed to prioritize the installation of video equipment in other facilities.

As part of this process, all security policies should be documented. The Director of Safety and Security restricts the issuance of exterior building keys, and the policy should be documented and formally issued by the Superintendent.

Springfield has security measures in place to protect facilities and students. There are alarms that are monitored by a private firm in approximately 50 facilities. All alarm equipment, in some cases up to 25 years old, was recently upgraded. Metal detectors are in place in all high schools and alternative schools and cameras have been installed in some facilities over the past several years. Additionally, the "Knox Boxes" that contain a master facility key, but can be opened only by the fire department, have been installed at all schools.

The development of s plan that includes a program to install additional security equipment and the documentation of all security policies will help ensure the safety of faculty and students and the security of the school facilities.

The fiscal impact of this initiative cannot be determined with the information currently available.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

FM18 Limit Sick Leave Usage by Custodians

Prioritization: Short-Term **Required Approval:** School Management
Rev/Exp: Exp **5 Year Fiscal Impact:** $54,000

The Department of Parks, Buildings and Recreation completed a review of custodians and found that employees were averaging 13 days of sick time, even though the year was only 75 percent complete. In 2003-04, $246,633 in overtime – over a third of custodial overtime costs – was paid to custodians to cover absences. Springfield should consider changing its policies to reduce the amount of sick leave usage.

According to the Department, 15 days of sick leave are provided to staff on July 1 of each year. This likely creates an incentive to employees that will be leaving in any given year to "use" all of the available sick time before their last day of work. Springfield should instead provide a fraction of sick days to employees each month. If the current 15 days will continue to be provided, then it should be "earned" at 1.25 days per month.

Springfield should also consider reducing the number of sick days that are provided to employees, while establishing a safety net for employees that need an additional number of days for legitimate reasons. For example, Springfield could provide a sick bank that employees could use after proving that extenuating circumstances exist that require the use of additional leave. Also, Springfield should consider requiring a note from a physician for each day of sick leave used, or after a certain number of days is used. For example, for every sick day after 5 have been taken, Springfield could require a note from a physician.

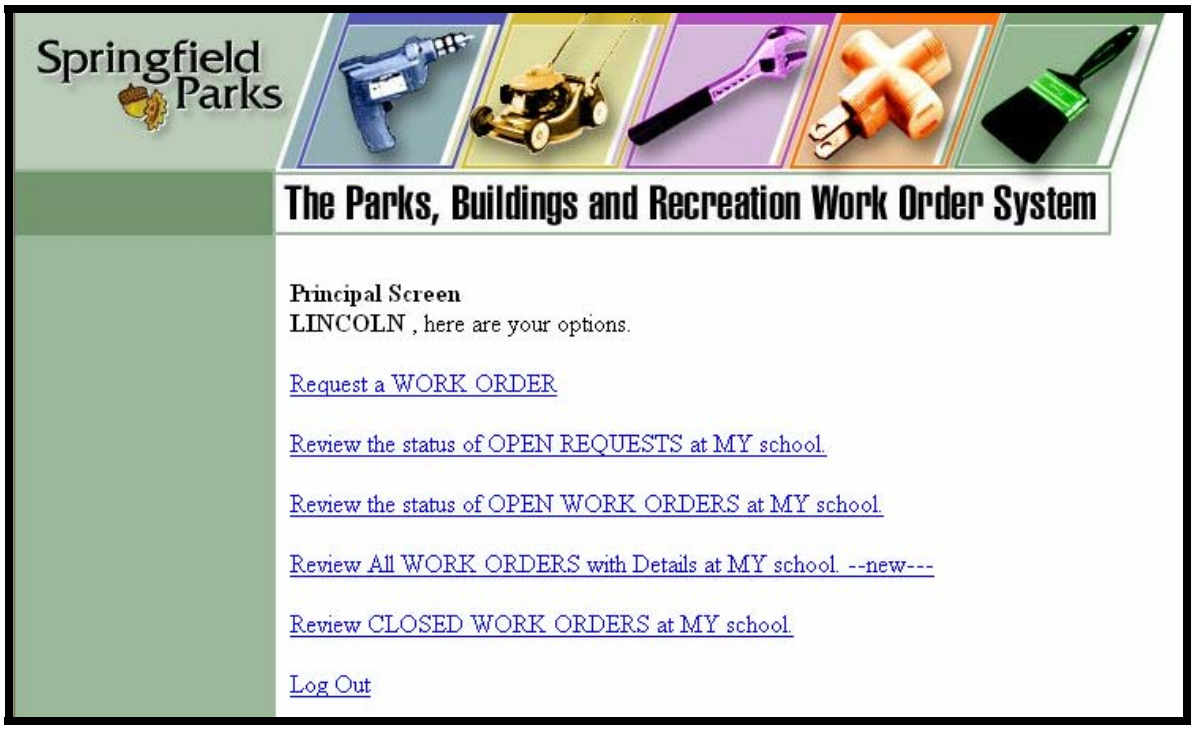
Even if Springfield could reduce the amount of overtime paid to custodians by five percent through this initiative, it could save approximately $12,000 each year. This initiative is discounted by 50 percent in FY2005-06 to allow time for implementation.

Discounted Fiscal Impact

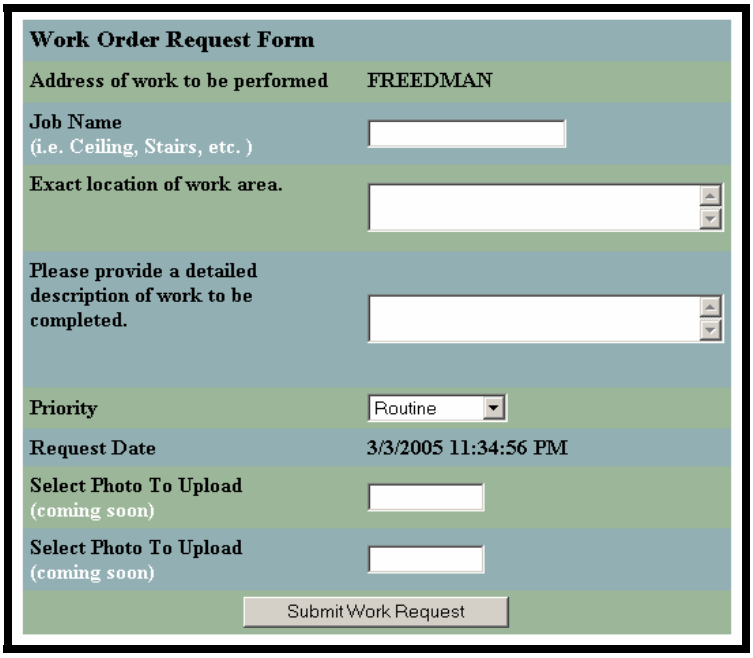
	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$6,000	$12,000	$12,000	$12,000	$12,000

Exhibit 1: Springfield Work Order Tracking System

The following is the "control panel" that is available after a user logs into the system. From here, users can request work orders, review open requests, and close work orders.



The following is the work order request form. Users enter detailed information about the request and assign a priority from a drop-down menu.



Below is the screen for work orders that have not yet been assigned to a tradesperson.

FREEDMAN, here are your current unassigned request order(s).

Request ID	Request Date	Job Name	Priority	Status
# 260023	3/1/2005	BURNER	**Emergencey**	Unassigned
# 260026	3/2/2005	Test	*Routine*	Unassigned
# 260027	3/2/2005	BURNER	**Emergencey**	Unassigned
# 260028	3/2/2005	BURNER	**Emergencey**	Unassigned
# 260029	3/2/2005	BURNER	**Emergencey**	Unassigned
# 260030	3/2/2005	Plumbing - Test	**Emergencey**	Unassigned
# 260031	3/2/2005	chairs	**Emergencey**	Unassigned

The following screen shows the current status of work orders.

FREEDMAN , here are your request(s) and their current STATUS. Closed requests will remain on web-based system for 30 days. Closed requests older than 30 days will be archived..

Request ID	Request Date	Job Name	Priority	Status
# 260022	3/1/2005	BURNER	*Routine*	Capital Improvement
# 260024	3/1/2005	BURNER	**Critical**	Work Order Generated
# 260034	3/3/2005	bulletin boards	**Emergency**	Not City Property

VI. TRANSPORTATION

TRANSPORTATION

MISSION

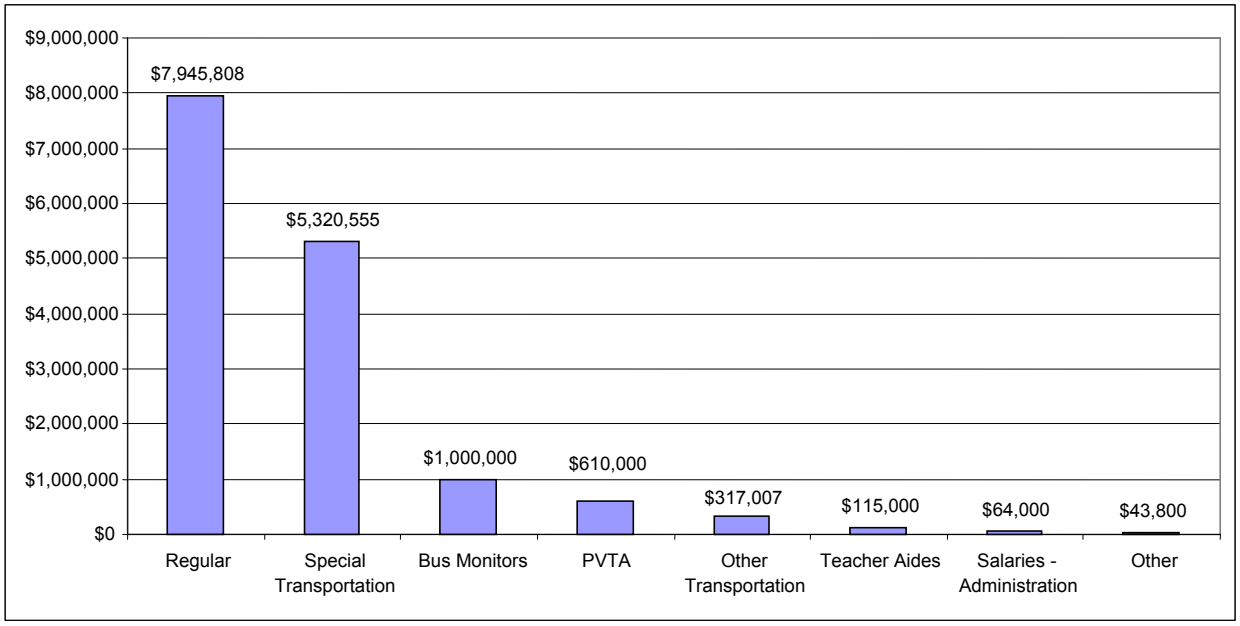
The Transportation Department provides safe, timely, cost-efficient transportation to and from school for students in accordance with federal, state, and local laws and ordinances.

OBJECTIVES

- Ensure that students who use the school's transportation services arrive to school and home on-time
- Provide cost effective transportation for students
- Keep bus routes safe through the use of bus monitors and cameras

In the FY2004-05 school year the School Department is budgeted to spend $15.4 million on student transportation, $7.9 million for regular transportation, and $5.3 for transportation of Special Education students. The budget also includes almost $1.2 million for 150 in-house bus monitors, teacher aides that serve as bus monitors, and two routing specialists. Transportation of students is provided through private vendors, including the local public transit authority.

FY 2004-05 Budget



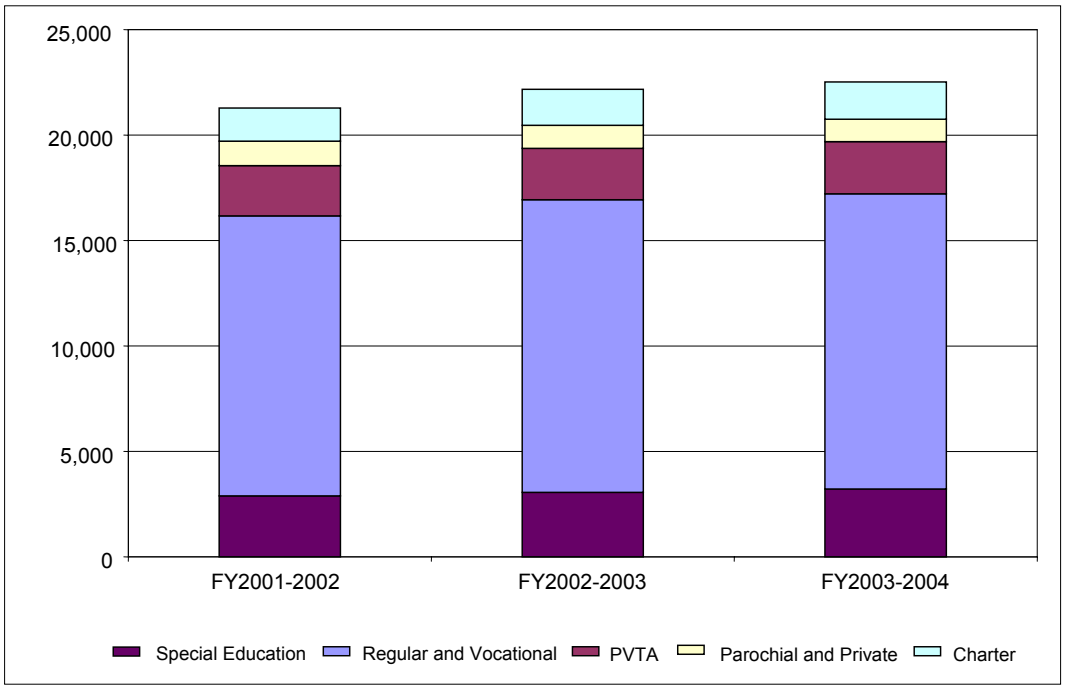
Source: www.schoolmatters.com

The City of Springfield transported 22,519 students in FY2003-04. This included:

- 3,222 Special Education students;
- 15,062 regular and parochial school students; and
- 2,471 high school students through the local public transit, the PVTA (Pioneer Valley Transit Authority).

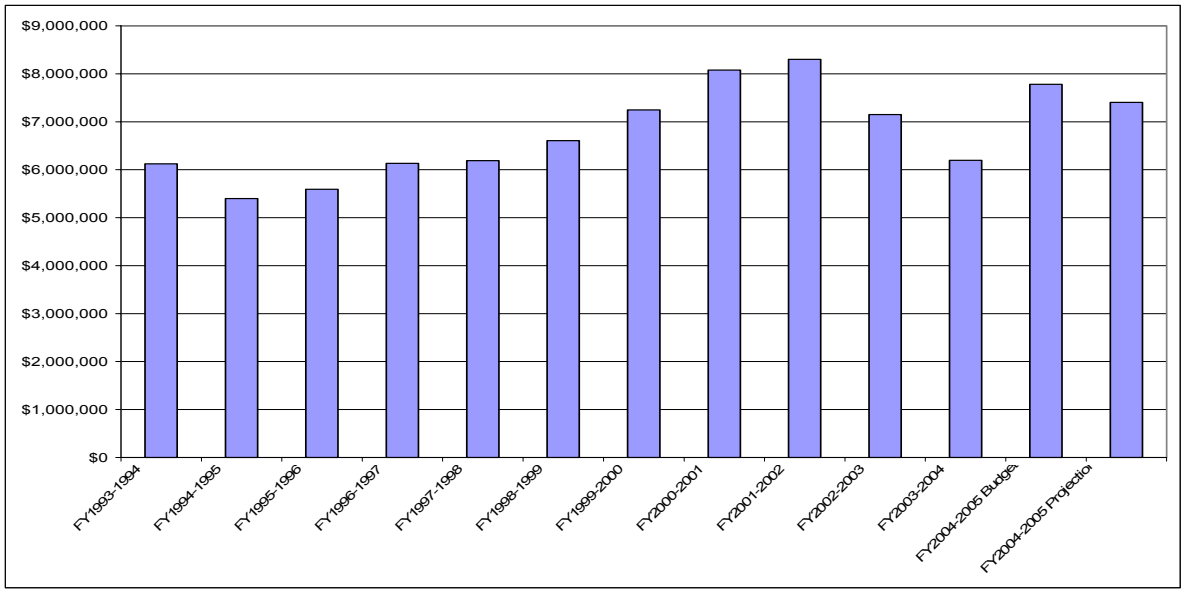
While the number of students transported has climbed steadily over the last few years, the School Department is working to implement the Boundary Plan which is anticipated to reduce transportation costs considerably in the future. Under the Plan, most students will be assigned to a school within walking distance of their home. Transportation will continue to be provided for Special Education students, for magnet programs, to students who live beyond a certain distance from their school per School Department policy, and to those that cannot walk safely to and from school.

Number of Students Transported, FY2001-02 through FY2003-04



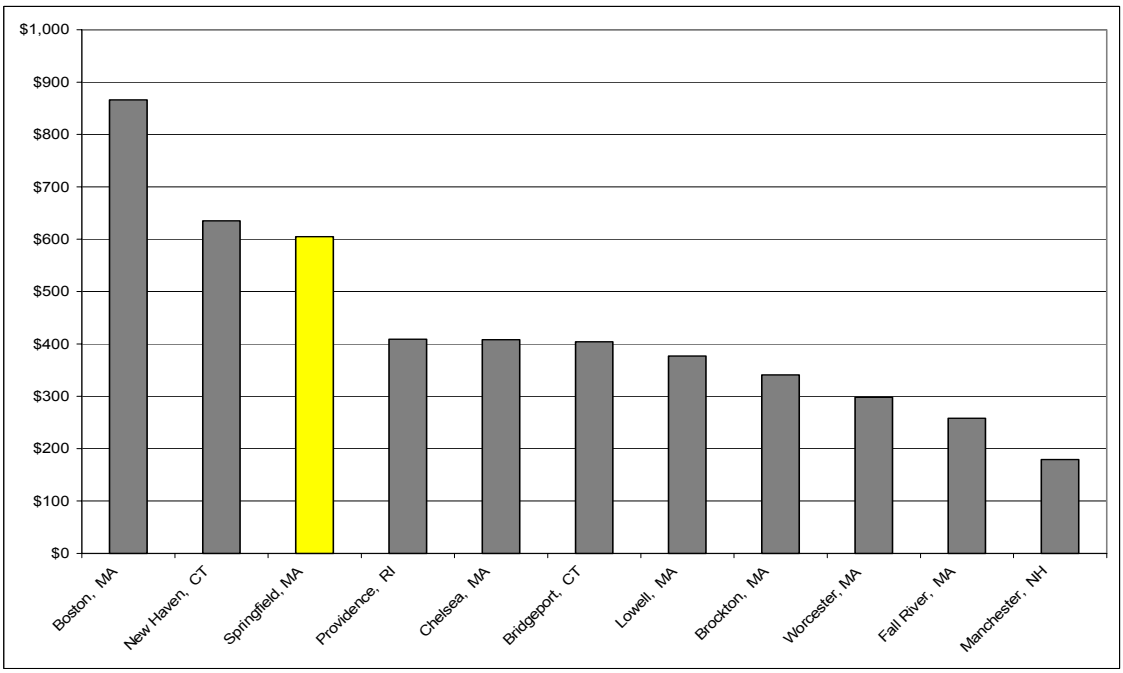
The majority of transportation expenses, $7.9 million budgeted in FY2004-05, are for regular transportation, the area that will experience the biggest decrease in costs when the Boundary Plan is implemented. The transportation of Special Education students makes up almost 35 percent of the FY2004-05 budget. Almost four percent, or $610,000, of the transportation budget is for transportation of high school students by the Pioneer Valley Transit Authority (PVTA). Regular transportation costs are anticipated to be $7.4 million in the current school year, less than the nearly $7.8 million budgeted.

Regular Transportation Costs, FY1993-94 – FY2004-05



In relation to its peers, Springfield's per student transportation costs are relatively high.[1] Of the comparable cities, Springfield had the third highest per pupil transportation costs. While this is not necessarily indicative of systematic inefficiency, these relatively high costs warrant an examination of the student transportation function in Springfield.

Per Student Transportation Costs



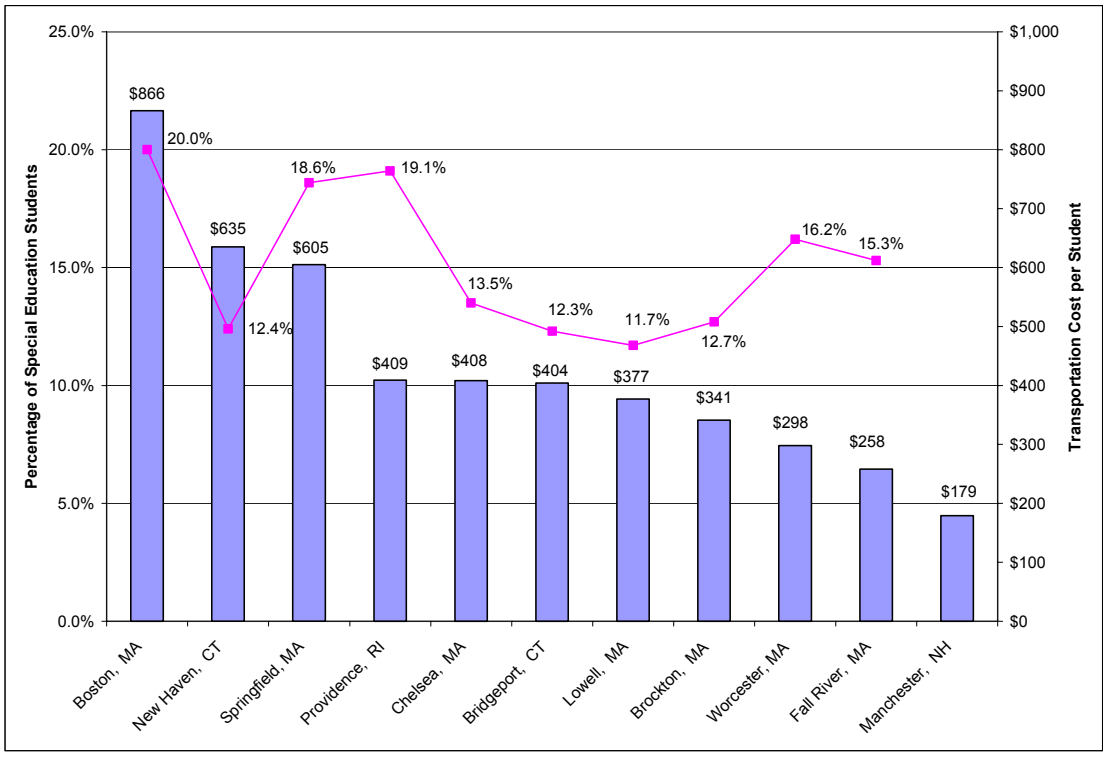
Source: www.schoolmatters.com

[1] School transportation costs are from www.schoolmatters.com and include costs for "vehicle operation, servicing, and maintenance, along with services related to monitoring riders." Data are from 2002, the year that transportation costs for Springfield were the highest in the last 12 years.

A high percentage of Springfield students are enrolled in Special Education programs. As indicated earlier, Special Education transportation in Springfield accounts for nearly 35 percent of the transportation budget. Per student transportation costs for Special Education students are generally higher than those for students in regular programs because these students are typically transported in smaller vehicles and they require house stops. And, bus monitors are typically used on Special Education vehicles.

The following graph shows the percentage of Special Education students and the overall per student transportation costs.[2]

Special Education Students and Per Student Transportation Costs



Source: www.schoolmatters.com

While Special Education expenses are high for Springfield, it appears that there is no causal relationship between the percentage of Special Education students and overall transportation costs per pupil. While 15.3 percent of Fall River's students are Special Education students, the fifth highest of the comparable schools, it has the second lowest per student transportation cost of $258 per student. New Haven has the second highest per student transportation costs of the comparables cities, but has the third lowest percentage (12.4 percent) of Special Education students of the cities reviewed.

[2] Information presented here is from 2002.

In a transportation system as complicated as Springfield's, in which 22,000 students are moved between home and school each day, areas for review include:

- Efficiency of routes
- Number and assignment of bus monitors
- Maximizing the number of students who can be transported with a single bus ("multi-tiered" service utilizes a bus, for example, in the morning for more than one route)
- Number of house stops
- Contract management

The School Department is addressing a number of these areas and is working to reduce transportation costs in the FY2005-06 school year and beyond through the following initiatives:

- Implementation of the Boundary Plan to maximize the number of "walkers" to each school
- A new contract for both regular and Special Education transportation
- Alignment of "bell times" to allow up to three tiers of bus services

Boundary Plan. A major goal of the Boundary Plan is to maximize walkers and minimize riders and, therefore, lower transportation costs while meeting education and safety priorities. According to the Boundary Plan, "77 percent of all elementary school students could be expected to walk to a proximate school" and "74 percent of all middle school students could be expected to walk to a proximate school." At a minimum, it is anticipated that the number of buses required to transport elementary school students will drop from 118 to 62 and from 81 to 42 for middle school students, upon full implementation. Because the Plan assumes that all of the students at the City's five magnet schools will be bussed, the actual savings are likely to be greater.

Although savings will not be fully realized because of the adoption of a "legacy" policy that will allow students to stay at the school where they were enrolled in FY2004-05 school year, savings are anticipated in the FY2005-06 school year. Additionally, there is a previous legacy policy that remains in effect that allows students to remain in their current schools from the conversion from the six-zone plan to the three-zone plan implemented in FY2004-05.

Bell Times. School start times have been adjusted so that buses can provide up to three tiers of service. This means that a single bus will be able to provide service to more than one route. According to the Transportation Department, approximately 50 percent of buses will be able to provide three tiers of service, transporting individual routes of elementary, middle, and high school students each day.

New Contract. The Department issued a proposal for transportation services on March 14, 2005 for a five year period beginning July 1, 2005. The proposal request was unique in that:

- Responders could submit a bid for regular transportation (157 buses for 16,500 students), In-City Special Transportation (91 vehicles and 2,016 students), and Out-of-City Transportation (41 vehicles and 291 students). Rather than bidding out the entire contract or combining the two Special Education components, the Department sought the best price for three components of student transportation.
- Vehicle fleet standards are more reasonable than in previous contracts. Buses may not be older than 10 years or show more than 100,000 miles on the odometer. Under the previous contact, buses could not be older than seven years or show more than 80,000 miles.
- The Department will eliminate as many buses as possible with the implementation of the Boundary Plan; responding to vendor concerns, the contract will contain an "escape clause" that will allow the vendor or the School Committee to terminate the contract if the number of buses for each fleet increases or decreases by sixty percent over the number specified in the bid.
- If the number of buses in the original bid increases by over ten percent, then the school committee will pay 20 percent of the bid price for the buses over this percentage that are eliminated.
- Responders were not required to have facilities in Springfield, a requirement that had existed in previous proposals that likely limited the number of responders. By not including this provision, the School Department gave responders additional flexibility to provide services at the lowest cost.

A single vendor was chosen to provide both regular and Special Education transportation. The City will pay $264.62 per bus per day for regular transportation, an increase of one percent over the current rate of $262.00 per bus per day, or a total of $7.5 million annually. For transportation of Special Education students, the new contract will cost the School Department $281.30 per bus per day for In-City and $265.13 for Out of City service, with other rates for in-City and Out-of-City non-ambulatory and specialized transportation. Both regular and Special Education students will be transported by First Student, the first time since 1980 that one vendor will transport both regular and Special Education students.

House Stops

Door to door bus service is expensive, and there is an incentive to reduce the number of house stops when possible. Of course, there are many students who require house stops because of legitimate medical conditions.

House stops are provided for Special Education students when documented by the Individual Education Program (IEP) team and for other students for medical reasons when approved by the Transportation Department. For Special Education students, an Evaluation Team Leader in the schools initiates a request that is reviewed by the entire IEP team. For other students, medical forms must be completed by a physician, signed by the principal and the school nurse, and forwarded to the Transportation Department.

In the 2004-05 School Year, the Transportation Department began a review of medical house stops to verify that all of the house stops were medically required. The Department did this by contacting a majority of the physicians that had requested house stops to confirm that this service was necessary. For the 2005-06 School Year, the Transportation Department did a comprehensive review of all medical house stops by contacting all of the physicians that had requested them for students.

Springfield Transportation Policies[3]

The Boundary Plan is being advanced in the context of Springfield's general transportation policies:

1. All students younger than the age of five years are eligible for door-to-door student transportation. As a practical matter, this is limited to pre-kindergarten students.
2. Any medically-documented special transportation needs that a student may have (STraN) status can result in that student being assigned a "rider" status, for a period not to exceed one academic year. Requests for renewal of a student's previous STraN status must be reviewed prior to the beginning of each academic year; STraN status must be reviewed prior to the student's limited-mobility injury-recovery period.
3. A student whose "safe-path" walking distance from their transportation address to their assigned school exceeds a given distance, is declared ride-eligible – provided that his/her assigned school is located within the same Zone as his/her transportation address, or that the student's assigned school is a designated multi-zone Magnet School. The allowable walking distances are determined by the assigned school's grade structure:

   K-5 and K-8: More than 1.5 miles *walking distance* – students are ride-eligible
   6-8 and 6-12: More than 2.0 miles *walking distance* – students are ride-eligible
   9-12 and K-8: More than 2.0 miles *walking distance* – students are ride-eligible

4. A student who has a certified Federal Homeless Student status is eligible for transportation to *any* program-applicable school at which s/he enrolls, subject to the safe-path walking distance exemptions as cited above.

A student who was ride-eligible by rule under Springfield's six-zone Plan, on the last day of school in June of 2004, and whose school assignment has not changed since June 25, 2004, and whose transportation address has not changed since June 25, 2004, is granted a "Legacy" ride-eligible status. This Legacy status expires immediately upon any change in the student's school assignment or transportation address. This is sometimes referred to as the "grandfathering" Policy.

Pioneer Valley Transportation Authority

The Pioneer Valley Transportation Authority (PVTA) transports approximately half of the high school students who are eligible for transportation services and the other half are carried on yellow buses. According to the Transportation Department, in FY2003-04, the PVTA served

[3] From the Boundary Plan

2,471 students and it currently serves approximately 1,600 students. The City pays full adult fare of $2.00 per student per day for the number of students who the School Department has determined will use the PVTA services, minus 10 percent (for absences). There is no tracking mechanism in place to track the number of students that actually use the service.

In FY2005-06, Springfield plans to use PVTA as an overflow service, moving students from PVTA to yellow buses whenever possible and reducing the number of students using PVTA when possible.

MAJOR ORGANIZATIONAL UNITS

Transportation Administration (6 FTEs). The Special Assistant to the Superintendent provides leadership and oversight for the school's transportation function. Additionally, an Administrative Assistant coordinates the Special Education transportation services. There are also two routing specialists and two clerical staff.

Transportation Administration is also responsible for other general transportation administration activities that include the following:

- Route planning
- Monitor assignment
- Contract compliance
- Issuance of PVTA passes

Bus Monitors (150 FTE). The Department's bus monitors are present on all 104 Special Education routes and 46 other routes. All bus monitors are paid an hourly rate of $7.35 and work an average of two hours in the morning and two hours in the evening, according to the Transportation Department.

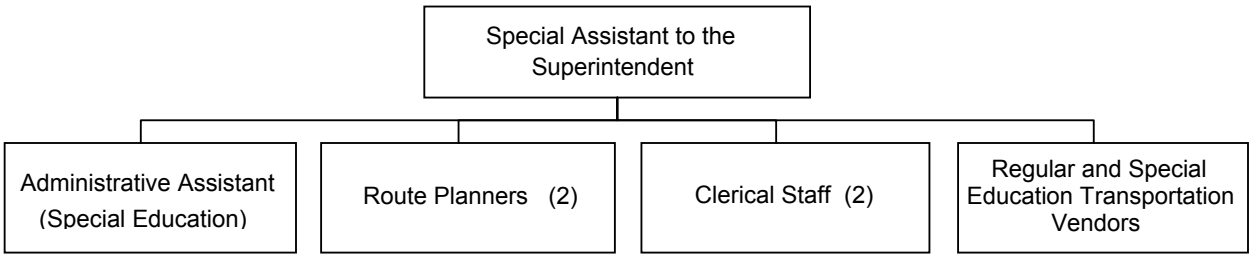
About 31 teacher aides also ride on regular routes and supplement the bus monitors. Teacher aides are paid for a guaranteed 90 minutes at $7.35 an hour, or $11.03 each way. The FY2004-05 budget for teacher aides is $115,000. Teacher aides are assigned to ride buses by the school principal.

Transportation Services Personnel. In addition to providing bus drivers, the transportation companies provide staff. For the FY2004-05 school year they are as follows:

- General Manager
- Assistant General Manager (2)
- Director of Safety
- Safety Officers (7)
- Maintenance Supervisor
- Mechanics (9)

- Utility Workers (2)
- Dispatchers (4)
- Clerical (3)
- Routing Supervisor
- Answering Desk
- Drivers (325)

ORGANIZATIONAL CHART



BEST PRACTICES

Outstanding transportation functions in other school departments demonstrate the following characteristics:

- Reduce house stops when possible
- Limit, as much as possible, costs for Special Education transportation
- Work to increase the number of students who can walk to schools
- Ensure that bus routes are efficiently planned
- Use multi-tiered service
- Use only those bus monitors who are necessary
- Improve contract management
- Use technologies to monitor students on buses
- Seek new revenue sources

BEST PRACTICE GAP ANALYSIS

The following table presents a gap analysis between Springfield's transportation function and purchasing best practices found throughout the United States. The table identifies Springfield's strengths. Furthermore, this analysis provides the basis for the initiatives described in the following section.

Springfield Transportation Function Gap Analysis

Best Practice	Springfield Practice	Addressing Performance Gap
1. Reduce house stops when possible.	Springfield is working to reduce house stops whenever possible by following-up on a majority of the house stop requests. FY2004-05 is the first year that a review of house stops for medical reasons was completed. A comprehensive review of all forms was completed for the FY2005-06 school year.	The Department is working to reduce unnecessary house stops by ensuring that requests for house stops are properly completed by a physician.
2. Limit, as much as possible, costs for Special Education transportation.	For the FY2005-06 school year and beyond, the Special Education contract was bid separately.	On a regular basis, Springfield should re-bid its regular and Special Education contracts to ensure that it is transporting students at the lowest cost to the Department and City taxpayers.
3. Work to increase the number of students who walk to schools.	The Boundary Plan is being implemented to maximize the number of students who can walk.	The Boundary Plan helps Springfield reduce transportation costs by increasing the number of students that can walk to school.
4. Ensure that bus routes are efficiently planned.	The Department is using routing software that has been customized by an in-house consultant to plan its routes.	Transportation will continue to be provided to students attending magnet schools, to students attending a "legacy" school, and other students per its transportation policy (above). Using its routing software, Springfield will configure routes so that it can provide transportation services as efficiently as possible.
5. Use multi-tiered service.	As part of the implementation of the Boundary Plan, school bell times were coordinated so that about 50 percent of the buses can transport students to and from elementary, middle, and high schools, reducing the number of buses that are required to transport students.	With the coordination of its bell times, Springfield is using multi-tiered service when possible.

Best Practice	Springfield Practice	Addressing Performance Gap
6. Reduce the number of bus monitors.	Monitors are currently present on all Special Education and a number of regular school buses. Additionally, there are about 30 teacher aides that ride elementary buses and one that rides a Special Education route.	The number and assignment of bus monitors should be continuously reviewed to ensure that they are needed. The assignment of bus monitors and teach aides should be coordinated.
7. Improve contract management.	According to the Transportation Department, contract penalties were never assessed under the current contract. The new contract will allow the vendor to use older buses than the previous contract allowed and the financial penalties have been made more severe.	To ensure that students arrive on-time and to offset transportation costs when appropriate, the Transportation Department should assess penalties per the terms of the contract.
8. Use technologies to monitor students on buses.	Springfield was the first school department in the country to install cameras on school buses, according to the Transportation Department. Currently, 50 percent of school buses have cameras. This provides a record of student behavior that can be reviewed.	Springfield could increase the number of buses that have cameras, though this could require an adjustment to the recently awarded contract.
9. Seek new revenue sources.	The School Department has no busing revenues.	Working with the transportation vendor, the Department should pursue outside advertising revenues.

INITIATIVES

The School Department has made no formal estimates of the number of buses that will be required each year as the Boundary Plan is implemented. For the purposes of calculating the fiscal impact of initiatives, it is estimated here that 157 regular buses will be used in the FY2005-06 and by FY2008-09 that number will be approximately 60. The initiatives below were calculated by assuming that the number of buses will decrease each year on a straight line basis. In FY2006-07 there will be 125 buses, in FY2007-08 there will be 92, and in FY2008-09 there will be 60.

TR01 Implement Market Based Revenue Opportunities

Prioritization:	Short-term	**Required Approval:**	School Department Management, Bus Company
Rev/Exp:	Rev	**5 Year Fiscal Impact:**	$504,100

Springfield should consider placing advertisements on school buses, an initiative that would have to be negotiated with the vendor. Springfield anticipates operating 157 regular buses next year. Even if the Department could receive $65 per advertising panel per month, with 3 panels on each of the 157 buses for nine months, $508,000 could be realized.

School Bus Media of Miami, Florida has a mission to "provide advertising for a healthy lifestyle, including nutrition and exercise." Putnam County in northeast Florida implemented onboard advertising with School Bus Media, who secures all advertising and the school district retains full control over the content. The school district receives 25 percent of gross receipts.

In Massachusetts, Braintree has a $30,000 contract with a restaurant chain, and Beverly made $36,000 last year by selling ad space to local businesses, including a health club and real estate companies. The Boston School Board voted late in 2003 to place advertising on 620 buses, which could raise as much as $600,000.

The fiscal impact of this initiative is calculated using the number of regular and Special Education buses estimated with the implementation of the Boundary Plan X 3 panels per bus X $65 per panel X 9 months. The fiscal impact has been discounted by 75 percent in FY2005-06 and beyond to allow time for implementation, because advertisements may not be able to be placed on all vehicles, and because of uncertainty.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	75%	75%	75%	75%	75%
Fiscal Impact	$126,400	$112,300	$97,800	$83,800	$83,800

The number of vehicles assumed for this calculation is as follows:

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Regular Transportation	157	125	92	60	60
In-City Special Education	91	91	91	91	91
Out of City Special Education	41	41	41	41	41
TOTAL	**289**	**257**	**224**	**192**	**192**

TR02 Implement Monthly Reports

Prioritization: Short-term **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

A year end report of the number of students transported by major category (Special Education, parochial, etc) is the only report produced by the Transportation Department. Without regularly produced, standardized reports, it is difficult to easily determine the number of bus routes, the number and cause of late buses, and the bus assignments of monitors and teacher aides. Springfield should begin publishing monthly transportation reports by September 2005.

One of the most important reasons to publish reports is to better monitor costs and cost-drivers. The Transportation Department has advanced a number of initiatives over the last several years to reduce costs through the consolidation of routes and limiting the number of house stops. However, the savings that have resulted from these initiatives are difficult to quantify because the Transportation Department has not reported on its activities.

For the transportation function to be managed appropriately, the Department should begin to gather information about its activities and publish regular reports. Examples of information that should be made available through these reports are:

- Number and type of house stops requested and information on requests approved and denied
- Information on the number of students transported each month
- Monthly costs of transportation services
- Transportation vendor performance, including the number of late buses
- Behavioral problems by major category and route
- Assignment of bus monitors and teacher aides

The fiscal impact of this initiative cannot be determined with the information that is currently available.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

TR03 Pay the PVTA for the Students that Actually Use the Service

Prioritization:	Short-term	**Required Approval:**	School Department Management, PVTA
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	$153,000

Springfield provides transportation to high school students with yellow buses and the PVTA. For PVTA, the School Department pays the full fare of $2.00 per day for the transportation of 90 percent of the students, currently 1,600, that are assigned to ride the PVTA. There is no system in place to count the number of students that actually use the service. However, a downward adjustment of 10 percent is made to account for the students that do not use the service.

It is the opinion of the School Department that the number of students who are eligible but do not use the service is approximately 20 percent, greater than the 10 percent figure used by PVTA. The School Department should not provide a subsidy to the PVTA, and the PVTA should be required to institute a system whereby it charges the School Department for the number of students who it transports each day.

If Springfield were charged for 80 percent of those eligible to ride rather than the 90 percent for which they are currently charged, it would save approximately $58,000 annually.

As the Boundary Plan is implemented, the Department should reconsider its use of the PVTA. It is assumed here that the number of students using the PVTA will decrease at the same rate that the number of yellow buses required to transport students decreases.

It is estimated that 157 regular buses will be used in the FY2005-06 and by FY2008-09 that number will be approximately 60. Assuming that the number of buses will decrease each year on a straight line basis, in FY2006-07 there will be 125 buses, in FY2007-08 there will be 92, and in FY2008-09 there will be 60. The following is an estimate of the number of students that will ride PVTA if the same percentage decreases that are projected for yellow buses occur in the number of students that use PVTA.

Estimate of the Number of Students Using the PVTA

FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
1,600	1,274	938	611	611

The fiscal impact of this initiative is calculated by increasing the allowance of eligible students that do not use the PVTA from 10 to 20 percent. The calculation is based on the estimate of the number of students that will be assigned to ride the PVTA as the Boundary Plan is implemented. The initiative is discounted by 50 percent in FY2005-06 to allow time for implementation.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$29,000	$46,000	$34,000	$22,000	$22,000

According to the Transportation Department, the PVTA would simply need to reprogram its existing equipment to track the number of students as the students are issued cards that are compatible with the PVTA's fare-tracking system.

TR04 Improve Contract Management

Prioritization:	Short-term	**Required Approval:**	School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	$41,200

Under the terms of the new contract, a transportation vendor that fails to deliver students within 15 minutes of the starting time or ending time of school faces a fine of one-half of the daily cost of the bus, although unusual circumstances such as weather and traffic are taken into account. A similar provision exists in the current contract that provides for a fine of $100. The Transportation Department works closely with the vendor to ensure that all buses are punctual, but it is understood that no fines have been assessed to date. The School Department should strictly enforce this contract provision to ensure that students are delivered to school and home on-time.

The Transportation Department relies on schools to report when buses are late. A coordinated effort should be made to ensure that buses arrive at the schools on time. One way to do this would be to require schools to keep a log and to report to the Transportation Department of the number of late buses on a daily or weekly basis. An organized system that allows the vendor to be billed for late buses per the contract terms could help ensure that the buses are kept in good repair. Another way to track late buses is through the implementation of GPS, discussed in initiative TR07.

In FY2003-04, the New Haven School District collected approximately $30,000 in transportation penalty fees. Year-to-date for FY2004-05, the District has accrued approximately $22,000.

There, fees are assessed of $150 for each occurrence for:

- Routes completed more than 15 minutes late
- Spare vehicles not provided within 30 minutes of main vehicle breakdown;
- Failure to follow approved route
- Failure to provide proper pick-up and drop-off
- Failure to allow a monitor to ride the vehicle

Fees of $500 are levied for the following infractions:

- Failure to provide proper accident reports
- Failure to provide the required number of vehicles or drivers (fee is per drive/day
- Failure to provide a performance bond pursuant to the provisions of the contract
- Failure to provide an insurance certificate

- Failure to provide any reports by due date (per calendar day)

For regular buses, this calculation assumed that there will be one late buses each week, for a total of 36 late buses each school year. At a contract penalty of one-half of the daily cost of the bus, SPS can offset its transportation expenditures for regular buses by $4,763 in FY 2005-06 (36 buses X the daily cost of the bus of $264.62 / one-half). The daily cost of the buses is increased by 2.5 percent each year beginning in FY2006-07 to account for inflationary contract increases. The total number of late buses is decreased each year based on the anticipated decreases in the number of buses that will provide service to Springfield with the implementation of the Boundary Plan.

For special education vehicles, this calculation assumes that there will be one late buses each week, for a total of 36 late vehicles each school year. At a contract penalty of one-half of the daily cost of the bus, SPS can offset its transportation expenditures for regular buses by $4,886 in FY 2005-06 (36 vehicles X the daily cost of the bus of $271.47 / one-half). There are several rates for special transportation. To be conservative, the lowest daily for in-City vehicles of $271.47 was used in this calculation. The daily cost of the buses is increased by 2.5 percent each year beginning in FY2006-07 to account for inflationary contract increases. The total number of late buses is decreased each year based on the anticipated decreases in the number of buses that will provide service to Springfield with the implementation of the Boundary Plan.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	$9,600	$8,900	$8,100	$7,200	$7,400

TR05 Continue to Limit the Number of House Stops

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** $226,500

House stops are provided for all Special Education students and for students with medical conditions. House stops require more time and, therefore, are a cost to the Department. Providence, Rhode Island estimates that house stops cost ten times the cost of regular stops. This was calculated by determining the number of buses that would be required if all students were picked up at their homes instead of at bus stops.

Springfield uses a standardized form that must be signed by a physician and the school principal and approved by the Transportation Department for medical house stops. The Transportation Department limits the number of house stops by verifying that stops are necessary by calling doctors. The Department could do a better job of tracking the number of requests for house stops, however. In the current system, it is difficult to determine the number of students who receive house stops, the number of requests that are denied, or know for what reasons house stops are denied on a summary basis. Of course this could all be determined by searching the Department's paper files and its database, but the implementation of a relatively simple reporting

tool could allow the Department to identify trends, ensure that all requests are handled uniformly, and discontinue stops when a temporary medical condition no longer exists.

Even if a single bus could be eliminated through efforts to decrease house stops, $47,600 could be saved annually. This is fiscal impact of this initiative is calculated as follows: The daily bus cost of $264.62 X 180 days. In the out years, the daily bus cost has been inflated by 2.5 percent to account for inflationary increases. This initiative is discounted by 50 percent in FY2005-06 to allow time for implementation.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$23,800	$48,800	$50,000	$51,300	$52,600

TR06 Reduce the Number of Bus Monitors

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** $277,700

Springfield currently uses approximately 134 bus monitors, although the authorized headcount is 150. Monitors are used on most Special Education vehicles and targeted regular routes. Additionally, there are approximately 31 teacher aides that ride buses to supplement the monitors. Based on interviews with transportation staff, it is understood that teacher aides are assigned to buses by principals and that these individuals serve the same purpose as bus monitors. As another way to monitor student behavior on buses, Springfield requires cameras on 50 percent of its buses.

The number of bus monitors has declined over the last several years, with a high of 186 in FY02. According to transportation staff, reductions have been made in response to budgetary pressures.

	FY1999-00	FY2000-01	FY2001-02	FY2002-03	FY2003-04	FY2004-05 Projected
Bus Monitors	149	165	186	152	130	134

Determining the appropriate number of bus monitors is not an exact science and their use varies by school department. Lowell uses monitors on its Special Education buses and has three monitors that rotate among its 65 regular transportation routes. Like Springfield, Lowell relies on cameras. Seventy-five percent of its buses are equipped for cameras and 50 percent of the buses have cameras in them on average. In Brockton, there are 30 bus monitors for 100 Special Education buses.

Springfield should continue to make monitor assignments to regular transportation routes in a way that helps ensure that students move safely between their homes and school, though there must be a continued emphasis on reducing the number of monitors when possible. The School

Department should consider the following when assigning school bus monitors and teacher aides:

- Central assignment of teacher aides and coordination with the assignment of bus monitors; the assignment of both should be done centrally based on the overall needs of the Department
- Continued review of regular transportation routes and the implementation of a zero-based budget approach: monitors should not be assigned to routes simply because of precedent – routes should continually be reviewed so that monitors are assigned to those routes where they are needed
- Implementation of the Boundary Plan: as bus routes are reduced, so should the number of monitors
- The installation of cameras on all of the regular transportation buses; cameras are currently used on about 50 percent of regular buses.

It is important to note that both bus monitors and teacher aides earn $7.35 an hour, a relatively low hourly rate as compared with other departments. In Lowell, monitors on Special Education buses are paid $12.50/hour and those on regular buses are paid $15.00/hour. In Worcester, monitors are compensated using a 4-tiered scale with first year monitors paid $11.12/hour and fourth year and up paid $12.22/hour. The Springfield Transportation Department conducted its own survey and found that, of the 12 departments that pay hourly wages, it paid the least. The highest was Holyoke, which paid $14.38/hour.

While the budgeted number of bus number in FY2005-06 is 150, there are 134 currently. As the number of buses that transport students decreases, so should the number of bus monitors. It is estimated that 157 regular buses will be used in the FY2005-06 and by FY2008-09 that number will be approximately 60. Assuming that the number of buses will decrease each year on a straight line basis, then in FY2006-07 there will be 125 buses, in FY2007-08 there will be 92, and in FY2008-09 there will be 60.

The following is an estimate on the number of bus monitors that would be in place if the current force of 30 regular transportation monitors decreases at the same rate as the buses are projected through the implementation of the Boundary Plan.

Estimate of the Number of Bus Monitors on Regular Buses

FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
30	24	18	11	11

The fiscal impact of this initiative is calculated from the savings that would be achieved if the number of monitors on regular buses was decreased from 30. Estimated annual costs are calculated using the hourly wage of $7.35 X 4.5 hours of work per day X 180 school days. This calculation assumes that cameras would be installed on 79 additional buses (they are currently used on half of the school buses) at a cost of $700 per camera for a total cost of $55,300. This is an expense that would occur in FY2005-06.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	($55,300)	$36,000	$71,000	$113,000	$113,000

TR07 Consider the Implementation of GPS on School Buses

Prioritization: Short-term **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** ($450,000)

Springfield should consider the implementation of GPS on its school buses. New Haven, Connecticut Schools uses GPS systems in their buses operated by First Student. These GPS monitors record multiple variables including bus speed, opening and closing of doors, and precise location. This information is time-stamped, allowing the District to determine exactly when a bus arrives and departs from a given location. This function aides in the collection of penalty fees and helps the school department provide information to parents when there are accusations students were not picked up on time. While the systems are not in place in every bus, New Haven has been pleased with the results and plans to request full implementation of GPS when their new contract is bid out. The cost of operation is expected to be approximately $1 per day, per bus.

To calculate the fiscal impact of this initiative, operation costs are estimated to be approximately $1 per day per vehicle. For the regular school year, costs for the 289 regular and special education vehicles could be $52,020 annually (289 buses X 180 days). For summer schools, costs would be approximately $960 (24 buses X 40 days). The installation of GPS systems on all of the school vehicles will cost $200,000, according to the Transportation Department. It is assumed that all of the installation costs would be incurred in FY2005-06.

The costs would need to be considered with the increased ability to collect fees for late buses per the contract. Expenditure offsets involved with improved contract management are quantified in Initiative TR04.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	($250,000)	($50,000)	($50,000)	($50,000)	($50,000)

VII. TELECOMMUNICATIONS

TELECOMMUNICATIONS [1]

MISSION

This function maximizes the quality of telecommunications services available to Department employees while seeking ways to minimize associated costs.

OBJECTIVES

- To improve the delivery of telecommunications services to all Department employees in a cost effective manner.
- To develop and maintain appropriate policies, procedures and maintenance schedules to be certain that all telecommunications services and equipment are used for appropriate purposes, are well maintained and are of the highest quality appropriate and financially feasible.
- To maximize Erate reimbursement and other funding sources to pay for necessary improvements to the School Department's technology and telecommunications services.
- To provide professional development and necessary support and maintenance for all telecommunications systems; help employees understand how to use services and equipment in an appropriate manner; and ensure that equipment and services function as specified and intended.

The Springfield School Department has a strong telecommunications program in certain respects. The Department has provided internet connection and networking capacity in nearly every school. The Department has an impressive database management system integrating student historical personal and performance data, human resources data, and scheduling among other things.

Organization

The telecommunications function of the School Department is decentralized with several senior staff taking responsibility for various telecommunications and technology functions. This group of senior staff seems to function more as a "team" rather than a department. The School Department does not have a chief information officer or other staff member with the authority implied by this title. At least five managers have titles that might imply they have overall for the Department's telecommunications and technology function (see organizational chart for Director of Technology, Supervisor of Technology, District Technology Manager, Assistant to the Superintendent – Technology, Chief Administrator of IT).

[1] The scope of this review is limited to an overall assessment of the Telecommunications function of the School Department; it is not a comprehensive technological audit of the Department's current operations, which may be performed in the future.

The Superintendent has four telecommunications and technology managers reporting to him (see organization chart below). Each of these managers has responsibility for a different element of the Department's technology needs.

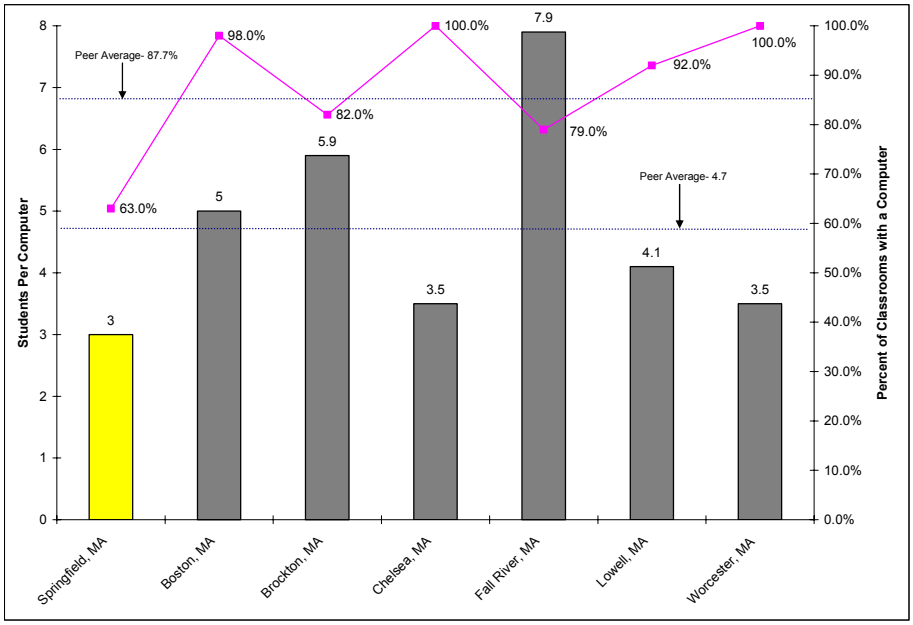
The School Department's technology staff prepared a "Strategic Technology Plan, 2004-2007," as required by the Department of Education. The format of the plan is determined by the DOE and the base plan is updated annually on-line with the DOE. The Plan appears to inform the School Department's integration of technology and curriculum. It does not appear to inform the overall management of the School Department's technology function.

Infrastructure, Networking, and Hardware

The School Department's telecommunications and technology infrastructure is primarily managed by the Technology Assistant to the Superintendent. The infrastructure group oversees all networking of schools, installation of networked systems, and installation, repair and maintenance of all Department hardware. The School Department has prepared an internet policy on acceptable use as part of its DOE Strategic Technology Plan. This internet use policy is circulated annually and integrated into Department employee policies, procedures, and training.

The technicians group, within the infrastructure group, manages all maintenance on a day-to-day basis. The group has an on-line help request system to assist in documenting and allocating calls for assistance from any of the schools or administrative buildings. The state-wide average for technical support response time was 3.3 days in FY2003-04. Springfield does not monitor technical support response time on an on-going basis, although with some programming, the on-line help system could generate response time reports.

The School Department had 9,485 computers in operation in FY2003-04, according to the inventory of the technicians group. In addition, the Department had 7,280 internet connections and laptop computers. The graph below presents the ratio of students per computer and the portion of classrooms with internet connection for Springfield and peer districts. Data is drawn from the Department of Education's report of April 2005, "Technology in Massachusetts Schools." Springfield has a 3.0 ratio of students per computer as compared to the peer group average of 4.7. It has internet connections in 63% of its classrooms, as compared to 87% for the peer group. It is important to note that the ratio of students to computers varies considerably among individual schools across the Springfield School Department. The recently constructed and renovated schools have low ratios of students per computer, while many older schools have a fairly high ratio of students per computer.

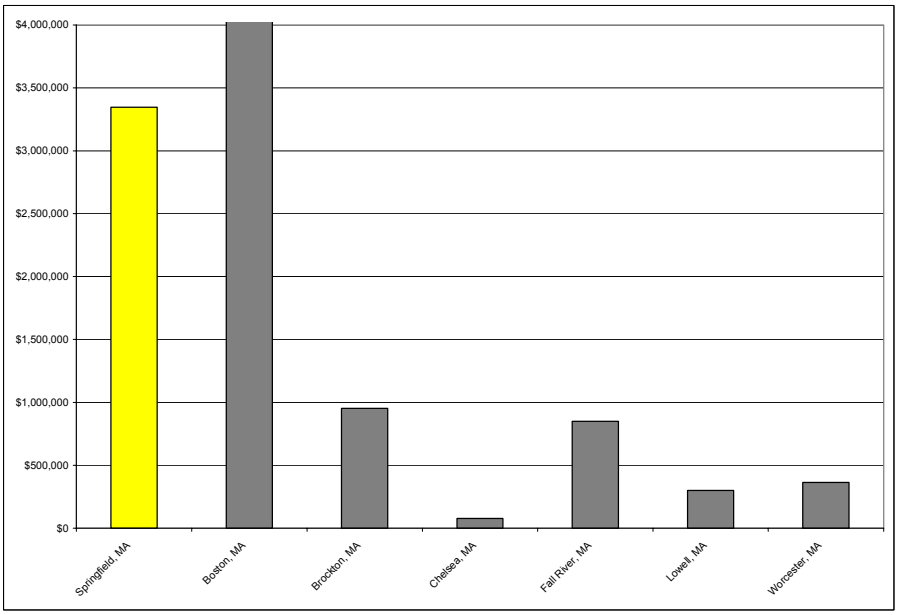


Source: Department of Education report "Technology in Massachusetts Schools" April 2005.

Erate

The School Department has succeeded in achieving the highest per student Erate reimbursement level in the State for the last several years. This outstanding result has come about through the administration's knowledge of the program and diligence in preparing appropriate and compelling applications. The graph below indicates Springfield's record in 2003, the last completed year of reimbursements. (Erate reimbursements for city library uses are excluded from this data.)

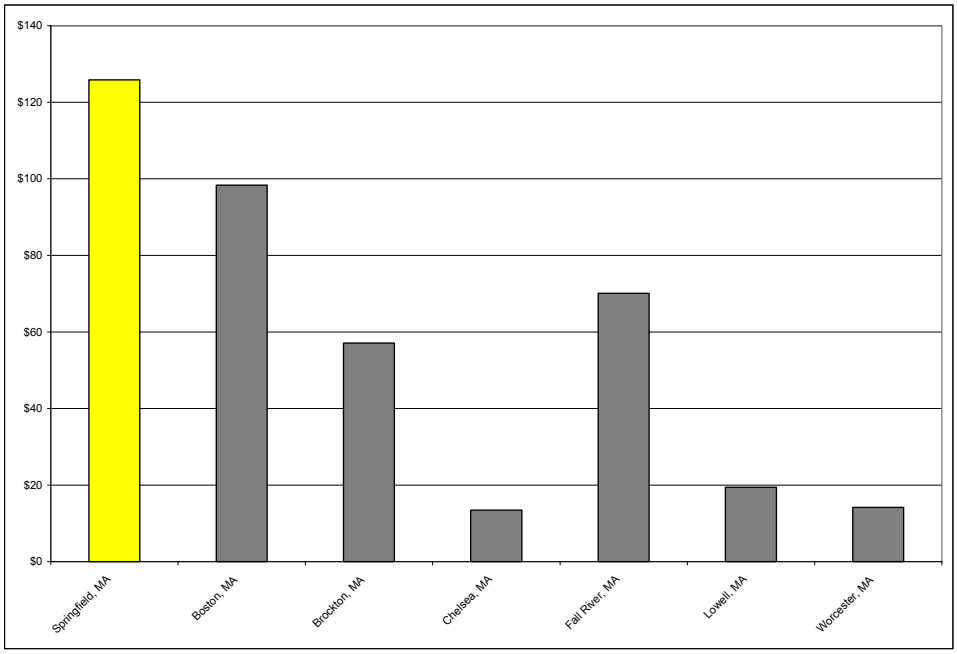
Total E-Rate Reimbursements (2003)



Source: http://www.sl.universalservice.org[2]

[2] The Universal Service Administrative Company (USAC) is a "not-for-profit corporation … appointed by the Federal Communications Commission (FCC) to ensure that the benefits of telecommunications services reach students and communities across the country."

Per Student E-Rate Reimbursements (2003)



Source: http://www.sl.universalservice.org

Instructional Technology and Technology Professional Development
The instructional technology group leads several departmental technology efforts, including instructional technology, professional development for technology, technology vocational education, a newly formed project management office, and technology grant-writing.

Information Technology/Database Development
This group develops and administers several databases for the department.

Cellular Telephones
The School Department provides cellular telephones to 76 employees. School Department employees receive cellular phones by requesting the approval of one of four School Department senior managers (Superintendent and three Assistant Superintendents). The Assistant Finance Manager oversees the issuance of cellular phones and their usage. Under the current service provider contract with Verizonwireless, cellular phones are provided free of charge. The type of phones issued must meet the parameters set out by the Erate program; for example video and photo phones are not acceptable. The purchase of telephones does not qualify for Erate reimbursement. The School Department does not have a formal policy on appropriate use of cellular telephones.

The School Department's cellular phones are on their own account (separate from the City) with a state contract with Verizonwireless. The School Department has not sought to combine the account with the City because it believes that a separate account facilitates more effective Erate reimbursement.

The Assistant Finance Manager reviews cellular summary phone bills each month (indicating total usage rather than individual calls). He seeks to identify unusual patterns based on changes in usage volume over time and to compare usage among employees with similar responsibilities.. The summary bills are provided to supervisors with any notable patterns observed by the Assistant Finance Manager.

Current and Future Efforts and Challenges

Recently a project management office (PMO) was initiated in the instructional technology group and is overseen by the Director of Technology. The new PMO manages technology projects requested by any department within the School Department. For any particular project, the PMO staff reviews a request, confers with interested parties, and plans for and monitors progress on

MAJOR ORGANIZATIONAL UNITS

The telecommunication and technology function is organized based on the units described below. The Infrastructure Group and the Instructional Technology Group appear to coordinate their activities with an informal team approach.

Infrastructure Group (13.5 FTEs). The infrastructure group is managed by the Technology Assistant to the Superintendent, who reports to both the Executive Director of Finance and the Superintendent. The group oversees all technology infrastructure for the district. The technicians group is within the infrastructure group and it is managed by the District Technology Manager. The technicians voted to form a union, but they do not have a contract with the School Department or City. The infrastructure group's composition is as follows:

- Technology Assistant to the Superintendent
- Administrative Assistant (.5)
- District Technology Manager
- Senior Technician
- Help Desk
- Network Technicians (2)
- Computer Technicians (7)

Instructional Technology Group (7 FTEs). The instructional technology group is managed by the Director of Technology, who reports to the Special Assistant to the Superintendent. The group's administrative assistant (.5 FTE) is part of a union and the group's teachers are part of the teacher's union. The group consists of:

- Director of Technology
- Supervisor of Technology (.5 FTE)
- Webmaster
- Administrative Assistants (1.5 FTEs)
- Teachers (3)

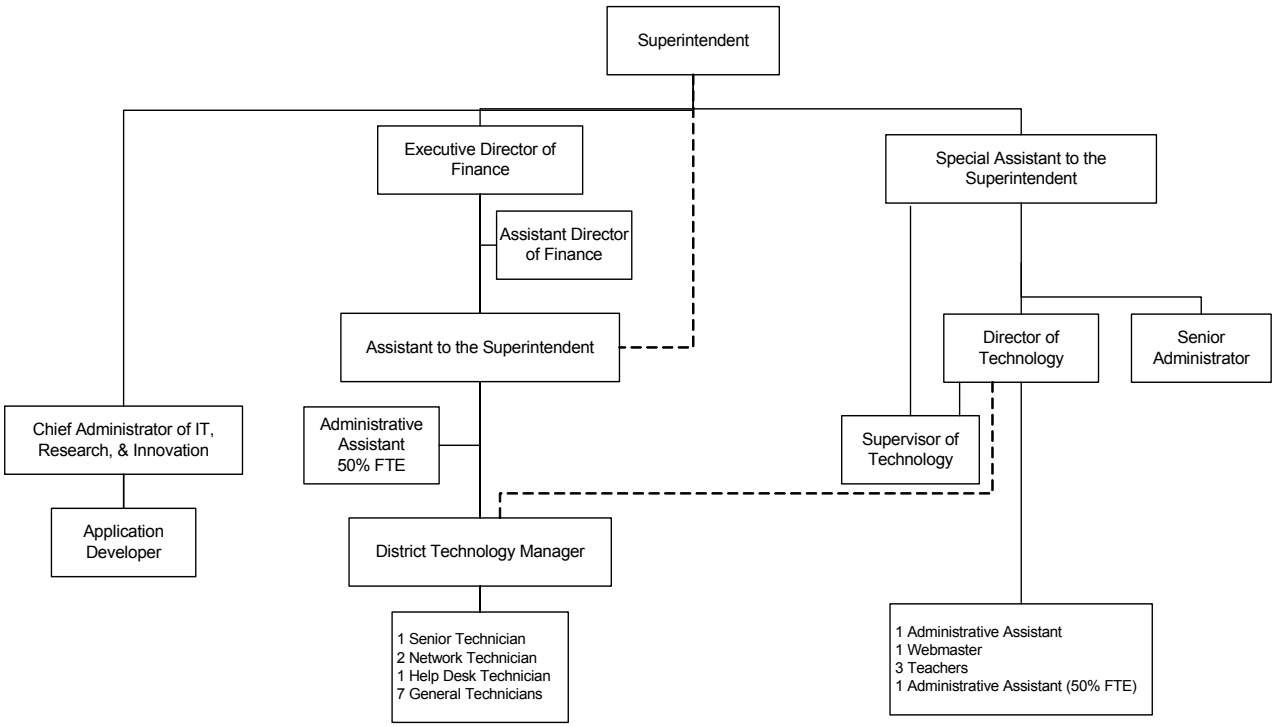
Database Development and Management (2 FTEs). The database development and management group is managed by the Chief Administrator of IT, Research, and Innovation, who reports directly to the Superintendent. Neither employee is unionized.

- Chief of IT, Research, and Innovation
- Applications Developer

Student Accountability (1 FTE). A senior administrator oversees student accountability and the student information database. The employee is not part of a union.

Telephones. The authorization for cellular telephone issuance rests with the Superintendent and the Assistant Superintendents. The management of landline telephones rests with a member of the Finance Department; however, the bills for landline telephones go directly to the City and are not seen by the School Department.

ORGANIZATIONAL CHART



BEST PRACTICE GAP ANALYSIS

The following table presents a gap analysis between Springfield's telecommunication and technology program and best practices found throughout the United States. The table identifies Springfield's strengths and weaknesses. Furthermore, this analysis provides the basis for the initiatives described in the following section.

Springfield Telecommunications Program Function Gap Analysis

Best Practice	Springfield Practice	Performance Gap
1. The district has a comprehensive technology plan that provides direction for administrative and instructional technology decision making, including resource allocation, funding, acquisition, professional development, curriculum integration, and leadership implementation.	SPS does not have an integrated, comprehensive telecommunication and technology plan. Although certain plans are filed as part of Erate applications, a full, adopted plan that determines priorities has not been developed.	SPS should develop a full, comprehensive, integrated technology plan and structure its organization to implement such a plan.
2. Provides timely and cost-effective technical support that enables educators and district staff to successfully implement technology in the workplace.	The SPS technical support group uses an on-line system to allocate help requests. Staffing levels make the ability of the help desk to respond in real time challenging.	SPS technical support appears to work effectively within fiscal constraints. The technical support group should strive to better its performance against the state average response time of 3.3 days per request.
3. District and school-based staff receive professional development training for all technologies used in the district.	SPS provides technology professional development within the financial and organizational constraints.	A comprehensive plan and revised organizational structure should help SPS to build on its current base of professional development.
4. All constituents of district receive written and verbal guidelines regarding the appropriate uses of technology, including computers, Internet, copiers, facsimile machines, TV/VCRs, telephones.	SPS has City policy regarding use of landline telephones and computers. It does not cover all types of telecommunications and technology.	SPS should adopt and expand, in conjunction with the City, the existing City policy to make personal conduct guidelines very clear. SPS should enforce the guidelines appropriately.
5. Project management approach used to define, schedule, track and evaluate purchasing, developing, and the timing of delivering IT products and services requested.	SPS recently created a Project Management Office (PMO) under the Director of Technology. SPS seek to expand the reach and capacity of PMO.	SPS should support and grow the PMO. Success of PMO will be greater in the context for recommended organizational changes for the technology department.
6. The district investigates grant opportunities for technology funding and stays current with state and federal funding initiatives.	SPS has participated strongly in the federal Erate program. It also appears to have been awarded many outside grants.	SPS should leverage its Erate expertise wherever appropriate in the Department and the City. SPS should integrate its grant-based activity into a comprehensive technology plan.

INITIATIVES

TC01 Assign City CIO to Coordinate School Department Technology Activities

Prioritization:	Short-Term	**Required Approval:**	School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	CBD

The School Department has a relatively flat and dispersed team approach to its telecommunications and technology management. As can be seen in the organizational chart, four senior telecommunications and technology managers report to the Superintendent and some of these managers also report to other School Department managers. No single person is responsible for the overall management and performance of the telecommunications and technology function of the School Department. Rather, individual senior managers are responsible for their individual piece(s) of the technology function. This approach has certain benefits, and senior managers seem to meet on a relatively frequent basis to discuss technology project and issues. In addition, several senior managers in the School Department's technology area are executing some notable work, as indicated earlier.

However, the absence of a School Department chief information officer also leads to a lack of integrated planning, unclear reporting relationships, and unclear accountability in certain areas. Many telecommunications and technology projects and ongoing work cut across several departments within the School Department. In addition, the work and projects usually have multiple components (networking, hardware, software, databases, management, implementation, etc.), requiring the expertise of several professionals. Since no single person is responsible for the overall management and performance of the School Department's telecommunications and technology function, it is not clear how projects and efforts are prioritized. No single person is responsible for departmental resource planning on an integrated basis. The absence of a chief technology manager also makes coordination with the City unclear. Although the School Department prepares a "Strategic Technology Plan" for the DOE, it does not appear to use this plan, or have a separate plan, for organizing and prioritizing all its technology activities. (See TC02 Develop Integrated Technology Management Plan below.)

At this time of fiscal challenge, the School Department should assign the City's new CIO as the overall technology coordinator for the School Department. (Eventually the School Department should name its own CIO.) This City's CIO alone would report to the Superintendent on technology matters. This officer would coordinate and prioritize the interrelated work of the several School Department senior technology managers. There are several approaches to integrating a chief information officer into the School Department's current more dispersed team management approach. These approaches should be reviewed carefully so as to ensure that the addition of a departmental chief information officer enhances and organizes the Department's current technology management activities, rather than hindering them. At the same time, the assignment of the City's CIO to coordinate School Department activities must be endorsed and supported by top level School Department and City management so as to ensure that the CIO has the necessary authority to make the planning and coordination improvements that are needed.

Although there will be management challenges to the integration of the City's CIO in a coordinating role, the potential benefits far outweigh the challenges.

This initiative will improve the operations and efficiency of the telecommunication program. However, the fiscal impact of this initiative cannot be estimated at this time.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

TC02 Develop Integrated Technology Management Plan

Prioritization: Short-Term **Required Approval:** School Department Management, Local

Rev/Exp: Exp **5 Year Fiscal Impact:** $63,000

The School Department lacks a comprehensive technology management plan. The School Department prepared a three year "Strategic Technology Plan: 2004-2007" for the state Department of Education. It is structured according to DOE requirements and it is updated each year on-line with the DOE. This plan serves certain valuable functions, particularly related to the Erate application process. However, it is not written to assist in the management of the School Department' technology function. The School Department should build on the DOE required plan to prepare a comprehensive technology management plan. It should be prepared by the City CIO acting as coordinator of the School Department technology function.

The technology plan needs to included revenue (city funding, entitlements and grants) and expenditure components from all sources so as to present a comprehensive Department technology budget. This does not exist currently. In addition the comprehensive technology plan should have operating and capital expenditure components, hardware, software, networking, and systems components. It should also include performance measures and meters for prioritization of projects within the broad technology function of the School Department.

Even in the current very challenging fiscal situation, the School Department cannot afford not to have a Technology Plan. The School Department has stated that since there is no money, there is no need for a plan. In fact, quite the opposite is true. Today's time of extreme fiscal constraint makes a Technology Plan and its prioritization process especially critical to the School Department.

The School Department cannot make a convincing case to its funding constituencies (School Committee, City, state and federal funders, and private grant funders) for its technology needs without such a Technology Plan.

The comprehensive Technology Plan should be related to and integrated with the School Department and the City's capital planning process (See TC08 Develop Telecommunications

Infrastructure.), and the City's capital financing processes (See TC05 Use Leases to Acquire Technology Equipment.).

This initiative will improve the efficiency of the technology department's activities through increased coordination and better prioritization of work. While it is difficult to quantify the fiscal impact of developing such a plan, it is likely that productivity of the department staff would be increased because department priorities would be clearer to all employees. This increased employee productivity could delay the need for additional hiring over time. For example, savings could equal half of an average salary ($42,000) in the technology department about three years from now, after a plan has been developed and implemented.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	100%	100%	0%	0%	0%
Fiscal Impact	$0	$0	$21,000	$21,000	$21,000

TC03 Develop and Expand Database Systems

Prioritization: Short-Term **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

The School Department has developed certain database systems that provide impressive information and flexibility to School Department managers, including principals. In particular databases related to students, student performance reporting, and human resources have provided significant management tools to the Department and to schools.

However, meaningful data and reports for a wide range of relevant administrators are lacking in the areas of financial management, transportation, purchasing, and special education. While the Department may be taking certain steps to address these topics, the School Department should place greater emphasis on bringing data management and reporting in these weak areas The need for these systems is further emphasized and described in other chapters of this report. (See CA05, TR02, SE01.)

This initiative cannot be quantified as data did not exist to do so at the time of this study.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

TC04 Subcontract School Department's Expertise with the Erate Program

Prioritization: Intermediate **Required Approval:** School Department Management, Local

Rev/Exp: Rev **5 Year Fiscal Impact:** $45,000

As described earlier, the School Department has had tremendous success with the Erate program. While the program is primarily intended to help fund internet and telecommunications services for schools, certain city facilities are eligible for Erate reimbursement. The most prominent example is public libraries. In certain cases community centers have been deemed eligible under the Erate program. The City of Springfield has received Erate funding for certain improvements to its libraries. It does not appear the City has pursued funding for eligible projects in community centers. In addition, charter schools and non-public schools are eligible for funding under the program, depending on their enrollment status.

The School Department should consider the concept of assisting the City in maximizing its use of Erate. The City and the School Department could negotiate some form of compensation to the School Department for the services of the School Department in this regard. The same concept could be considered for charter and private schools, if these schools' enrollment status appeared to qualify them for Erate reimbursement. These schools and the School Department could devise some type of compensation or barter for the professional assistance of the School Department in this area of expertise.

It is very difficult to estimate the potential benefit of this initiative. We have assumed that the value of the School Department's consulting services could be $10,000 per year.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$5,000	$10,000	$10,000	$10,000	$10,000

TC05 Use Leases to Acquire Technology Equipment

Prioritization: Intermediate **Required Approval:** School Department Management, Local

Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

The School Department has historically purchased all its computers and other technological hardware and software outright. The School Department relies on the initial purchase warranty on hardware. After the expiration of the warranty the Department's technicians maintain the hardware, calling in contracted assistance as needed depending on work load and required expertise. As referenced above under TC02 Develop Technology Plan, the Department currently replaces equipment on an ad hoc basis as needed and as fund become available.

However, the School Department should strongly consider leasing its technology-related capital equipment. State law places certain regulations on the Department's access to leasing, but these

have been overcome in other communities in the Commonwealth. Leasing would result in the following benefits:

- The Department and the City could develop an integrated tax-exempt leasing program, providing the Department with planning support and providing both entities the financing benefits and management efficiencies of increased scale.
- Department and the City could be certain that the most competitive tax-exempt leasing arrangements were undertaken, rather than vendor financing, which is rarely the lowest cost.
- Equipment can be amortized over its useful life and depreciated at the same time.
- Current low interest rates and tax-exempt financing should result in very competitive rates.
- Technology can be more readily disposed of at the end of its useful life.
- Leases can be structured as either operating leases (off balance sheet) or capital leases (debt leases), allowing the Department and City some control over its total outstanding debt levels.

The Department should work with the City to develop a leasing program that would be an integrated part of the Technology Plan recommended under TC02 above. This integration would mean that the routine replacement of hardware would become built into the budget over time. Over time purchase costs and repair costs would decline and the School Department would be better served by more updated and routinely replace equipment.

For example, in a lease arrangement for over $9 million of computers and servers the district could receive a competitive interest rate for its equipment using a five year amortization and useful life; the lessor would usually agree to remove all the leased equipment from the district at the end of the lease for a nominal fee. Under a quarterly fee payment schedule, sample terms are below.

Sample Technology Lease Transaction

Lease of Computers/Laptops	
Bid Amount	$9,000,000
Annual Interest Rate	-3.46%
Quarterly Payment	$480,000
Total Cost over Term	**$10,087,703**

Sometimes a lease arrangement leads to lower costs over time than the purchase of equipment, although this is not always the case. Nonetheless, financing technology equipment is a reasonable and appropriate way to pay for equipment and software that has a three to five year useful life.

It is difficult to quantify the potential savings from a leasing program because the technology department lacks an equipment plan indicating its spending on hardware in prior years.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

TC06 Develop Cellular Phone Use Policy

Prioritization: Immediate **Required Approval:** School Department Management

Rev/Exp: Rev **5 Year Fiscal Impact:** $50,500

The School Department has issued approximately 76 cell phones for use by its employees. However, the Department does not have a cell phone use policy. These cell phones do not create an incremental cost to the School Department at this time because of its ongoing utilization of the Erate program. Nonetheless, the School Department should develop and implement its own cellular phone use policy. This policy should specify the types of positions and employees that can be issued cell phones. It should also include the following elements:

- Employees will minimize personal use of cellular phones. The cost of any personal usage above a certain level must be reimbursed to the City.
- Only employees whose job function mandates frequent movement among locations shall be issued a cellular phone.
- Cellular phone use at the current time is linked to the School Department's access to the Erate program. Changes in this program could lead to significant changes in the cellular phone policy and employees' access to cell phones.

In addition, as part of the cell phone policy employees should be charged a "fee" for policy violations, including a fee for the personal use of a cell phone. Because a monetary fee could run afoul of Erate regulations, the School Department should consider some type of service penalty to compensate the Department for personal cellular phone use. For example, an employee in violation could perform a specified amount of school landscaping or school library work.

In addition, at this time four separate people have authority over the approval of cellular telephones. The Assistant Finance Manager is responsible for executing the approvals. The School Department should vest full authority for the approval of cellular telephones to one manager. Employees should not be permitted to obtain cellular telephones and service through other means.

If in any single month, 10% of the employees with the 76 issued cell phones used cellular phones for personal use and the "fee" for such use was 3 hours of service per month, the School Department could gain the equivalent of nearly .5 FTE of labor (approximately 20 hours per month). This additional labor could reduce overtime in some job functions. The financial is estimated as 50% of a salary of $22,000, excluding the cost of benefits. This initiative is discounted 50% in the first year.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$6,500	$11,000	$11,000	$11,000	$11,000

TC07 Broaden and Enforce Landline Telephone Use Policy

Prioritization: Immediate **Required Approval:** School Department Management

Rev/Exp: n/a **5 Year Fiscal Impact:** CBD

The School Department has approximately 1,488 landline telephones for use by its employees. The School Department is governed by a City telephone use policy. That policy restricts the personal use of landlines to break periods and urgent matters. It also explicitly prohibits international and collect calls. This landline telephone use policy should be broadened and enforced. The School Department issue periodic reminders about the policy at all employee levels. Currently all landline telephone billing detail is only provided to the City and not to the School Department. The School Department and the City should coordinate to develop a means to spot check calling detail. The City could also enlist the assistance of the telephone service provider in flagging calls to categories of prohibited telephone numbers. This could be a service built into the next School Department landline telephone contract.

The fiscal impact of broadening and enforcement of the landline telephone use policy is difficult to determine. A fee could be charged to employees for personal use of landline phones; however, landline phone bills provide less detail than cellular phone bills and more than one person usually has access to any one landline telephone. The enforcement of the landline phone policy will have an impact on employee productivity, but quantifying the value of such productivity is not possible.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

TC08 Develop Telecommunications Infrastructure

Prioritization: Intermediate **Required Approval:** School Department Management, Local

Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

The Springfield School Department has many very old school facilities. Approximately 32 facilities are over 40 years old. Many of the current facilities are inadequately equipped to support modern technology needs and constraints are placed on the functionality of technology in individual sites. The School Department should work closely with the Department of Parks, Buildings, and Recreation at the City to make certain all construction projects, not just new construction and large renovations, be reviewed for their impact on technology needs. Whenever possible, even on smaller projects, the School Department and the City should ensure that a project includes adjustments to accommodate technology requirements. This is obviously especially true for electrical and HVAC projects. But, it can be relevant for other projects as well.

The City, the School Department, and the Control Board are going to be developing a comprehensive capital planning process and capital improvement plan. Telecommunications and technology infrastructure should have a central place in that capital planning process. For example, the Department should prepare specifications for all capital projects that include a description of the future technology needs of schools on a 10 to 25 year time horizon. Although no one can predict what capacity will be needed in the future, the Department should provide its best estimates of these needs to ensure that all future facilities are as well prepared as is possible to support future technologies.

This initiative again highlights the importance of developing a meaningful Technology Plan (TC02). As mentioned earlier, that plan would be coordinated with a City and School Department capital planning process.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

TC09 Seek Alternative Means of Funding Technology Investments

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Rev **5 Year Fiscal Impact:** CBD

The School Department currently seeks grant funding from several sources to support its technology needs. In addition, the School Department should be aware that the No Child Left Behind federal legislation provides public school districts opportunities to alter the way in which they use federal funding to support system operations. In the case of the School Department, this may create opportunities to reallocate some portion of the Department's total federal funding.

While the overall purpose of the change in the way federal funds are allocated to school districts is meant to support innovation and creativity that will eventually lead to improved student achievement, it is possible that the way the Department uses and pays for technology needs may be an integral part of this educational reform. While such a reallocation may not save money, it could make general fund dollars available for use elsewhere in the School Department.

Because the reallocation of funds will not necessarily save the School Department money, savings are not attributed to this initiative.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

TC10 Assist Food Services Program to Expand Use of Swipe Cards

Prioritization: Short-term **Required Approval:** School Department Management

Rev/Exp: Rev **5 Year Fiscal Impact:** FSP: $84,000

The School Department technology team should assist the Food Services Program to expand the use of swipe cards to every school. These cards are currently used at most middle and high school. They can be used successfully at elementary schools, with the assistance of school-based staff. The cards significantly reduce paperwork for the Food Services Program. They also reduce the need for cafeteria staff to handle cash and increase the likelihood that all meals permitted to be claimed for reimbursement are accurately recorded.

The cost for this effort can be charged to the Food Services Program. The expansion of the swipe card system could increase FSP revenues and reimbursements. If, for example, the use of expanded use of swipe cards led to a .2% increase in revenues and reimbursements, the FSP's revenues would go up approximately $21,000 per year. This impact of this initiative is assumed to occur in two years.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	100%	0%	0%	0%	0%
Fiscal Impact	$0	$21,000	$21,000	$21,000	$21,000

TC11 Enhance Asset Tracking System

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** $24,000

The School Department Technology group maintains an inventory of its assets. It inventories annually the hardware in schools and other department buildings. The technicians group maintains this inventory; however, it is unclear whether this is a good use of technician time.

The Department's technology staff should confer with the assistant superintendents for zones and with principals on ways to conduct the technology inventory that could reallocate more technician time to fixing computers and solving system problems. In addition, the School Department's asset tracking ability and efficiency could be increased with a location for the central receiving of technology equipment.

The fiscal impact of this initiative would be improved productivity for the computer technicians. If, for example, this initiative led to the equivalent of a reallocation of 25% of one technician's time (average salary $32,000), the Department would save $8,000. This initiative is assumed to be implemented in three years.

Discounted Fiscal Impact

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	100%	100%	0%	0%	0%
Fiscal Impact	$0	$0	$8,000	$8,000	$8,000

VIII. FOOD SERVICES

FOOD SERVICES

MISSION

The Springfield Public School Department seeks to provide nutritious and varied meals to students and staff in each of the Springfield schools.

OBJECTIVES

- To provide a food service program that will encourage the consumption of nutritious foods by as many students as possible at a price that is affordable to families.
- To operate cafeteria facilities that are clean, safe, and compliant with all health regulations.
- To comply with local, state, and federal regulations in the areas of nutrition, finance, and operations.
- To maintain good customer relations with principals, teachers, students, and parents.

The Springfield School Department ("School Department") provides breakfast, lunch, and after school snacks to students throughout Springfield. The Food Services Program ("FSP") of the School Department operates the food services function for the Springfield Public Schools. It is considered part of the School Department's central administration.

Springfield's FSP provided nearly five million meals to the children of Springfield in FY2003-4. The FSP serves breakfast and lunch during the school year at 46 locations. It operates 40 kitchens, one of which is a central commissary that prepares food for seven serving locations that lack kitchen facilities ("satellite locations"). After school snacks are provided at numerous locations. In certain ways, the FSP can be seen as 40-branch restaurant operated by the Springfield School Department.

Cafeterias and kitchen facilities are the responsibility of the FSP, not the individual schools. While under education reform in Massachusetts a principal is responsible for all individuals working in a building, for practical purposed the FSP employees report to the Assistant Food Services Director and the Assistant Financial Manager, who is part of the School Department's central administration. The FSP program is also responsible for maintenance of its equipment and facilities at each school location.

In addition to providing meals, the FSP is responsible for the School Department's process for qualifying children for free and reduced price meals. The certification process establishes students' eligibility under federal (USDA) guidelines to receive breakfast, lunch, and snacks either free of charge or at a considerably reduced price and is described further below.

Certification for Free and Reduce Price Meals
The FSP manages the certification process through its central office. Applications are sent home with children (via "backpack express") during the first week of school for students above pre-kindergarten and kindergarten age. The applications should be returned to the school and then passed on to the FSP's eligibility staff. Applications are now formatted as "family applications," meaning that an adult can enroll all children in a family through the same application, regardless of their age or which Springfield school they attend.

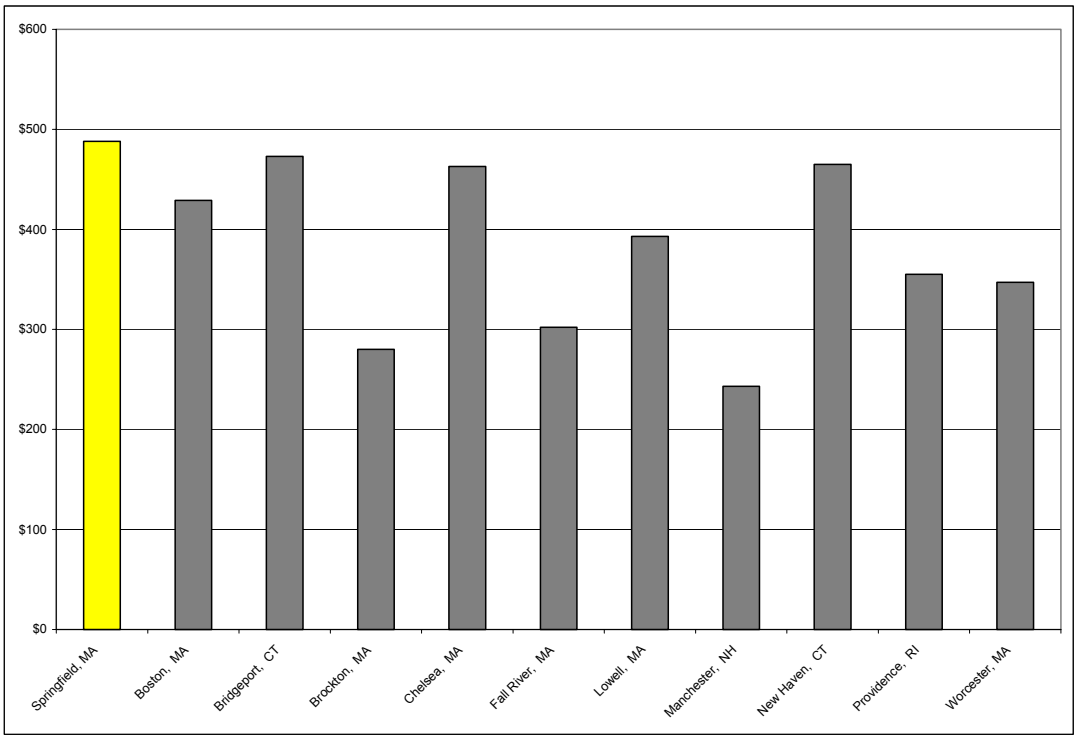
In addition, the Department of Education ("DOE") manages a process called "direct certification." DOE distributes to school districts data on families participation in programs of the Department of Transitional Assistance (DTA) This data is adequate to automatically give children eligibility for free meals. Direct certification has been in place for the past few years and in FY2004-05 about 8,800 children were granted eligibility through it. This represents about 42% of the Springfield children enrolled for free and reduce priced meals.

As is discussed later, the certification process for free and reduced price meal eligibility is the foundation of a successful food program. The revenues of a food program in an urban district such as Springfield are largely federal reimbursements for meals served in each "pay category." While it is meal participation that drives reimbursements (i.e. eligible children actually taking a meal), the basis for participation is student eligibility.

In addition, the level of a district's eligibility for free and reduced price meals is a determinate for certain grant funding. Thus, the importance of the certification process extends beyond the operations of the FSP.

Revenues and Expenditures
The FSP recorded revenues of approximately $10.69 million in FY2003-04. It recorded expenditures of approximately $10.56 million in FY2003-04. The expenditures of the FSP can be compared to those of food service functions in comparable cities on a per pupil basis. The graph below compares Springfield's expenditures on food services on a per pupil basis to that of other comparable cities. Springfield's per pupil expenditures on food services are the highest among the peer group at $488 per pupil. The average per pupil expenditure among the comparable cities is $382. It is important to note that the data source for comparing data across districts (www.schoolmatters.com) uses publicly filed information and a common calculation approach across districts. Its results may differ from a district's internally reported results.

Food Service Expenditures per Pupil



Source: www.schoolmatters.com[1]

Staffing

The Food Services Program has 371 employees organized approximately according to the organizational chart below. The Food Services Program is managed by the Assistant Finance Director for the School Department. He is assisted by an administrative staff of 12, including an Assistant Food Manager who manages the full-time day-to-day operations of the program. Each of the 40 production sites and seven satellite sites is staffed by a combination of cooks, cafeteria helpers, and lunch aides. The staffing levels vary among the sites, depending on the type of school, the site size and the number of meals served. Middle and high schools have higher staffing due to their larger enrollment and the sale of a la carte items.

Employees have a variety of union statuses. Cooks, assistant cooks, and cafeteria helpers are represented by the Springfield Schools Cafeteria Employees Association, Inc. The contract for this union expired on June 30, 2003 and has not been renewed. Negotiations are not currently in

[1] Food expenditure costs are from www.schoolmatters.com and include services relating to regular and incidental meals, lunches, or snacks in connection with school activities and food delivery. Food Service Expenditures include payments from all funds for salaries, employee benefits, supplies, materials, and contractual services related to food service. At the school district level, Food Service Expenditures exclude interfund transfers, payments made by states on behalf of school districts, transfers by some school districts in their own retirement system, and capital- and debt-related spending. At the district level, this expenditure includes only money spent on students taught in the district. It excludes money paid to other school systems for the education of students outside the district. Likewise, the enrollment figures used to calculate per student values reflect only students taught in the district School district data derived from information collected by the U.S. Census Bureau, Form F-33, as reported by the state education agency

process. The lunch aides, who work at a part time level that makes them ineligible for benefits, have voted to form a bargaining unit. No contract has been negotiated with the lunch aides. Nearly all the administrative staff in the central FSP office are non-unionized.

MAJOR ORGANIZATIONAL UNITS

Central Office/Warehouse (18.5 FTEs). The FSP is managed on a day-to-day basis primarily by the Assistant Food Services Manager, who works out of the central warehouse with 9 other employees who cover various administrative aspects of the FSP. Several drivers also work out of this office/warehouse making deliveries among schools and the warehouse. The Assistant Financial Manager oversees the FSP on a part time basis from the School Department's central office. He also handles certain types of day-to-day matters. With one exception these employees are not part of a union.

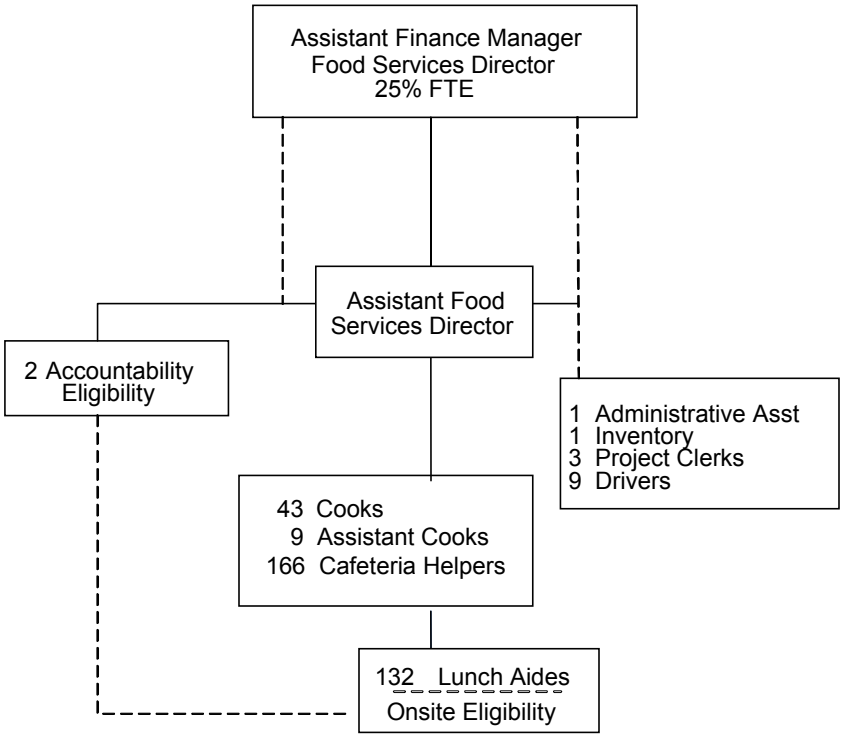
Student Eligibility/Accountability (2 FTEs). The student eligibility function is managed by 2 FTEs out of the Central Office/Warehouse. These employees report to the Assistant Food Services Manager. They are assisted in the field by a lunch aide in each school who is the designated onsite eligibility person. This lunch aide records student status and completes necessary paperwork to assist in enrolling children and to tabulate meals purchased by children enrolled in the program. These employees are not part of a union.

Cook and Assistant Cooks (52 FTEs). Each school (39) with a production (stand alone) cafeteria has a cook on staff. The larger high schools and middle schools also have an assistant cook (9). The FSP's central commissary prepares food for seven satellite locations, two of which are charter schools. These employees are part of a union and they receive benefits.

Cafeteria Helpers (166 FTEs). Each school has several cafeteria workers depending on its size and volume of meals. These employees are part of a union and they receive benefits.

Lunch Aides (132). High schools and middle schools have several lunch aides who work very limited hours, primarily during meal time. Elementary schools have fewer lunch aides – often one per school. These employees have formed a union but do not have a contract. They do not receive benefits.

ORGANIZATIONAL CHART



BEST PRACTICES

Outstanding school food service programs demonstrate the following characteristics:

- Comprehensive Strategic and Operating Plan that is updated periodically;
- Management with appropriate and adequate authority;
- Employee policies, procedures, and ongoing development;
- Periodic financial reporting within organization and to central office;
- Equipment maintenance and replacement plan and process;
- Performance measurement is ongoing and shared throughout organization; and
- Feedback mechanisms from customers and constituents.

BEST PRACTICES GAP ANALYSIS

The following table presents a gap analysis between Springfield's food services program and best practices found throughout the United States. The table identifies Springfield's strengths and weaknesses. Furthermore, this analysis provides the basis for the initiatives described in the following section. The gap analysis and proposes initiatives plan provided in this report should be updated annually by staff of SPS.

Springfield Food Services Program Function Gap Analysis

Best Practice	Springfield Practice	Addressing Performance Gap
1. Has developed strategic and operational plans that are consistent with district plans and budget.	FSP does not have a strategic plan, operating objectives, or a budget related to such objectives. FSP is not regularly reviewed in light of other department activities.	SPS and the FSP should develop a strategic plan, objectives, and a related budget.
2. Has organizational structure that is efficient with clear lines of responsibility; program has adequate authority to manage a successful program; staffing is appropriate for service levels.	SPS and FSP lack appropriate distribution of management responsibility. Senior management is undermined by a lack of actual authority. Staffing appears high for service levels.	SPS and FSP should alter the management structure of the FSP to provide adequate authority for program success. A full time Food Services Manager is required, with authority over all employees. Overall staffing should be evaluated in light of service levels and the establishment of performance measures. Staffing reductions are likely required.
3. Has employee training and development program, including manual of program policies, procedures, and performance measures.	FSP lacks an employee training program and a manual of policies and procedures.	FPS should develop an employee training program and manual.
4. Performs sounds cash and financial management.	SPS monitors expenditures. SPS and FPS do not have an annual or multi-year budget. FSP does not cover its indirect costs, requiring departmental subsidy to sustain the FSP.	SPS and FSP should develop a budget (profit and loss) and a plan for SPS to transfer indirect costs to the FSP. SPS should conduct audit of cash management at FSP regularly, especially after problems with the vending machine program.
5. Optimizes financial opportunities	FSP does not seek expansion opportunities, it has not adjusted prices in several years, and it does not aggressively seek to increase program participation by students.	FSP should aggressively seek to expand participation and enrollment of eligible students. It should periodically evaluate pricing and expansion opportunities.
6. Efficiently handles repairs and maintenance through a work order tracking system.	A manual work order tracking system has been implemented.	FSP should use the new Department and City electronic maintenance tracking system.
7. Has a viable preventive maintenance and long-term equipment replacement program.	FSP does not have a preventive maintenance program or a long-term equipment replacement program.	FSP should develop an equipment maintenance and replacement program.
8. Effectively manages costs and uses performance measures, benchmarks and budgets on a regular basis to evaluate performance.	Central administration monitors expenditures, but this information is not communicated to the FSP staff. SPS and the FSP do not monitor performance of FSP and do not use performance measures, benchmarks, or budgets to manage the program.	SPS and FSP should develop budget reports that FSP and central administration can use to manage the FSP. All relevant information should be shared broadly with the FSP managers to build a culture of accountability. The FSP should also develop performance benchmarks to measure activity and improvements.

Best Practice	Springfield Practice	Addressing Performance Gap
9. Ensures that local, state, and federal vending machine rules and policies are followed.	SPS lacks a department-wide vending machine policy. Schools make individual arrangements. Vending offerings are not monitored and vending revenues are not subject to report or oversight. FSP vending program has been temporarily suspended.	SPS should develop a unified vending machine policy covering location, offerings, and revenues. FSP should manage the program and vending machines should only be placed with the approval and coordination of the FSP.
10. Have systems in place to solicit feedback from customers.	FSP does not survey student or adult customers. There are no systems in place to solicit feedback from customers.	FSP should establish a periodic survey instrument to receive comment from customers. Results should be publicly available and FSP should respond to comments and/or explain why response is not possible.

INITIATIVES

The initiatives recommended below stem from two related propositions. One is that the Food Service Program of the SPS should strive diligently to meet the "best practices" for school food services programs presented above. The second proposition, which is embedded in the "best practices," is that school food service programs should operate on a stand-alone basis, similar to an enterprise fund. A food service operation should cover all its costs, direct and indirect, operating and capital. In addition a food service program should strive to generate adequate revenues to provide students and families with information about nutrition and healthy eating.

The 22 initiatives presented below are specific recommended changes to the Springfield School Department's food services program. The recommended changes could increase revenues for the food services program and reduce costs. The net effect of these changes would be a net improvement to the bottom line of the food services program. Just as importantly, the School Department budget, separate from the food service budget, could have a net increase of as much as $6 million over five years due to the allocation of appropriate indirect costs and overhead to the Food Services Program. In essence this funding could be reallocated to other School Department purposes, or the School Department budget could be reduced.

While each of the initiatives below is recommended, the response to the first and second initiatives -- FS01 Outsource Food Services Function and FS02 Outsource Management of Food Services Program -- will determine who should carry out the other recommended initiatives. If a private vendor is engaged, either to provide all services or to provide management services, that vendor would be responsible for many of the other initiatives recommended here. If a private vendor were not engaged, the SPS and the FSP would be responsible for many of the initiatives.

FS01 Outsource the Food Services Function

Prioritization:	Short-term	**Required Approval:**	School Department Management
Rev/Exp:	Rev/Exp	**5 Year Fiscal Impact:**	FSP: $3,699,000

The School Department has never contracted with a private vendor to provide food services. Nor has it ever issued a request for proposals (RFP) to test the pricing and proposed services of a private vendor. Given the current challenges of the City and the School Department, the School Department should issue an RFP and gather information about the potential quality and cost of services that a private vendor could provide. The Department would be under no obligation to accept any proposals, or even to negotiate with any vendor.

The role of a private vendor could take many forms. A vendor could take over the entire food services program. A vendor could take over only the management of the program (See FS02, Outsource Food Services Management below.). A vendor could take over management and all purchasing operations, or all inventory operations. Many structures deserve considerations. Regardless of the approach, the School Department would need to have one senior administrator whose job included oversight of the private vendor. To perform the necessary oversight properly at least half of a senior administrator is required. Without such oversight, the privatization of

food services could lead to weak financial results and poor performance. In addition, it is recommended that the School Department administrator engage a private food services consultant once every few years to conduct a brief independent overview of the vendor and the food services function. The cost of such a consultant could be built into the vendor's contract.

Providence, RI

Many urban school districts have privatized their food services functions in an acknowledgment that they primary business is educating children and not providing food services. For example, the City of Providence, RI School Department has contracted with Sodexho Corporation to provide all of its food services. Providence is a district with many similarities to Springfield. It has about 25,000 enrolled students at 42 sites, with about 81 percent of student qualifying for a free or reduced price lunch. For about 50 percent of Providence students English is a second language.

A Providence school department employee oversees the contract with Sodexho and the Sodexho manager oversees about 250 Sodexho employees who provide on-site food services. The food service function in Providence operates with positive net income approximately $1 million. The Sodexho contract contains incentives for good financial results; however, the contract lacks the performance measures that are recommended for engaging a private vendor. The positive earnings are reinvested in the food services function in Providence in the form of maintained and new equipment and performance incentives for employees where appropriate and permitted.

Factors of Importance in the Consideration of Outsourcing

Springfield will be able to determine if privatizing its food service program would be more cost effective than providing these services in-house only by issuing an RFP for these services. Several factors are important in receiving proposals and evaluating responses; many of them are listed below.

Preparatory Steps/Baseline

- An acknowledgement must be made that the RFP was developed using current, complete, and accurate information to the best of its knowledge.
- The RFP should specify that the Department can contact any of the vendor's clients, current or past and that the Department could choose to reject any and all Proposals.
- All cafeterias and their equipment should be documented, including the square feet of space.
- The vendor should not be responsible for any pre-existing conditions and should be held harmless from and against any and all claims, damages, liabilities, costs and expenses related to pre-existing conditions.
- Prior to the contract period beginning, the vendor and an independent consultant should be required to perform basic assessments of the quality and efficiency of food services and recommend appropriate service levels and performance measures. The service assessment should include a review and evaluation of the operations, applicable equipment, materials, supplies, and other such matters.

- The Department and the vendor will need to consider who will provide the vendor with office space, storage space, warehouse and distribution space, and services including utilities, and office machinery (copiers, fax machines, and phones)
- It should be made clear that the Department has the sole authority to review, approve, and modify the budget, but that no budgetary modification will change the contract's financial terms.
- The number of employees, along with the work schedule, that the vendor provides should be established in the RFP and contract.
- Security and health checks that the Department feels are important should be provided by the vendor.
- Wages and benefits should be established in the RFP and contract.
- Employees of the vendor must be subject to the Department's rules and regulations.

Scope of Services

- The RFP and the contract should establish the vendor's approach to menu planning and the variety and quality of the food offerings.
- The RFP and the contract should establish which party is responsible for enrolling children in the meal program. If the vendor takes responsibility for this task, then children's anonymity must be protected.
- The RFP and contract process should establish which party would provide materials and supplies – the vendor or the School Department.
- The vendor should be required to develop Standard Operational Procedures for cafeteria staff to document responsibilities and establish performance benchmarks.

Vendor Performance

- A structure should be established in the contract to penalize the vendor if food services of acceptable quality are not provided. The vendor should receive an incentive payment if service levels are surpassed. The incentives should be structured after having established a baseline for current efficiency and quality of the food services program.
- The vendor and the Department administrator should meet on a regular basis to review profit and loss statement, performance reports, operational matters and general vendor performance. It should be during these meetings that proposed changes in scope are discussed.
- The vendor should survey customers periodically, report back results, and develop plans to address reasonable concerns.

Financial Arrangement

- The RFP and contract should specify that the vendor would be charged for all indirect and overhead costs of the School Department related to food services. (See FS06 Maximize Appropriate Cost Allocation to Food Services Fund.)

- The term of the agreement should be set with renewable options based on a well-established measure, such as the Consumer Price Index as published by the United States Department of Labor.

Business Terms

- For goods and services that the vendor purchases, the RFP and contract should specify which party receives the benefits of discounts and rebates. For example, the School Department could receive all local trade discounts, while the vendor could be entitled to receive and retain all cash discounts and all other discounts, rebates and allowances otherwise available to the vendor under its arrangements with distributors and suppliers. A provision should be included that if the vendor pays for supplies or services that they will be titled in the name of the Department (using the tax identification information).
- Management staff should be named in the contract, subject to replacement only with the consent of the Department. If a person becomes unable to serve in the capacity specified in the contract, the vendor should be required to provide a replacement in a reasonable period of time.
- The vendor must be responsible for the payment of all salaries, payroll and other taxes, benefits, fees, and other charges or insurance required by any federal, state and local law, statute or regulation (including, but not limited to, unemployment taxes, Social Security contributions, worker's compensation premiums and all similar taxes and payments), attributable to the vendor's employees. It should be made clear that the Department will be responsible for the payment of these items for its employees.
- Provisions should be included regarding the termination of the contract and contract breach.
- The contract could require that if net revenues are above a specified level, the vendor will make a contribution to a school scholarship fund or other related charity.

Contract Monitoring

- The Department should assign one member of central administration to oversee the vendor. In addition, the Department should have a periodic independent review of the food services function and the vendor's performance. The cost of this review would be built into the contract.

Springfield currently spends $10.4 million annually on its food services program. A reduction in expenses of only 5 percent would represent $522,000 annually. An increase in revenues of only 5 percent would represent $534,000, for an increase in FSP net income of $1.05 million. And, it is likely that over a multi-year contract period, a private vendor could increase this margin by an amount larger than this. In terms of how a private vendor would generate savings, the vendor could start with the initiatives recommended here (FS03-FS22). These initiatives alone would increase net income of the food services program by $4.7 million over five years. These initiatives would also have the potential to generate $6.7 million in savings to the School Department's general fund over five years by allocating FSP overhead to the FSP. If a strong

vendor were selected, the firm would also be able to find additional revenues and savings beyond those recommended in this report.

A proper procurement process for a vendor, including negotiations and establishing performance measures, could take as long as six months. Thus, the fiscal impact of this recommendation is delayed until FY2006-07. In the first year of the contract, it is assumed that net savings will be 50 percent of potential savings. Implementation of this initiative requires the approval of School Department Management and the Control Board. The State Department of Education's Child Nutrition Program needs to review any potential private vendor contract for compliance with federal and state requirements.

Discounted Fiscal Impact on Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	100%	50%	0%	0%	0%
Fiscal Impact	$0	$528,000	$1,057,000	$1,057,000	$1,057,000

FS02 Outsource Management of Food Services Program

Prioritization: Short-term **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** FSP: $1,477,000

As an alternative to FS01 Outsource the Food Services Function, Springfield should also consider outsourcing the management of its food services. Under this approach a private vendor would provide a food services manager and an agreed upon management staff. Other required staffing would be provided by the School Department. This more limited approach to the role of a private vendor can entail less up-front risk than the complete outsourcing of all food service functions. However, outsourcing only management requires that the RFP and the vendor contract be written especially carefully, with explicit provisions as to which party (vendor or School Department) has responsibility for a very wide range of duties. Such contracts have been successfully written; but, the School Department would need to make the commitment to negotiate a careful, specific contract to ensure a successful engagement. All of the considerations for outsourcing that are listed above under FS01 above are relevant to this initiative.

New Haven, CT

New Haven, CT is an example of a community that has outsourced the management of its food services function. Aramark provides management staff and the school district provides other employees, as stipulated in a specific contract.

It is estimated that private management of the Springfield Food Services Program could reduce expenses at least 2 percent or $208,000 annually. An increase in revenues of only 2 percent would represent $214,000, for an increase in net increase of $422,000. And, it is likely that over a multi-year contract period, a private vendor could increase this margin by an amount larger than this. In terms of how a private manager would generate savings, just as above under FS01, the vendor could start with the initiatives recommended here (FS03-FS22) that were under the

vendor's control. A strong vendor would also be able to find additional revenues and savings beyond those recommended in this report.

A proper procurement process for a vendor, including negotiations and establishing performance measures, could take as long as six months. Thus, the fiscal impact of this recommendation is delayed until FY2006-07. In the first year of the contract, it is assumed that net savings will be 50 percent of potential savings.

Discounted Fiscal Impact on Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	100%	50%	0%	0%	0%
Fiscal Impact	$0	$211,000	$422,000	$422,000	$422,000

FS03 Increase Enrollment of Eligible Students for Free and Reduced Price Meals

Prioritization: Short-term **Required Approval:** School Department Management

Rev/Exp: Rev **5 Year Fiscal Impact:** FSP: $315,000

The School Department should increase the enrollment of eligible students in the free and reduced price meal program. To qualify for free meals in FY2004-05, the annual income of a family of four cannot exceed $25,000. To qualify for reduced price meals in FY2004-05, the annual income of a family of four cannot exceed $35,000. Currently the Department's overall eligibility level is approximately 76 percent of enrolled students. However, the eligibility levels vary tremendously with the level of the school. Enrollment at the elementary level is above Department average of 77 percent across the Department; enrollment at middle schools is at Department average; enrollment at high schools is approximately just 23 percent. The falloff in enrollment with increasing age is common among districts and is related to the behavior of teenagers, not to eligible families becoming ineligible through higher incomes. But, this drop in enrolled students represents lost funding to the SPS and potentially to the FSP.

The School Department needs to work to ensure that families remain enrolled. The Department has taken certain steps in this direction. A family application is now used, which means that all students in a family are captured in the enrollment process. This especially helps when a family has both elementary and middle or high school students. The Department uses "direct certification" from the State's Department of Education. In this process the State provides the Department electronically a list of families that receive state services with an income limitation below that required for school meal qualification. The children of these families are then automatically enrolled in the meal program. In FY2004-05 about 42 percent of children enrolled in the meal program were enrolled through the direct certification process. Currently the School Department sends reports to principals monthly summarizing the schools' meal enrollment data.

The School Department could take further steps. First, Department staff should contact each principal directly over the summer to develop a plan for each school to increase its enrollment in the upcoming year. Principals need to be more educated regarding the link between meal enrollment levels and the financial performance of the FSP (and thus the School Department) as

well as certain grant funding. The performance evaluation system for principals should be amended to indicate that one element in a principal's review will be his or her success in raising the level of enrolled eligible children. All families should be strongly encouraged to submit paperwork indicating that either they qualify or do not qualify before their children enter a new school level (middle or high). Finally, many districts have had success with incentives for the families of older students to enroll. These included things like raffles for prizes donated by local businesses (bicycles, Ipods, gift certificates). The Department says that it has tried a raffle in the past. But, the current financial condition of the City and the SPS requires that the Department renew its efforts in concert with the other recommended actions above.

Increasing enrollment in the meal program has numerous benefits for the Department. First, an increase in meal eligible enrollment will lead to some increase in meal participation by newly enrolled students. An increased level of enrolled eligible students will not correspond to an increase in meal participation on a one to one basis, but some increased participation will occur. This means that more students will receive a free, nutritious meal and with that the concomitant learning benefits. In addition, the related higher participation will increase revenues to the FSP.

A higher level of enrolled eligible students could mean that SPS could qualify for additional grant funding that happens to use level of meal enrollment as a metric for determining funding levels or grant qualification.

If SPS could increase overall average enrollment of eligible students to 80 percent, and if this increase in eligibility led to just a one percent increase in meal participation, the FSP could garner an estimated $90,000 annually. The potential fiscal impact is discounted by 100 percent in FY2005-06 and 50 percent in FY2006-07 to allow time for implementation.

Discounted Fiscal Impact on Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	100%	50%	0%	0%	0%
Fiscal Impact	$0	$45,000	$90,000	$90,000	$90,000

FS04 Increase Participation of Eligible Students in School Meals

Prioritization: Short-term **Required Approval:** School Department Management

Rev/Exp: Rev **5 Year Fiscal Impact:** FSP: $1,258,000

As described under FS03 above, SPS should strive to maximize the level of eligible students enrolled in the meal program. However, the greatest benefit to the FSP comes from eligible students participating in the program. Participation means eligible students actually taking a meal tray in the cafeteria. As the participation rate grows, total revenues to the FSP will grow, although a la carte revenues may drop. Every point of higher participation means greater revenues. Just like a business, the FSP needs to strive to gain greater market share among the SPS students.

The FSP only receives federal and state reimbursement for meals actually served. The current reimbursement levels of FY2004-05 are presented in the table below. SPS qualifies for the maximum level of reimbursement on a per meal basis.

SPS Reimbursement Rates Under NSLP
FY2004-05

	State	Federal	Total
Breakfast			
Paid	$0	$ 0.23	$ 0.23
Reduced Price	$0	$ 1.17	$ 1.17
Free	$0	$ 1.47	$ 1.47
Lunch			
Paid	$ 0.0565	$ 0.21	$ 0.2665
Reduced Price	$ 0.0565	$ 0.21+$1.63 +$ 0.02	$ 1.8965
Free	$ 0.0565	$ 0.21+$2.03 +$ 0.02	$ 2.2965
After School Snack			
Paid	$0	$ 0.05	$ 0.05
Free & Reduced	$0	$ 0.61	$ 0.61

The Department does not monitor the participation rate on a regular basis; however, it appears to be an estimated 76 percent (for the lunch program) of the approximately 21,000 eligible students. The 24 percent of eligible students who do not participate represents a gap in potential revenues to the FSP. Raising participation rates involves many interrelated elements of the FSP. First, the Department needs to monitor the participation rate on a regular basis, to actively set goals for increasing participation, and to report the periodic results with staff. (The Department has initiated modest goal-setting with the new FY2005-06 program budget that was recently issued.) The principal factors impacting the participation are the presentation of food, menu selection, and serving choices. Marketing and outreach to students and families is another important factor. The FSP should work closely with principals and use the survey instrument recommended in FS18 below to gain accurate customer feedback about its services and to seek input on how to increase participation levels.

In addition, the FSP should expand the use of swipe cards tied to the FSP's WinSNAP program to all locations. Currently swipe cards are used at 12 middle and high School locations to register students' pay status and meal purchases. This system reports purchases automatically and ensures that all purchased and served meals are actually claimed. In contrast, many elementary locations are using a paper card system that requires the lunch aides and/or cafeteria helpers to manually note the students' purchases and pay status. These manual notes are then tabulated and reported manually back to FSP administration. This system presents room for error and untabulated meals. Every meal that is not counted is lost revenue to the FSP. Other cities have succeeded in using swipe cards for elementary children through coordination with the principal and classroom teachers. The FSP could offer principals and educators incentive rewards for individual schools based on each school's (and possibly classroom's) improvement in enrollment and meal counting.

As a ceiling, if 100 percent of eligible children (representing about 77 percent of all children) participated in the meal program each day, the number of meals claimed for reimbursement by the FSP would be about 24 percent higher and FSP revenues would be about $1.8 million higher than they were in FY2003-04, including a 10 percent absent rate.

More realistically, if the FSP could increase overall the overall meal participation rates from 76 percent to 80 percent, an increase of about 132,000 meals, then reimbursements to the FSP would increase by about $296,000 per year. This estimate is conservative because it does not assume any changes in breakfast or snack participation or increased participation by paid lunch students.

The potential fiscal impact of this initiative is discounted by 50 percent in FY2005-06, and 25 percent in FY2006-07 to allow time for implementation.

Discounted Fiscal Impact on Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	25%	0%	0%	0%
Fiscal Impact	$148,000	$222,000	$296,000	$296,000	$296,000

FS05 Raise Meal Prices

Prioritization: Short-term **Required Approval:** School Department Management

Rev/Exp: Rev **5 Year Fiscal Impact:** FSP: $1,830,000

The SPS has held meal prices for paid meal students constant since 1997. Lunch is priced at $1.20. These prices are low compared to Springfield's comparable communities. In addition, several of these communities have had more than one price increase during the time Springfield has held prices constant. Increasing prices could also have the beneficial effect of prompting some families that qualify for reduced price meals but who have not enrolled in the past to step forward and enroll their children in the meal program. This leads to greater revenues for the FSP as the federal reimbursement per meal exceeds the meal price that Springfield charges, even after consideration of a price increase.

Springfield should increase the price of lunches 20 percent from $1.20 to $1.50 for children. At this increased rate, Springfield's meal prices would still be low among its peer cities. This increase in prices would yield about $340,000 annually, as presented in the table below. Springfield should raise its lunch prices again in FY2008-09 to $1.55 for children. This incremental increase would add revenues of about $65,000 annually.

Discounted Fiscal Impact on Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	$340,000	$340,000	$340,000	$405,000	$405,000

FS06 Maximize Appropriate Cost Allocation to Food Services Fund

Prioritization:	Short-term	**Required Approval:**	School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	GF: $6,235,000 FSP: ($6,235,000)

While food service operations are not expected to make a profit, they should break even. If food service costs exceed revenues, the School Department's general fund has to cover the difference, draining funds from instructional or other purposes. Federal reimbursements for meals and revenues from paid lunches should generally be sufficient to pay all food and labor costs associated with the food service operation. Federal guidelines require school systems to use any profits from their food service operations only for food service, and any accumulated profits cannot exceed three months worth of revenues. In other words, if a school department food service program operates profitably, it must reinvest its profits into the food service operation.

The FSD of the SPS does *not* compensate School Department's general fund for a wide range of services, including: employee benefits (healthcare, pension, etc.), utilities, garbage removal, printing and reproduction, administrative overhead, and any renovations to kitchen areas. The FSP should begin to carry the cost of these indirect and overhead services to appropriately manage the food services function and to bring some budget relief to the School Department's general fund.

The FSP payroll in FY2003-04 for employees who qualify for benefits was approximately $4.45 million. At an estimated benefit rate of 35 percent for these employees, the benefit allocation to the FSP should be $1.55 million annually. PFM lacks adequate data to quantify the allocation of other indirect costs, but this could be completed with certain additional information.

The FSP is not in the financial position to absorb in one year the cost employee benefits ($1.55 million) or other indirect costs. We have assumed that the employee benefits are allocated to the FSP gradually over a three year period. This is also conservative because we have not assumed any increases in the cost of benefits. During this phase-in period, the School Department can also determine a schedule for allocating other indirect costs to the FSP, such as garbage removal, printing, and administrative overhead. The impact on the Food Services Fund is presented as a negative number as proper cost allocation increases the expenses of the Fund. The balancing impact on the School Department General Fund is a positive number.

Discounted Fiscal Impact on Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	66%	33%	0%	0%	0%
Fiscal Impact	($519,000)	($1,039,000)	($1,559,000)	($1,559,000)	($1,559,000)

Discounted Fiscal Impact on the School Department General Fund

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	66%	33%	0%	0%	0%
Fiscal Impact	$519,000	$1,039,000	$1,559,000	$1,559,000	$1,559,000

FS07 Develop and Monitor Monthly Profit and Loss Statements

Prioritization:	Short-term	**Required Approval:**	School Department Management
Rev/Exp:	Rev/Exp	**5 Year Fiscal Impact:**	FSP: $472,500

The SPS Food Services Program needs to be managed like an enterprise fund that must rely on its own revenues to cover its costs. To this end, the School Department and the FSP need to develop and monitor monthly profit and loss statements for the FSP. These statements should include revenue and expenditures as well as performance measures, which are described below in FS08. The School Department and the FSP program will only succeed in implementing the changes necessary for the FSP to cover all its own costs through close monitoring of monthly profit and loss statement and the aggressive, frequent management of its performance against benchmarks performance measures.

The FSP should seek out additional revenues through the methods recommended as well as others the FSP devises. The FSP should seek to operate as efficiently as possible, managing costs in light of expected revenues. The costs of the program can be reduced through initiatives recommended as well as other means the FSP and School Department devise.

It is very difficult to estimate the fiscal impact of managing the FSP more tightly through the use of monthly statements and performance measures. It is assumed here that the FSP could improve its financial performance by a net increase to revenues of 0.5 percent and a decrease in expenditures of 0.5 percent for an increase to net revenues of an estimated $105,000. The impact of this initiative is discounted 50 percent in FY2005-06 to permit time for implementation.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$52,500	$105,000	$105,000	$105,000	$105,000

FS08 Develop a Strategic Plan and Implement Performance Measurement System

Prioritization:	Short-term	**Required Approval:**	School Department Management
Rev/Exp:	Rev/Exp	**5 Year Fiscal Impact:**	FSP: $472,500

The Food Services Program lacks a strategic plan to guide its operations. The School Department and the FSP should work together to develop such a plan. The strategic plan will lay out explicitly the mission and general objectives of the FSP, as well as performance measures by which the FSP will be judged. This initiative should be completed in conjunction with developing a monthly profit and loss statement and review process as described in FS07 above.

A high performing school department and food services department attempts to maintain the lowest possible labor, overhead and other costs by regularly monitoring productivity and making adjustments to increase the efficiency of operations. The School Department and the FSP should

establish performance measures and initial benchmarks based on the performance of comparable communities' school food service programs.

Common financial and operating measures used to evaluate food services operations include the following:

- Cost per meal served for each meal category;
- Salary/Benefit margin;
- Food cost margin;
- Meals served per labor hour for each meal category for each school;
- Net income per meal served for each school;
- Submission for federal reimbursement within 30 days of month's end;
- Order full allocation of USDA donated foods;
- Enrolled eligible students;
- Participation rate; and
- Comparison of performance measures to selected peers over time.

Once performance measures have been established by the School Department and the FSP, periodic reports (monthly or quarterly) should be provided to management of the School Department and to supervisors at individual schools to enlist their help in improving performance. The FSP should be prepared to assist individual cooks and supervisors in implementing changes in their operations that will improve their performance against the performance measures.

Despite the substantial benefits the School Department could realize from implementing this initiative, savings are difficult to estimate. It is assumed here that the results of this initiative would be similar to those of FS07 above. FSP could improve its financial performance by a net increase to revenues of 0.5 percent and a decrease in expenditures of 0.5 percent for an increase to net revenues of an estimated $105,000. The impact of this initiative is discounted 50 percent in FY2005-06 to permit time for implementation.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$52,500	$105,000	$105,000	$105,000	$105,000

FS09 Align Administrative Staffing with Comparable Communities

Prioritization:	Short-term	**Required Approval:**	School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	See FS12-FS15

The School Department and the Food Services Program should evaluate the FSP's administrative staffing levels as compared to those of comparable communities. This comparison demonstrates that the administrative staff of the Springfield FSP is somewhat larger than that of Springfield's peers. The School Department should align FSP administrative staffing with that of other relevant communities through a reduction of 1-3 FTEs. Such reduction could take place in conjunction with improvements in technology, inventory control, purchasing, and equipment maintenance recommended below in initiatives FS12, FS13, FS14, and FS15.

The fiscal impact of this initiative is estimated to be $60,800 annually, when an employee benefit rate of 35 percent is assumed. To avoid double-counting, these savings are presented as a reduction of a .5 FTEs for each of three specific initiatives recommended below (FS12, FS13, and FS14) and .25 FTEs for one initiative recommended below (FS15) (for a total administrative reduction of 1.75 FTEs).

FS10 Align Cafeteria Workforce with Recommended State Levels

Prioritization:	Intermediate	**Required Approval:**	School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	GF: $640,600 FSP: $1,824,000

The Massachusetts Department of Education's child nutrition program provides recommended staffing levels for food services the state's school departments. These come in the form of recommended benchmarks for "meals served per labor hour" for a range of kitchen production levels. Based on these guidelines, the Springfield FSP should operate at an overall average rate of 18 meals per labor hour, given the average kitchen volume of 485 meals served.

The Springfield FSP actually operates at an overall average rate of about 14.5 meals per labor hour. The FSP should reduce cafeteria workers by up to 26 positions over a suggested period of three years. With annual employee turnover of about 15 positions per year, the FSP should be able to reach the recommended level of staffing. Potential savings in salary alone would be $456,000, with a benefit rate of 35 percent ($160,000), it would save $616,000 annually. The fiscal impact of this initiative would be split between the food services fund (salary savings) and the School Department's general fund (elimination of benefits). This recommendation does *not* apply to “lunch aides” as this position is not included in the School Department's analysis of meal per labor hour (MPLH) served. In addition lunch aides do not receive benefits. The implementation and thus the fiscal impact are spread over the upcoming three years.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	66%	33%	0%	0%	0%
Fiscal Impact	$152,000	$304,000	$456,000	$456,000	$456,000

Discounted Fiscal Impact on the School Department General Fund

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	66%	33%	0%	0%	0%
Fiscal Impact	$53,600	107,000	$160,000	$160,000	$160,000

FS11 Implement Time Clock System

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** FSP: $97,500

The School Department should implement a time clock system to reduce the amount of time spent on payroll and associated processing, errors and associated costs of calculating payroll, and the theft of time. Average savings estimates are 1.5 percent of total payroll. It is anticipated that scanners that were installed in each school to track attendance in after school programs could be used as a low cost way to implement a time clock system. In addition, the use of scanners would be facilitated by a School Department identification badge for all FSP employees.

If savings of 1.5 percent can be achieved in Springfield, then this leads to savings of $26,000 be achieved annually. This initiative has been discounted by 75 percent in FY2005-06 and 50 percent in future years to allow time for implementation and for uncertainty.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	75%	50%	0%	0%	0%
Fiscal Impact	$6,500	$13,000	$26,000	$26,000	$26,000

FS12 Improve Use of Technology

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** GF: $20,200
FSP: $58,000

The School Department should make technology improvements in the FSP. Several years ago the WinSNAP program was implemented to assist in tracking student status and it has helped the FSP tremendously. However, WinSNAP has additional functionality that has not been utilized by the FSP. The School Department and the FSP should examine all components of WinSNAP to fully utilize the beneficial aspects of this program. As discussed under FS04, Increase

Participation of Enrollment Students, the FSP should use swipe cards throughout all schools. The FSP should also consider whether it is sensible to move to a cashless system with swipe cards required for all transactions, including a la carte. Another component of WinSNAP, an inventory system, is described further under FS13 below.

The expansion of WinSNAP requires funding and the education of cafeteria workers. As recommended under FS16, the FSP should have an equipment plan that is funded each year and charged to the Food Services Fund. The cost of expanded WinSNAP utilization will be included in this equipment plan.

In addition, the School Department and the Food Services Department should closely examine the administrative operations of the FSP, looking to increase the use of technology. Many internal functions of the FSP are executed manually on paper both in the administrative office and in the production locations. The administrative time required for these manual recordings and transfers is significant and leaves much room for error. Significant administrative time could be reduced and/or redeployed to better uses through a reduction in paperwork and more sensible use of technology.

While it is difficult to accurately estimate the savings gained through the improved use of technology, the fiscal impact of this initiative is estimated to be a .5 reduction in FTEs for the administration of the FSP. These savings are split between the Food Services Program (salary) and the general fund (benefits). The implementation of this initiative is phased over two years.

Discounted Fiscal Impact on the Food Services Fund

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$6,400	$12,900	$12,900	$12,900	$12,900

Discounted Fiscal Impact on the School Department General Fund

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$2,200	$4,500	$4,500	$4,500	$4,500

FS13 Improve Inventory Control System

Prioritization: Short-term **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** GF: $20,200 FSP: 58,000

The inventory control system of the FSP appears to lack appropriate control of stock and to lack adequate reporting. The lack of an inventory control system means that the FSP is probably wasting food and not appropriate using inventory information to inform menu planning. Paperwork is used for all aspects of inventory control from the production locations to the administrative offices. Results of this paper process are entered on a personal computer, but this process appeared to be several months in arrears. The School Department and the FSP are

vulnerable to the potential misuse of inventory, either accidentally or purposefully, that could result from the absence of an adequate inventory system.

WinSNAP has an inventory component that the FSP could utilize. Or, another system could be put in place. This problem should be remedied in the short run, even if it requires the School Department to provide a temporary loan to FSP to purchase a system.

The installation of an inventory system will require funding in the short run, but it will save money in the intermediate term. It will also require few administrative staff to manage than the current paper system. The fiscal impact of this initiative is estimated to be a .5 reduction in FTEs for the administration of the FSP. These savings are split between the Food Services Fund (salary) and the general fund (benefits). The implementation of this initiative is considered immediate due to the nature of the problem.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$6,400	$12,900	$12,900	$12,900	$12,900

Discounted Fiscal Impact on the School Department General Fund

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$2,200	$4,500	$4,500	$4,500	$4,500

FS14 Simplify Purchasing Process

Prioritization:	Intermediate	**Required Approval:**	School Department Management, Local
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	GF: $20,200 FSP: $58,000

The FSP is subject to constraints similar to the rest of the School Department in trying to improve its purchasing process. The recommendations put forward in the purchasing section of this report would improve processes for FSP, just as for the balance of the School Department. In the shorter term, the FSP should examine the potential use of a prime vendor to help reduce administrative time spent on purchasing and coordinate orders and deliveries.

While it is difficult to accurately estimate the savings gained through a simplified purchasing process and the use of a prime vendor, the fiscal impact of this initiative is estimated to be a .5 reduction in FTEs for the administration of the FSP. These savings are split between the Food Services Fund (salary) and the general fund (benefits). The implementation of this initiative is phased over two years to allow time for vendor review and selection.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$6,400	$12,900	$12,900	$12,900	$12,900

Discounted Fiscal Impact on the School Department General Fund

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$2,200	$4,500	$4,500	$4,500	$4,500

FS15 Transfer Responsibility for Maintenance of Kitchen Equipment to Facilities Maintenance Department

Prioritization: Short-term

Required Approval: School Department Management, Local

Rev/Exp: Exp

5 Year Fiscal Impact: GF: $9,900
FSP: $28,800

The Food Services Program uses millions of dollars worth of kitchen equipment every day. This equipment can be dangerous if used improperly or maintained poorly. The FSP records the maintenance needs of its equipment by hand in a stenographer's book. Repairs are made in response to malfunction and it does not appear that preventive maintenance takes place. The same contractors have repaired the equipment for several years. The FSP program only knows of equipment that needs replacement through anecdotes provided by cafeteria staff or repair contractors.

The responsibility for the maintenance of kitchen equipment should be transferred to the Department of Parks, Buildings & Recreation, and requests for repairs should be made through that Department's newly automated system. This system would allow the administrative staff and the cafeteria staff to monitor the progress of a request for service through its work order tracking system. In addition, this would assist the FSP and the School Department in developing the information they need to build a five-year equipment plan, as described in FS16 below. The cost of this maintenance activity would still be charged to the segregated food service account and not to the Department of Parks, Buildings & Recreation.

The fiscal impact of this initiative to transfer maintenance of equipment is estimated to be a .25 reduction in FTEs for the administration of the FSP. These savings are split between the Food Services Fund (salary) and the general fund (benefits). The implementation of this initiative takes place over two years.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$3,200	$6,400	$6,400	$6,400	$6,400

Discounted Fiscal Impact on the School Department General Fund

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$1,100	$2,200	$2,200	$2,200	$2,200

FS16 Implement an Equipment Replacement Plan

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** FSP: $9,000

The School Department and the FSP lack a program for equipment maintenance and replacement. There are no easily accessible records of the useful life, purchase date, and maintenance and repair record for the FSP equipment. This should be remedied immediately. The School Department and the FSP should develop a five-year plan covering all equipment to establish a schedule for preventive maintenance and a schedule for replacement of equipment. The annual cost of this plan should be built into the budget and profit and loss statements of the FSP. As with appropriate cost allocation, revenues should be sought and managed to cover the equipment needs of the FSP. As part of this plan, the FSP, in conjunction with the City, should examine the cost-effectiveness of leasing equipment.

In addition, the FSP should fund the level of depreciation of the FSP's equipment each and every year. The funding of depreciation will build up the reserve needed to replace equipment on an appropriate cycle. If the FSP elected to use a private vendor to provide part or all of the food services, then an equipment plan would need to be reviewed and possibly revised.

These equipment-related initiatives (FS15-17) will improve cafeteria staff efficiency and reduce potential liability of the FSP for poorly operating equipment. The implementation of an equipment repair plan could help the Department coordinate maintenance and repair activities and could result in decreased maintenance costs. Savings of even three percent of the anticipated annual maintenance spending could result in about $2,000 a year. The impact of this initiative takes place over two years.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$1,000	$2,000	$2,000	$2,000	$2,000

FS17 Implement an Asset Tracking System

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** FSP: $9,000

The FSP has a basic asset tracking system, which is recorded on paper. The FSP should upgrade this system to an electronic system, in conjunction with developing an equipment replacement plan (FS15 above). The FSP needs adequate tracking of its equipment to access warranty coverage and to reduce the possibility of equipment theft.

These equipment-related initiatives (FS15-FS17) will improve cafeteria staff efficiency and reduce potential liability of the FSP for poorly operating equipment. The implementation of an asset tracking system could help the Department coordinate maintenance and repair activities and could result in decreased maintenance costs. Savings of even three percent of the anticipated annual maintenance spending could result in about $2,000 a year. The estimated impact from this initiative takes places over two years.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	50%	0%	0%	0%	0%
Fiscal Impact	$1,000	$2,000	$2,000	$2,000	$2,000

FS18 Develop System for Customer Feedback on Food Services

Prioritization: Short-term **Required Approval:** School Department Management

Rev/Exp: Rev **5 Year Fiscal Impact:** FSP: $8,000

The FSP needs to increase revenues and boost student participation in the program. (See FS04, Increase Student Participation.) As part of that effort, the FSP should survey its customers -- students, staff, and principals. It should ask for suggestions related to all aspects of its service. Such a survey should be conducted at least every two years for the FSP to ensure its responsiveness to customers and to seek continual improvement in its service delivery.

A survey could lead to increased student participation in the meal program if the FSP is responsive to the suggestions of the respondents. For example, adjustments to the FSP based on survey results might lead to increased revenues of $2,000 or .02%. The impact of this initiative takes place in two years.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	100%	0%	0%	0%	0%
Fiscal Impact	$0	$2,000	$2,000	$2,000	$2,000

FS19 Implement Employee Performance Reviews & Employee Development Programs

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** FSP: $30,000

Currently the Food Services Program does not conduct employee performance reviews on an individual or cafeteria basis. The use of performance reviews could assist the FSP management in improving employee effort and efficiency. The FSP also does not have an employee development program. A modest employee development program could train qualified employees to provide better service and accept larger responsibility.

For example, if improved employee performance reduced expenses by just 0.1%, this would reduce the FSP's costs by $10,000. The impact of this initiative is assumed to begin in three years.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	100%	100%	0%	0%	0%
Fiscal Impact	$0	$0	$10,000	$10,000	$10,000

FS20 Develop and Enforce School Department Vending Machine Policy

Prioritization: Intermediate **Required Approval:** School Department Management

Rev/Exp: Rev **5 Year Fiscal Impact:** CBD

The School Department lacks a unified school vending machine policy. Certain vending machines are the responsibility of the FSP and many other vending machines are put in place by individual principals through separate agreements with vending companies. The approach to vending machines means that no common policies determine what type of vending machine are acceptable, where vending machines will be located, when machines will be operable, and who receives the vending revenues. The School Department has no assurance that individual school staff are not keeping revenues for personal use. (Recently the FSP vending machine program was suspended due to an employee's improprieties.)

In addition, the School Department should have control of vending contracts throughout the system. It should establish guidelines for appropriate products and other aspects of vending operations. The School Department should also make a verifiable revenue sharing arrangement with principals.

This initiative will require some upfront staff time either by the School Department or by the FSP. However, any upfront costs of this initiative will be covered by vending revenues. This initiative will yield revenues to either the School Department or the FSP, depending on how the policy is written. However, an estimate of revenue is not possible at this time because neither

the School Department nor the FSP has any information on vending machine revenues in schools.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

FS21 Audit All Cash Functions of the Food Service Program

Prioritization: Immediate **Required Approval:** School Department Management

Rev/Exp: n/a **5 Year Fiscal Impact:** CBD

Recently the FSP vending machine program was suspended due to an employee's improprieties. The School Department should immediately have an audit by an outside party on all cash transactions of the FSP. Potential savings from this initiative cannot be calculated.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

FS22 Develop More Formal Communication Between Local Health Inspectors and FSP

Prioritization: Short-term **Required Approval:** School Department Management, Local

Rev/Exp: n/a **5 Year Fiscal Impact:** CBD

The FSP cafeterias are subject to all local and state health regulations. Inspectors regularly come through the schools' cafeterias. However, the inspectors' reports are provided to the principal of the school and are not sent to the manager of the FSP systematically. This lack of communication can occasionally result in the manager not discovering health warnings or citations for a period of several days. The FSP and the City's health department should establish formal communication so that all inspection reports are provided immediately to the FSP. The FSP should in turn have a system for recording electronically the results of all health inspections and tracking the schools and employees involved in any violations. These records should be part of cafeteria employees' individual performance reviews.

No savings are presented because this initiative cannot be quantified as data did not exist to do so at the time of this study. However, the system recommended here could spare the FSP fines from the health department as well as considerable public embarrassment.

Discounted Fiscal Impact on the Food Services Program

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

IX. SPECIAL EDUCATION

SPECIAL EDUCATION

VISION [1]

The Springfield Public Schools are committed to providing quality and appropriate Special Education services to help students realize their full potential, consistent with the Free and Appropriate Public Education (FAPE) mandate of IDEA and the Springfield Public Schools' Culture of Achievement. The Springfield Public Schools strive toward the goal of providing Special Education students with an array of educational services in the least restrictive environment. In addition it is our aim to provide specially designed instruction that allows students to access the general education curriculum.

The *Individuals with Disabilities Education Act (IDEA), Amendments of 1997 (PL 105-17),* is the federal law that mandates a "free and appropriate public education" to meet the "unique needs" of all children with disabilities. This education must be "provided at public expense," in accordance with the standards set forth by the State Education Agency (SEA). All Special Education services are subject to directives as defined by IDEA.

To ensure an "appropriate" education that meets the student's "unique needs," federal law (IDEA) mandates use of an Individualized Education Program (IEP) to be reviewed annually for every student receiving Special Education services. The IEP is established by an education planning or IEP team that consists of school staff and/or administrators involved in the student's education, the parent/s, and, when applicable, personnel from collaborating agencies. The IEP sets forth individual, measurable academic and behavioral goals, determines placement, documents the service delivery model and cites any accommodations, modifications and/or additional supports needed for the student to make maximum educational progress in the least restrictive environment (LRE).

Each child's IEP is unique, based on individual assessments and evaluations conducted regularly by qualified professionals. Student educational progress is measured quarterly and the IEP is subject to change as the child's cognitive, psychological, physical and/or behavioral needs change. Schools and districts are required to promptly identify students in need of Special Education services, which demands that the Department have in place clear procedures and efficient processes that are monitored by trained personnel. Special Education services are bound by strict compliance requirements and necessitate time and expertise that is more significant than any other educational program.

[1] At the request of the Executive Officer of Special Education, this is the Vision (rather than the Mission) for the Special Education Department.

In order to be effective, the Special Education Department must:

- Abide by federal and state legislation that mandates specific provisions for the delivery of educational services to children with special needs.
- Regularly monitor the allocation of resources and adapt operations to assure appropriate and essential services are provided to an ever-changing student population.
- Establish practices and procedures that allow the timely identification of students in need of Special Education services.
- Ensure the availability of highly trained and qualified teachers and administrators to manage and deliver educational services consistent with each student's IEP.
- Allocate personnel, other instructional resources and related expenditures to best meet the needs of Special Education students in the least restrictive environment.

PROCEDURES

Information considered in conducting this operational assessment was derived from several sources: Interviews with the Executive Officer of Special Education and two Special Education Supervisors; the Executive Officer of Finance; the Executive Director of the Parent Information Center (PIC) and one PIC Supervisor. Internal Department documents were reviewed in detail that include: the FY2004-05 school operating budget; budget details provided by Special Education Department personnel; student enrollment information; staff directories; program descriptions; Special Education policy manuals; and various memos provided by Special Education Department personnel. The state-mandated Coordinated Program Review report from October 2004 was also examined to identify areas of compliance with federal and state regulations. This extensive report was referenced in cases where gaps existed in available data pertinent to this operational assessment. Information from the Massachusetts Department of Education was used to compare Springfield services and expenditures with five other large districts in the State.

SPECIAL EDUCATION PERSONNEL

The Special Education Department employs an estimated 1,179 personnel[2] to administer services to children with special needs in the Springfield Public Schools:

Executive Officer of Special Education (1 FTE). The Executive Officer of Special Education is responsible for overseeing the general operations of the Special Education Department including program compliance with federal and state regulations and some decisions related to the department expenditures. The Executive Officer of Special Education reports to the Assistant Superintendent.

Supervisors (7 FTE). The Special Education supervisors monitor instruction, provide program support, coordinate ancillary services (i.e. occupational therapy, vision and hearing, etc.), conduct student placement determinations for the Department's neediest students (low incidence,

[2] Personnel FTE were derived from a variety of sources. Because of the large number of staff providing a wide array of services, staff lists change frequently. As a result, some personnel FTEs are reported in estimates.

out-of-district placements) and monitor within- building compliance with federal and state Special Education regulations. Special Education Supervisors work closely with Department Evaluation Team Leaders. The Supervisors report to the Executive Officer of Special Education.

Evaluation Team Leaders (ETL) (34 FTE[3]). The Evaluation Team Leader is responsible for the coordination of the development and review of the IEP process, from the initial referral to placement determination and implementation. The ETL plans and runs yearly student IEP meetings, drafts the final IEP report, and ensures that quarterly progress reports are completed in a timely manner. ETLs report to the school principal and work closely with Special Education supervisors.

Teachers (448 FTE[4]). Special Education teachers adapt system-wide curriculum to meet "unique" student needs, deliver instruction with appropriate modifications suited to each child, participate in the development of IEPs, and supervise classroom paraprofessionals. Special education teachers report directly to the school principal.

Paraprofessionals (estimated 600 FTE[5]). Paraprofessionals assist in the delivery of Special Education services as defined by the classroom teacher. Paraprofessionals report to the classroom teacher.

Psychologists (19 FTE[6]). School psychologists administer student psychological evaluations as part of the regulatory Special Education process of determining and monitoring student needs. In addition, psychologists conduct behavioral assessments and oversee their implementation at the request of the school principal and/or the Department of Special Education. Psychologists report to the Director of Support Services.

Adjustment Counselors (70 FTE[5]). Adjustment Counselor responsibilities include the delivery of therapeutic services and collaboration in the development and implementation of behavior management plans in conjunction with classroom teachers. Adjustment counselors report to the Director of Guidance.

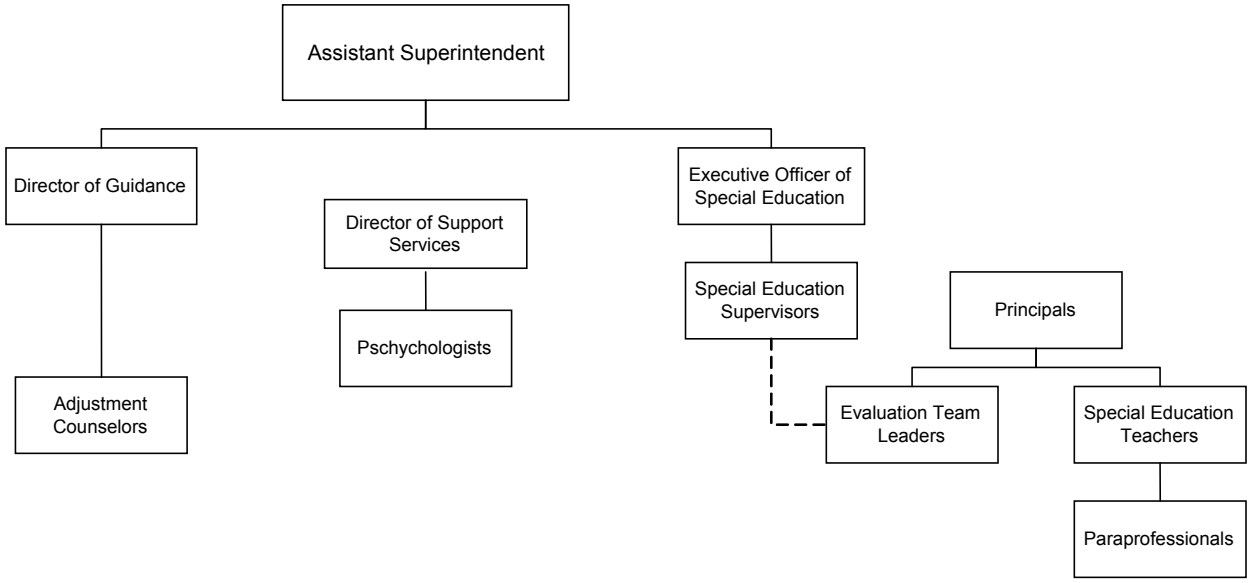
[3] Source: April 7, 2005, SY 2004/2005 ETL Daily Schedule (by school)

[4] Source: March 30, 2005, Springfield Public Schools Special Education Teachers (by school)

[5] Source: Human Resource & Special Education Department

[6] Source: Positions allocated in the FY 2005 operating budget

ORGANIZATIONAL CHART



SPECIAL EDUCATION PROGRAMS AND STUDENT ENROLLMENT

As mentioned previously, specific and precise regulations govern the conduct of Special Education operations in each school and the Department. This section offers an overview of the range of services provided by the Special Education Department in the Springfield Public Schools.

As mandated by law, IEP meetings must be held every year for all students receiving Special Education services. The demands for preparation, reporting and coordination of services associated with the IEP planning are planned and coordinated by school ETLs. Typical attendees would include a special educator, a regular educator and other related service providers involved in the student's education, and the child's parent. School psychologists are present in years when regulatory evaluations are completed and/or when psychological assessments are necessary to gain additional information about the child's psychological, behavioral, and educational profile. Special education supervisors attend IEP meetings for students who require increased, specialized and intensive services to support their needs based on their specific disability.

The outcome of these annual meetings results in a new IEP to guide service delivery for the upcoming year. Collaboratively, the team decides on educational goals, curriculum modifications and supports and any ancillary services (i.e. speech therapy) that will help the student make maximum educational progress. Service provisions may change at this time based on the needs of the student, which may also include behavioral, psychological and/or medical programming. For example, a student may no longer require intensive speech and language services or a student's psychological needs might have evolved to require increased support, perhaps resulting in an out-of-district placement. The demands for preparation, reporting and coordination of services associated with the IEP planning meeting are significant. This is compounded by the requirement to identify new Springfield students who might require Special

Educational services as well as placing and tracking students with special needs who enter and exit the Department throughout the school year.

As of October 1, 2004, 5,148[7] students were enrolled in Special Education in the Springfield Public Schools as reported by the Massachusetts Department of Education. These students represent an estimated 19.5 percent of the total enrollment of 25,975[8] students in the Springfield Public Schools. The *Special Education Enrollment Statistics, District Summary,* on December 1, 2004 documented 5,330 students receiving Special Education services. A comparison of the portion of students enrolled in Special Education for the cities compared to Springfield is provided on page CC-5 of Tab IIB of this report. In addition, Springfield's neighboring school districts have the following portion of students enrolled in Special Education: East Longmeadow, 22.1percent, Holyoke, 22.0 percent, Ware 18.9 percent, Chicopee percent and West Springfield 13.6 percent.[9]

Because the Springfield Public Schools do not have an electronic, system-wide database for tracking Special Education enrollment, placements and service provisions, student records are kept at school level. Though this allows the school to maintain "ever current" enrollment statistics, which are monitored by Special Education Supervisors, staff who are not permanently located at the school-level have limited access to student records on demand. As a result, changes made to student records are not always recognized throughout the Department in a timely manner. A system of monitoring services in "real time" is critical for the Special Education Department because enrollment, services and therefore, allocation of resources to meet student needs are constantly changing.

In-District Student Support Programs

Forty-six (46) schools in Springfield provide varying levels of Special Education support to 4,051 students enrolled in Student Support Programs, which makes up 76.0 percent of the Department's Special Education population.[10] Based on individual student needs, the IEP defines placement and related services provided in one of the following Student Support Programs:

- Preschool education: This placement serves children ages three to five years who are eligible for Special Education services according to federal regulations (IDEA) in either a regular education (with children without disabilities) or in a substantially separate classroom (all children with special needs). The Preschool Education Program serves 282 students, 5.3 percent of the Department's Special Education population.
- Full inclusion (Level 1): This placement serves 1,004 (18.8 percent of the Springfield Special Education population) students. Educational programming occurs primarily in the 'regular' classroom, with supports provided by Special Education personnel. Special education services occupy less than 21 percent of the student's school day.
- Partial Inclusion Program (Level 2): This placement serves 1,879 students (35.3 percent of Springfield Special Education population). Students in this placement necessitate

[7]Source:http://profiles.doe.mass.edu/selectedpopulations.aspx?mode=&year=2005&orderBy=SPEDCNT%20DESC

[8] Source:http://profiles.doe.mass.edu/enrollmentbygrade.aspx?mode=&year=2005&orderBy=TOTAL%20DESC

[9] Source: http://profiles.doe.mass.edu/selectedpopulations.aspx?mode=&year=2005&orderBy=SPEDPCT%20DESC

[10] Source: Student Information Management System (SIMS), December 1, 2004

Special Education services to assist them in accessing the general education curriculum. These services occur outside the regular education classroom at least 21 percent of the time but not more than 60 percent of the time.

- Substantially separate classroom (Level 4): This placement serves 886 students (16.6 percent of the Special Education population). This Special Education placement indicates services outside the general education classroom more than 60 percent of the time. Typical class size for substantially separate classrooms must not, by law, exceed a 12:1 student to teacher ratio.

In-District Low-Incidence Programs

The Special Education Department provides services to 849 students (15.9 percent of the Department's Special Education population) in substantially separate low-incidence programs housed across the Springfield Public Schools. Low-incidence disabilities are specific and significant disabilities that affect only a small percentage of the Special Education population (examples are provided below). The number of classrooms varies from year to year depending on the students enrolled in the Department. According to the IEP, students may be placed in one of these Low-Incidence Programs available in the Springfield Public Schools:

- Developmental skills: This program serves students with such significant cognitive, communication, motor and social/emotional delays that their functioning is less than half of what is expected of students the same chronological age.
- Life learning skills: This program serves students between the ages of 5 and 22 with significant intellectual impairment and delays in adaptive functioning.
- Adaptive Learning: This program serves students with pervasive social/emotional and behavioral disabilities that interfere with academic progress.
- Communication and Literacy for Language Learning Disabilities: This program serves students grades 2-12 with such significant language learning disabilities that the disability impedes academic and social progress in a regular classroom.
- Assistive Technology: This program serves students in kindergarten through grade 5 with significant communication and cognitive delays who utilize assistive technology devices in the classroom.
- Apraxia: This program serves students in kindergarten and grade 1 with severe verbal processing and communication disorders.
- LINKS-Autism: This program serves students in kindergarten through grade 5 that have a medical diagnosis of Autism Spectrum Disorder (ASD).
- Primary Learning Center: This program serves as a transition program for the Department's kindergarten students with significant cognitive, communication, and/or social/emotional delays.

Springfield Academy

Springfield Academy is a specialized in-district low-incidence program that enrolls students with significant social, emotional and behavioral disabilities. Students are assigned to Springfield Academy in both long-term and short-term placements. According to Special Education Department personnel, Springfield Academy enrollment varies throughout the school year and in each of the school's programs, ranging anywhere from 150 to 200 students at one time. Most

students do not attend this school for the entire year because once their behavior is stable, they are returned to a less restrictive (in-district) environment. As a result, reports on the actual percentages of students enrolled at a single point in time are insignificant.

Springfield Academy also houses the STEP program, which serves the Department's most severely emotionally disturbed students. This program is operated through a shared contract and collaboration between the Springfield Public Schools and Behavioral Health Network (BHN). BHN is a contracted group of mental health providers who implement therapeutic services and behavioral programming in conjunction with Department personnel. Because of the significant psychiatric needs of students served by the STEP Program, it also includes a mandatory family counseling component in addition to school-based services.

Springfield Academy's short-term program serves Springfield students who require a "crisis evaluation" as a result of emotional and/or behavioral difficulties. Students can attend the short-term program for up to 45 days while a battery of evaluations and assessments are completed to determine appropriate student placement.

Out-Of-District Programs

Of the 5330 students served by the Special Education Department, 430 students (8.1 percent) require out-of-district placements.[11] Students placed out-of-district have such significant cognitive, behavioral, social, emotional and/or health-related impairments that their educational needs can not be met within Springfield's program or with additional Department resources. Though these students are serviced out-of-district, Springfield personnel are responsible for holding the annual IEP meeting and determining each year that an in-district placement is not available. An ETL runs the meeting attended by teachers serving the student, a Special Education supervisor and personnel from collaborating agencies. Out-of-district placements are determined by the IEP team and adhered to by the Executive Officer of Special Education.

Students placed out-of-district can not function without extensive and often 24 hour supervision. The range of student disabilities that necessitate out-of-district placements are so complex that they require case by case explanations to gain full appreciation of the significant impairments that affect this subgroup of students. Examples may include: psychiatric illness that requires ongoing supervision; aggressive behavior that is so significant that it endangers the individual as well as those around them; profound mental retardation; deaf-blindness; multiple medical problems that require 24 hour hospitalization. Out-of-district programs consist of the following general placements:[12]

- Public day school: This placement services five (less than one percent of all Special Education) students in a public school district other than Springfield.
- Private day school: This placement services 384 (7.2 percent of all Special Education) students in a specialized private day school that serves only children with disabilities.
- Residential setting: This placement services 26 (less than one percent of all Special Education) students who require educational programming and supervision 24 hours a day in order to make progress.

[11] Source: SIMS, December 1, 2004

[12] See Table 4 on p. 23 for detailed examples of out-of-district student placements

- Home or hospital setting: This placement services 15 (less than one percent of all Special Education) students. A doctor determines that the student must be served in home or hospital.

Extended School Year Programs
IDEA mandates the availability of extended school year (summer) services, provided at public expense, if continuous programming is necessary to provide an "appropriate" education for a student with a disability. As reported by the Executive Officer of Special Education, the Springfield Special Education Department uses a "regression" *(if the student will regress in any area of academic or adaptive functioning in the absence of services)* standard to determine program eligibility. Extended year service provisions must be documented on the IEP. The 2004 extended school year programs served 721 students, 13 percent of students receiving Special Education services.[13]

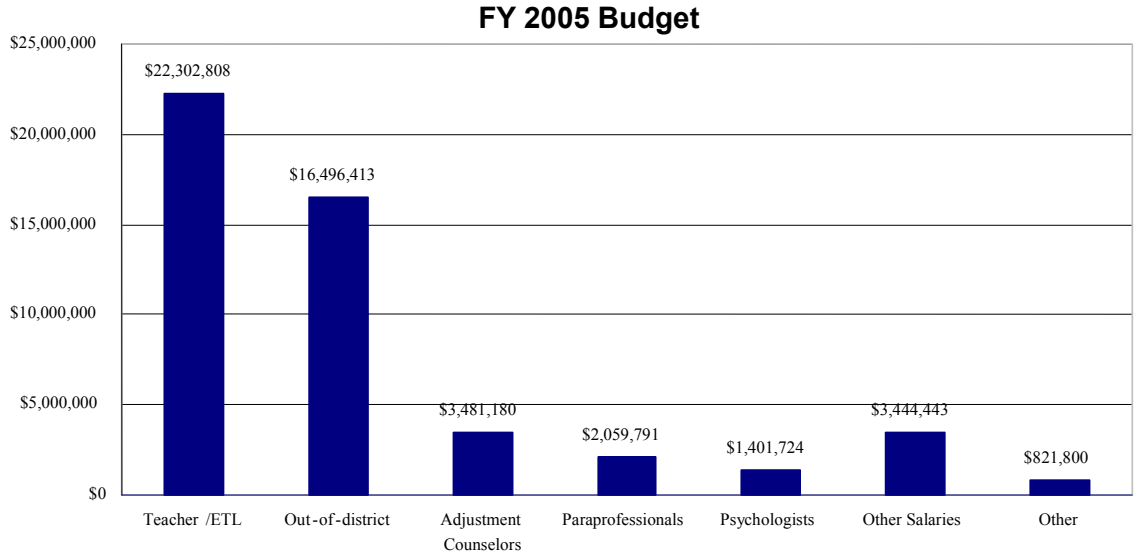
SPECIAL EDUCATION DEPARTMENT EXPENDITURES

The programs and services provided by the Special Education Department of the Springfield Public Schools demands careful attention to the range of identified student disabilities. This requires the availability of specialized, qualified providers and maximum flexibility to align Department services with the constantly changing needs of this student population. Because the Special Education Department has not implemented an effective and systematic method of monitoring student enrollment, placement and service provisions in "real time," the following reports and analyses are best estimates of the department's most current experiences.

FY2004-05 Special Education Operating Budget
For the 2004-05 school year, the Special Education Department's Bureau of Pupil Services of the Springfield Public Schools is budgeted to spend $50.0 million to support the learning needs of its students. Two significant expenditures make up 98.3 percent of this spending.

- Personnel costs - $32.7 million (65.4 percent). This includes salaries of all personnel supporting Special Education students, including additional stipends and differentials. The breakdown of salaries by position is included below.
- Out-of-district student tuitions and related special services - $16.4 million (33.0 percent). Special services include ancillary services (speech, physical therapy) and additional supports (therapeutic counseling, communication devices) that are not included as part of the tuition rate.

[13] Source: Report provided by the Special Education Department personnel



Personnel and Salary Expenditures

Teacher and Evaluation Team Leaders (ETL) salaries account for 44.6 percent ($22.3 million) of the Department's FY2004-05 operating budget. This expenditure is comprised of 448 teachers and 34 ETLs employed by the Springfield Special Education Department. The average salary range for personnel in these positions is an estimated $46,271.

Evaluation Team Leaders

Evaluation Team Leaders follow the same salary scale as teachers. In addition, they receive a differential for additional days of service provided at the end of the year. As previously discussed, ETLs are critical to the IEP process. They are responsible for coordinating, planning and assuring the accuracy of the identification processes. Effective record keeping systems must exist as well as sufficient personnel to monitor compliance with reporting and service delivery regulations. ETLs in the Springfield Public Schools typically serve two, and in a few cases three schools. The Special Education Program Review conducted in 2004 indicated that ETLs attend an average of 209 IEP meetings per year.[14] In addition to coordinating and attending the IEP meeting, the ETL is responsible for producing the IEP, ensuring it is signed by the parent/guardian and implemented at the classroom level in accordance with timelines that are established by the law. Special Education Report Issue 14 in the Coordinated Program Review (CPR) indicated that the Department "does not in all cases conduct annual reviews on or before the anniversary date of the implementation of the IEP" (p. 34). Special Education Report Issue 36 in the CPR found that Springfield "does not always fully implement its students' IEPs…ETLs are overloaded and cannot fully implement the service delivery grid agreed to by the parent and the district" (p. 74).[15] The Executive Officer of Special Education described the ETL as the "linchpin" in the entire Special Education process. With case loads for ETLs averaging 209 students, the state audit affirms that ETLs have not been successful in efficiently and effectively coordinating Special Education services within the timelines required. The inability to serve students in a timely manner has a direct impact on the quality of education and may have

[14] Source: Blume (2004). Special Education Program Review for Springfield Public Schools, p.7. August, 2004.

[15] Springfield Public Schools and New Leadership Charter School. Mid-Cycle Coordinated Program Review Report of Findings. September 21, 2004 – October 1, 2004.

financial impact if services rendered are not properly documented. Sufficient personnel to assure effective service delivery are critical.

Psychologists

Psychological evaluations, administered by School Psychologists, are used to identify how a diagnosed disability affects the cognitive, behavioral, social, emotional, communicative and adaptive functioning of a student. The type and severity of the impairment is directly related to the services and placement the student receives. Special Education Report Issue 36 in the CPR found "that service providers, especially psychologists are overloaded and cannot fully implement the service delivery grid agreed to by the parent and the district" (p. 74). In addition, Special Education Report Issue 20 in the CPR indicated that in some cases, the Department has "improperly placed children in programs and classes… because it does not in all cases conduct current evaluations" (p. 44). The inability to consistently administer psychological evaluations has a direct impact on the student educational experience and may have financial impact if placement and services rendered are more intensive and costly than necessary.

Central Office Special Education Administration

As previously indicated, upper level Special Education administration is composed of the Executive Officer of Special Education and seven Supervisors. School Principals are responsible for the coordination and oversight of services (regular and special education) at the school level. The recent Coordinated Program Review (2004) does not comment directly on the effectiveness of Central Office leadership, only on compliance with educational requirements. Causes of non-compliance may or may not be related to the effectiveness of Special Education administration operations, but this cannot be determined through the scope of this review.

Additional Funding Sources

In addition to the operating budget, the Special Education Department utilized five additional federal funding sources to support its program in FY2004-05:

- IDEA Entitlement (Fund 240) – $7.1 million federal allocation to support Special Education services. This Entitlement Fund is based solely on the number of Special Education students served in the Department.
- Special Education Early Childhood Allocation (Fund 262) - $228,833 to fund personnel associated with the Department's Preschool Education Program.
- Special Education Program Improvement (Fund 274) - $130,000 to fund consultants and offer teachers and paraprofessionals training stipends. This allocation is used to improve the understanding and capacity of personnel to meet the diverse educational needs of students with disabilities.
- Exploring the Options for Children with Autism (Fund 263) – $75,000 to fund an autism specialist position, in addition to resources and trainings associated with educating children with autism.
- Mental Health Support (Fund 216) - $60,000 to fund consultants, offer staff training stipends and additional resources. This allocation is used to improve the Department's capacity to serve students with mental health disabilities.

The IDEA entitlement fund is the most significant source of federal funding. Of the $7.1 million dollars Springfield receives, $4.8 million (68 percent) is used to fund 308 paraprofessionals and $1.8 million in associated fringe benefits (25 percent). This is in addition to the paraprofessionals funded under the general operating budget. The use of entitlement monies to pay paraprofessional salaries as opposed to teachers is a cost saving measure. This ensures that funds stay at the local level, whereas teacher salaries drawn from entitlement monies are subject to a 10 percent state retirement withholding, as reported by the Executive Director of Finance. Given the significant financial investment in paraprofessionals, it becomes imperative that these staff members are sufficiently trained and monitored to assure they provide effective services to the children under their care. The Mid-Cycle Coordinated Program Review (CPR), Special Education Report Issue 53 indicated paraprofessionals "are not appropriately trained in all cases to assist in providing Special Education or related services" (p. 110).[16] Not only does this impact the quality of services being provided, but the financial and educational benefit of employing over 600 paraprofessionals is not yet fully realized by the Department under the current level of training.

Program Expenditures

School districts are required by federal law to provide a "free and appropriate public education (FAPE)" for all students in the "least restrictive environment (LRE)." As previously discussed, this is a difficult task because the needs of Special Education students enrolled in the Department continually change. Programs that are established one year to best meet the needs of a student population may not be as effective for the population of students enrolled the following year. This makes tracking student enrollment and service provisions even more critical as a trend analysis of individual student needs and program effectiveness may be the best indicator of Special Education Department efficacy.

The fluctuating nature of enrollment in Special Education programs also prevents direct comparison from year to year (and from district to district) except to identify aggregate differences. For example, the arrival of three students requiring out-of-district placements at $100,000 per year is unpredictable and would dramatically change the funds required to appropriately serve these students. Because Springfield does not currently have a monitoring system to track student placement, services and related expenditures in "real time" or over time, a precise analysis of the Special Education Department's ability to contain spending without compromising educational quality is not possible.

An analysis of expenditures for programs in the Springfield Public Schools ("in-district") as well as costs associated with educating students out-of-district are described in detail below.

In-District Per Pupil Special Education Expenditures

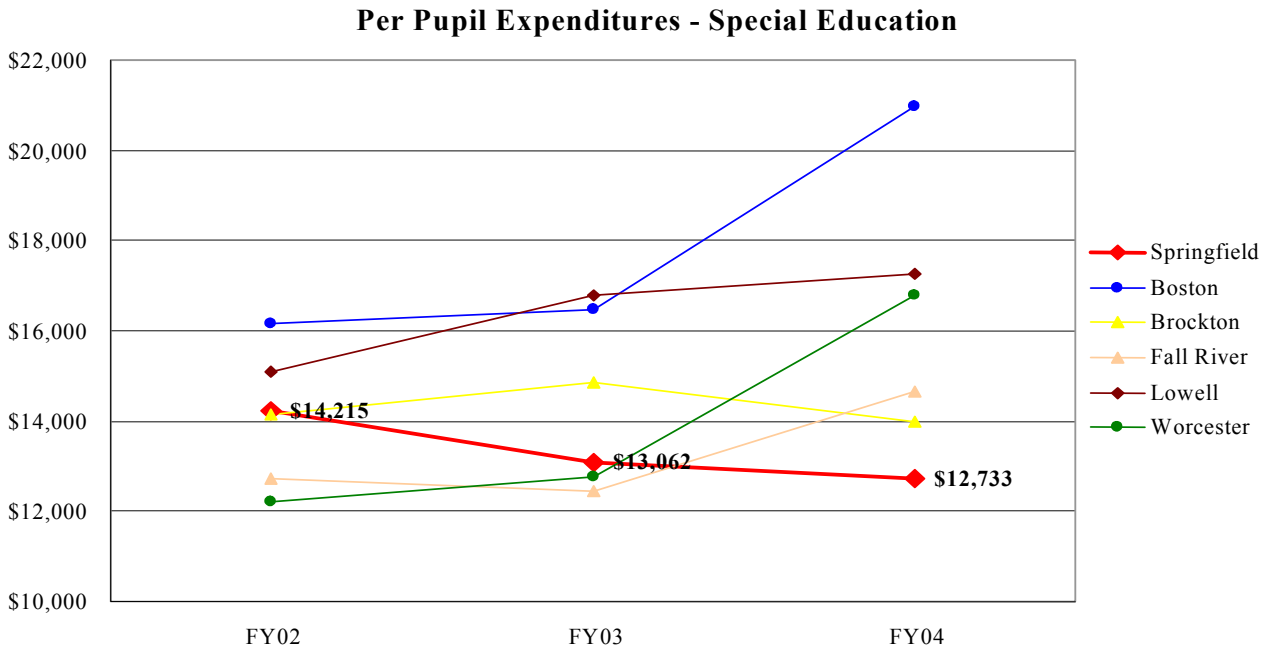
The Massachusetts Department of Education derives per pupil special education expenditures by comparing the full-time equivalency (FTE), or the percentage of time a student is enrolled in special education, to the total number of students served. [17] This system accounts for the time a student spends receiving special education as opposed to regular education services. For example, a student enrolled in a Partial Inclusion Program (Level 2) who receives 40 percent

[16] Springfield Public Schools and New Leadership Charter School. Mid-Cycle Coordinated Program Review Report of Findings. September 21, 2004 – October 1, 2004.

[17] Source: MA DOE: http://finance1.doe.mass.edu/statistics/pp04_intro.html

special education services and 60 regular education services, would only be included in special education expenditures as a .4 FTE. Per pupil Special Education expenditures are intended to reflect costs associated with operating an in-district program and therefore ***exclude out-of-district tuition*** costs. The inclusion of students being served out-of-district would skew the results of this analysis for two primary reasons: 1) All out-of-district placements are considered specialized and would be included as a 1.0 FTE. 2) There is great variability in the cost of educating students out of district (see Table 4 on p. SE - 22). An expenditure of over $200,000 for one student in a residential placement for example, could have significant impact on the results of this analysis, especially because the numbers of students being served out-of district are low in comparison to those served in-district.

In-district Per pupil Special Education expenditures have decreased in Springfield over the past three years whereas the comparable school districts in Massachusetts have increased spending across three years. In FY2003-04, Springfield had the lowest per student cost ($12,733) for in-district Special Education services. [18]



A precise reason for the decreasing trends in per pupil Special Education expenditures in Springfield cannot be determined because the Department has not established a systematic method of monitoring per student spending based on in-district placements, service provisions or the effectiveness of educational programs. Possible explanations will be discussed in the following section of this report.

[18] MA Department of Education, *Per Pupil Expenditures* (http://finance1.doe.mass.edu/statistics/pp04.html)

IN-DISTRICT PLACEMENTS

Student Support Programs

The goal of a Special Education Department is to provide a wide range of in-district services to meet the needs of all of its Special Education students in the least restrictive environment (LRE). Student placement in the LRE is consistent with best education practices and is also judged as having the best financial impact for a district. Because substantially separate classrooms necessitate (by law) smaller student-staff ratios, there are increased costs associated based solely on staff salaries. The Springfield Department of Special Education has reduced the number of students enrolled in substantially separate classes from 2001 to 2004.

NOTE: Because of the changes in student enrollment numbers from year to year, percentage comparisons are the best way to proportionally view shifts in program placement. Percentages do not equal 100 because they are recorded as the percent of total Special Education enrollment.

Table 1: Comparison Of Percent Of Special Education Enrollment (Number Of Students) **In Student Support Programs – 2001 And 2004**

Springfield Public Schools	December 2001[19]	December 2004[20]
Total Special Education Enrollment	4,662	5,330
Full Inclusion Program	**15.3%** (713)	**18.8%** (1,004)
Partial Inclusion Program	**47.6%** (2,226)	**35.3%** (1,879)
Substantially Separate Classroom	**21.8%** (1,015)	**16.6%** (886)

The percent of Springfield Special Education students served in a full inclusion program has increased 3.5 percent and students served in substantially separate classrooms has decreased 5.2 percent. This is significant because the movement of Special Education students to less restrictive settings is consistent with best practice. In theory, this practice also provides the Department a decreased cost of educating students because placement in the LRE requires less staff. There is no way of assessing precise cost savings because student placement, services, and related expenditures in Springfield are not tracked nor analyzed at the level of detail required.

Low-Incidence Programs

The Special Education Department of the Springfield Public Schools has established several specialized programs to serve students with specific and significant disabilities, including eight low-incidence programs and Springfield Academy's programs (described above).

A review of student enrollment in the table following reveals an increase in the percentage of students being served in low-incidence programs from school year 2002-03 to 2004-05.

[19] Source: Blume (2003). Special Education Program Review Summary, p.12. Data provided by the MA DOE, 12/1/01

[20] Source: SIMS, December 1, 2004

Table 2: Percent Of Total (Number) Of Students Enrolled In Low-Incidence Programs School Year 2002-03 To 2004-05[21]			
Springfield Public Schools	**SY2002-03**	**SY2003-04**	**SY2004-05**
Total Special Education Enrollment	5,452	5,514	5,685
Low Incidence Programs (in-district placement)	**10.9%** (592)	**12.9%** (712)	**14.9%** (849)

An increase in the percentage of students served in low-incidence programs can likely be attributed to a combination of (1) increased capacity of the Special Education Department to serve students with low-incidence disabilities (more seats available), and (2) an increased number of students requiring services provided by these programs. The reason for providing specialized services within the Department is to reduce the number of students who would require costly, out-of-district placements. Based on the increased number and percentage of students served in low-incidence programs, it is possible that Springfield is benefiting from some cost savings. However, the information is not available to determine how much it costs to serve students in Springfield's low-incidence programs, how many students would need to be served out-of-district if these programs were not available, expenditures related to establishing these programs and/or training staff to provide specialized services. Nor have program evaluations been completed to determine educational effectiveness for individual students or cohorts of students. As a result, it is difficult to fully describe the affect low-incidence programs have had in Springfield as it relates to financial impact or educational outcome.

Springfield Academy

Springfield School Department and Special Education personnel cite the Springfield Academy programs as one of the primary cost saving initiatives in the Special Education Department for the following reasons:[22]

- Most students enrolled at Springfield Academy would require more costly out-of-district placements.
- All students in the STEP program (which is housed within Springfield Academy) would otherwise be placed out-of-district.
- Student evaluations conducted in the 45 day short-term program would have to be contracted out. In addition to the added expense of conducting evaluations out-of-district, it becomes more difficult to retain students in the Springfield program even if they have been gone for only a short time. This may result in a more costly out-of-district placement.

Table 3 shows the total program expenditures, average daily student enrollment and estimated per pupil expenditures at Springfield Academy in FY2001-02 and FY2003-04 as reported by the Special Education Department.

[21] Source: Special Education Department personnel, May 10, 2005

[22] Interviews with the Executive Officer of Special Education and supervisors

Table 3: Springfield Academy Student Enrollment And Expenditures		
	FY2001-02	FY2003-04
Total program expenditures	$3,423,993	$3,695,402
Daily average # of students enrolled	210	186
Average annual expenditure per student	$16,305	$19,868

In comparison to Springfield's average annual out-of-district tuition cost of $42,722 per student in FY2003-04 as reported by the Massachusetts DOE,[23] the $19,868 average per student expenditure at Springfield Academy appears to be a large cost savings. However, this program is still a significant expenditure to the Department and little information exists to ensure either cost efficiency or effectiveness of the Springfield Academy program. Information on placement following enrollment is not available (how many students are retained within the Department and how many are sent out) nor is data collected on student academic success while enrolled at Springfield Academy. Neither the Special Education Department nor the Executive Director of Finance could supply information on the expense of educating individual students at Springfield Academy. As reported by the Executive Director of Finance, Springfield Academy expenditures are analyzed only every other year. This is insufficient analysis for a program that maintains the highest in-district operating costs and is responsible for educating Springfield students with the most significant needs. Furthermore, many students placed at Springfield Academy often do not remain in the program for an entire year. Analyses conducted only in FY2001-02 and FY2003-04 exclude information and associated costs in regard to those students enrolled in the program at any point in FY 2002-03.

As a result, per pupil expenditures at Springfield Academy are estimates at best. For example, two available sources estimated out-of-district tuition expenses differently for students served in the Springfield Academy STEP program. 1) A report titled, *Innovative Partnerships: Meeting the Needs of Severely Emotionally Disturbed Children in a Public School Setting,* provided by the Springfield Public Schools and Behavioral Health Network reports a fiscal savings of $1.2 million as a result of the implementation and operation of the STEP program. This is based on the premise that students served by the STEP program would otherwise require out-of-district placements at an estimated expenditure of $55,500. 2) An internal memo, the *Alternative Program Proposal, May 9, 2005* provided by the Superintendent of the Springfield Public Schools estimated out-of-district placement costs for students necessitating services in the Springfield Academy STEP program at $60,000. The cost of operating the STEP program, Springfield Academy's long-term program and the short-term (evaluative) program are not differentiated within the operating budget so it is difficult to independently verify this claim. In addition, the Massachusetts DOE indicates Springfield's average annual per pupil out-of-district tuition cost is $42,722. Though the DOE report represents an average and may not represent the actual cost of educating a student with significant social/emotional disabilities, this expenditure represents a very different estimate than those identified by the Department. It is difficult to know the extent of cost savings that may be offered by Springfield Academy without precise documentation of the cost of educating individual students enrolled in this program.

[23] As reported by the Massachusetts Department of Education, School Finance Report, *Special Education Expenditures as a Percentage of Total School Budget FY04* (http://finance1.doe.mass.edu/seducation/sped04.xls), out-of district tuition paid by the Springfield Public Schools totaled $20,902,145 for 489 students.

Springfield Academy may be of great educational and cost saving benefit to the Special Education Department. The program could be providing high quality services at a cost savings more significant than currently claimed. Or, there may be more cost efficient ways for Springfield Academy to serve its students. Without a systematic method to track and analyze costs associated with educating students at Springfield Academy, it is impossible to draw compelling conclusions regarding the financial benefit Springfield Academy programs provide to the Department.

OUT-OF-DISTRICT PLACEMENTS

Some students require services that are so significant that they cannot be served in a public education program. Costly out-of-district placements are a reality for all Special Education programs. The decision to place a student out-of-district is not determined solely by the Special Education Program. Placement is determined by collaborative agreement of the IEP team, as mandated by federal legislation. Reporting by the Massachusetts DOE includes student out-of district placements in:

- Other public school districts or collaboratives
- Private and out-of state schools

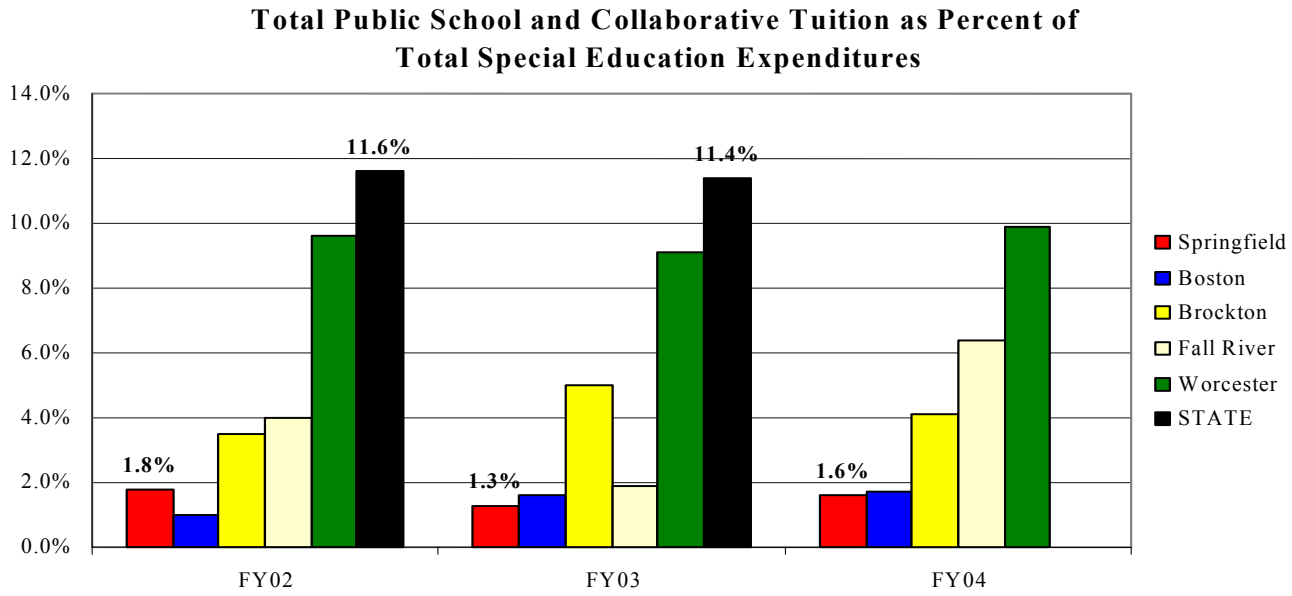
Other public school districts and collaborative placements

Public school districts in the state of Massachusetts may choose to participate in inter-district collaborative education programs. The relationship between a school district and a collaborative is established via an individual negotiated contract (district by district and collaborative by collaborative), which includes an established tuition rate for student attendees. The decision to participate in a collaborative is typically related to the district's ability to supply quality Special Education services and programs in house. Generally, collaboratives appeal to smaller districts that have fewer students with any one particular disability. In those cases, the cost of establishing a program to serve those children would be greater than paying tuition to a collaborative. Because student enrollment, the range of student disabilities and the unique nature of individual service arrangements vary significantly from district to district, it is difficult to compare the cost benefit of collaborative education programs without details about individual disabilities and related service provisions. A look at the distribution of spending among the state[24] and several comparable districts in Massachusetts may be helpful in making future decisions about student placement.

NOTE: Because Special Education operating budgets vary from district to district, a comparison of actual dollars spent is not meaningful. In order to make meaningful comparisons the total number of dollars spent on public school and collaborative tuitions was divided by the total Special Education expenditures, based on reports from each respective fiscal year by the Massachusetts Department of Education.[25]

[24] STATE totals for FY04 were not available at the time of this review.

[25] Source: MA Department of Education: http://finance1.doe.mass.edu/schfin/sped/sped_exp_budget.aspx



In comparison to selected districts and the state, the percentage of Springfield's total Special Education budget paid to collaboratives and other public school districts is significantly lower than the state. This is a direct reflection of Springfield Public School's decision not to enter into contractual agreement with a Massachusetts collaborative and instead provide specialized (i.e. low incidence programs, Springfield Academy) services in-district. Springfield's expenditures seen in the chart above, 1.6 percent ($828,329) of the school's Special Education operating budget in FY2003-04 for example, are solely payments made to other public school districts for specific individual placements to a setting serving that child's unique needs.

Based on the information in the chart above, an analysis of comparable district and statewide payments to other public school districts and collaboratives in relation to Springfield may indicate the following:

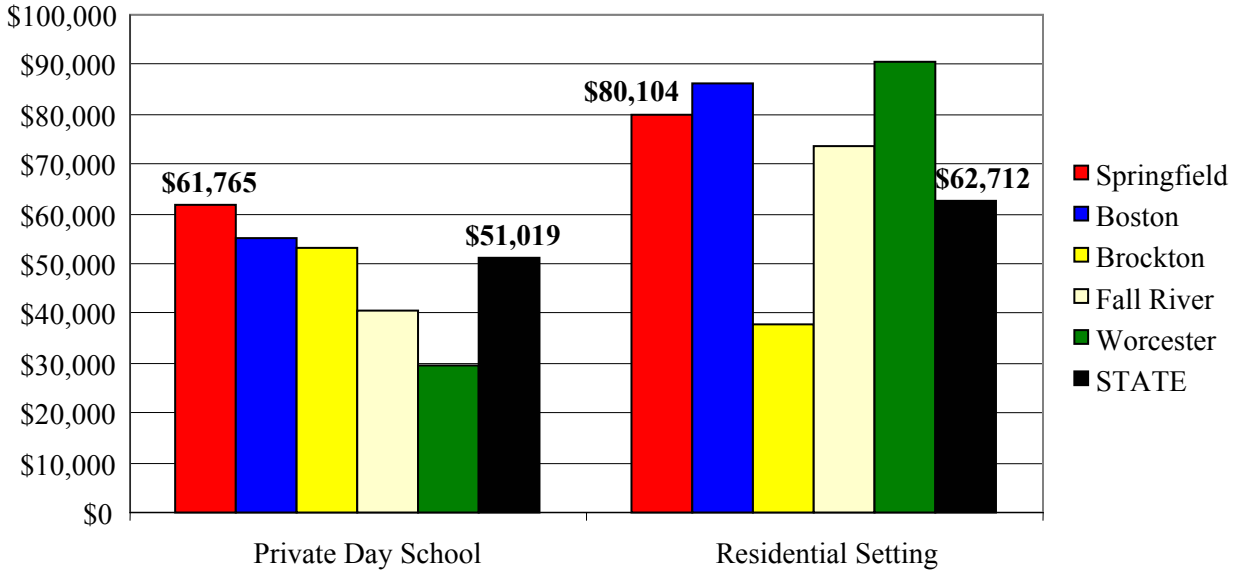
- The percentage of total Special Education expenditures paid by Springfield to other public schools and collaboratives is most similar to the Boston Public Schools. Like Springfield, Boston does not contract with a Massachusetts educational collaborative because the district has the scale to operate a large range of specialized Special Education programs within the district.
- Springfield proportionally pays significantly less into collaboratives than the state average. The array of in-district programs in Springfield allows the Department to serve students locally. Most districts across the state are too small to have sufficient numbers of students to make in-district programs cost efficient.

Because Springfield serves a large number of students with a wide array of disabilities, it is possible that the creation of programs, as opposed to out-sourcing, may be a cost saving benefit. However, without a thorough analysis of needed service costs for those students currently enrolled in the Department (with sufficient adjustment for the potential of newly identified student needs), it is not possible to declare with certainty whether a collaborative contract would be cost effective for Springfield.

Out-of-district Per Pupil Expenditures by Placement

The greatest expenditure for any Special Education program is the cost of tuition for students whose educational needs are so significant that they require out-of-district private placements. The following graph is a comparison of per pupil expenditures by placement in private day schools and residential settings in comparable Massachusetts school districts. This information should be viewed with caution, as the number of students in these respective placements is small and the costs associated with educating these students have great variability (see Table 4 on page. SE - 22).

Per Pupil Expenditures by Out-of-District Placement FY 2003-04



Springfield spends an average of $61,765 per student to educate students in private day schools, which is greater than the State average and other districts used in this comparison. Per Pupil Expenditures in residential settings average $80,104, which is less than Boston, MA and Worcester, MA but more than the State.[26]

Reimbursement for Private and out-of- state schools

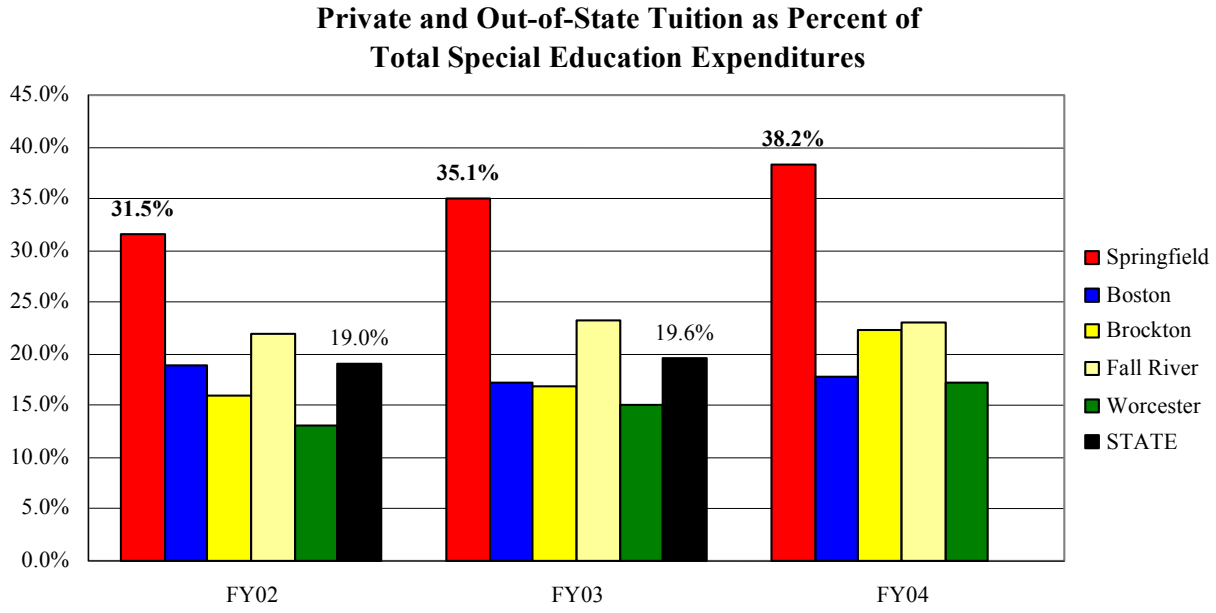
The costs associated with educating students' out-of-district are significant. While eliminating the costliness of out-of-district placements is unrealistic, there are available reimbursements through the state and cost sharing opportunities with other agencies collaborating in the care of students with significant disabilities. For example:

[26] Source: MA DOE: http://finance1.doe.mass.edu/statistics/pp03_sped_pp.xls

- **Circuit Breaker:** For most students requiring out-of-district placement, in FY2004-05 following a base payment of $29,320, the Department received a 72 percent reimbursement on the remainder of the tuition payment. For example, if an eligible student's tuition is $50,000, the Department is responsible for the base payment of $29,320. Of the $20,680 remaining, the state pays 72 percent ($14,889) and the Department is responsible for the $5,790 difference. The total cost to the Department in this instance is $35,110. For students identified as abandoned, homeless and/or state ward the reimbursement rate is 100 percent. When figured into calculations for out-of-district placement, this state allocation dramatically reduces Springfield's direct costs for serving children placed out-of-district. This actual figure (cost minus reimbursement) should be used in calculating potential savings from alternative in-district settings.
- **Medicaid Reimbursements:** A wide-range of Special Education (IDEA) services are covered by Medicaid. Medicaid reimbursements may be provided to schools for student health-care services and/or related administrative activities based on the amount and type of services provided in the school setting in and documented in the student IEP.[27]
- **Cost Sharing Opportunities:** Cost sharing opportunities pertain primarily to students served in residential and/or hospital settings. The public school district is only responsible for expenditures related to the student's educational program. This excludes, for example, health related services outside of the 'school day' and additional residential living expenses, which are the responsibility of other collaborating agencies (i.e. Department of Youth Services, Department of Mental Retardation). The student IEP documents the coordination of services and related financial responsibilities.

Based on a May 26, 2005 report provided by the Special Education Department,[28] 507 Springfield students were receiving services in 74 out-of-district private placements. With Special Education enrollment as large as Springfield's, the range of student disabilities is much greater than other, smaller districts that do not experience comparable enrollment levels. The chart below represents the distribution of spending on out-of district, private tuitions as a percentage of total Special Education expenditures in Springfield and in comparison to the state and other Massachusetts school districts. [29]

[27] Source: MEDICAID AND SPECIAL EDUCATION. Coordination of Services for Children With Disabilities Is Evolving, United States General Accounting Office. December 1999. http://www.gao.gov/new.items/he00020.pdf
[28] Source: Document titled "qryCB_OODTotalCost" provided by the Special Education Department
[29] Source: MA Department of Education: http://finance1.doe.mass.edu/schfin/sped/sped_exp_budget.aspx



From FY2001-02 to FY2003-04, Springfield's private school and out-of-state tuition payments increased from 31.5 percent ($16,256,171 million) to 38.2 percent ($20,073,816 million) respectively, of total Special Education expenditures, more than 10 percent above state averages.

There are several possible reasons for this large expenditure:

- The Springfield School and Special Education Department may not be receiving all the Medicaid reimbursements to which they are entitled. The coordination of identifying eligible students and programs, and managing the required documentation for filing Medicaid claims is complex, especially given the need to safeguard the privacy of children with disabilities. Medicaid reimbursements in Massachusetts are moving from a "bundled rate" to reimbursement based on qualified individual student services that are being provided, as documented in the IEP. This makes timely and proper documentation and monitoring of service provisions in the IEP even more critical.

- Complete information was not available from the Finance and Special Education Offices on cost sharing associated with students in residential placements. It is possible that Springfield may not have taken full advantage of available cost sharing opportunities. Without a careful system of tracking and monitoring financial agreements and related expenditures, it is not possible to declare with certainty whether cost-sharing opportunities with collaborating agencies are fully realized by the Department.

- There are a large number of students entering the Department whose IEP identifies an out-of-district placement. When presented with such cases, the Springfield Public Schools are forced to assume the associated costs documented on the IEP, as previously established. The Department is unable to determine placement or service provisions, even if an in-district program is appropriate for the student, until it has conducted an annual review the following year. These costs may be significant and cannot be immediately controlled for.
- The number of students that present with significant disabilities and that require out-of district placements may be much larger than in other school districts. Financial planning

and forecasts suffer from the fundamental fact that the nature and severity of student disabilities can not be controlled for.

- Disciplinary problems may be over-identified as social/emotional and behavior disorders that require specialized (and costly) placements. The Special Education Program Review conducted in 2004 indicated a significant number of students in Springfield were identified by staff as having emotional impairments, which may be a result of misidentification.[30] Careful interpretations of psychological evaluations are required to determine if patterns unrelated to disability are being misidentified.

In addition, the Finance Office and the Special Education Department do not have a unified system of tracking out-of-district student placements, service provisions or related reimbursements and cost saving opportunities. Table 4 contains a list of out-of-district student placements by program, including the number of students enrolled in the specified program and costs identified by both the Finance Office and the Special Education Department. Table 4 represents only a portion of Springfield's out-of-district student placements.

TABLE 4: OUT-OF-DISTRICT STUDENT PLACEMENTS AND EXPENDITURES

Program	# of Students	Cost - Finance Office[31]	Cost – Special Education Department[32]
PROGRAM 1[33]	3	$123,057	$177,840
PROGRAM 2	NA[34]	$722,458	NA
PROGRAM 3	1	NA	$103,251
PROGRAM 4	11	NA	$289,569
PROGRAM 5	12	$290,371	$429,138
PROGRAM 6	19	$853,922	$855,000
PROGRAM 7	1	$42,630	$185,242
PROGRAM 8	NA	$3,333	NA
PROGRAM 9	5	$448,788	$573,542
PROGRAM 10	4	NA	$547,546
PROGRAM 11	10	$85,670	$163,805
PROGRAM 12	1	$92,971	$60,516
PROGRAM 13	1	NA	$158,521
PROGRAM 14	2	$239,971	$405,507
PROGRAM 15	NA	$397,480	NA
PROGRAM 16	3	$238,522	$357,467
PROGRAM 17	1	$141,819	$158,278
PROGRAM 18	NA	$59,208	NA

[30] Source: Blume (2004). Special Education Program Review for Springfield Public Schools, p.5. August, 2004

[31] Source: Finance Office report: Special education – out-of-District Tuition FY05 Estimated expenditure

[32] Source: Document titled "qryCB_OODTotalCost" provided by the Special Education Department

[33] Programs are not identified by actual name to ensure full confidentiality of Springfield Public School students.

[34] NA=Not Available. If NA is indicated in the Cost columns, the respective office/department did not indicate a student was payment/enrollment in the program. The Finance Office did not have information on the number of students enrolled in the program, so in cases where only the Finance Office reported, student enrollment information is not available.

TABLE 4: OUT-OF-DISTRICT STUDENT PLACEMENTS AND EXPENDITURES			
Program	# of Students	Cost - Finance Office[31]	Cost – Special Education Department[32]
PROGRAM 19	1	$199,391	$199,209
PROGRAM 20	3	$183,680	$209,598
PROGRAM 21	3	$55,141	$44,880
PROGRAM 22	2	$367,810	$401,534
PROGRAM 23	2	$65,431	$65,367
PROGRAM 24	1	$24,315	$97,394
PROGRAM 25	1	$115,161	$99,768
PROGRAM 26	30	$959,290	$915,118
PROGRAM 27	NA	$13,877	NA

Discrepancies exist between the Finance Office and Special Education Department both in terms of the programs identified and the cost using of enrolling students in the programs. The Finance Office reports making tuition payments to 54 schools, whereas the Special Education Department reports students enrolled in 74 different out-of-district programs. The Finance Office reports total tuition of $19.2 million whereas the Special Education Department reports total tuition of $23.4 million. (Please note that this total does not equal the total in Table 4 because Table 4 only presents a portion of the out- of-district enrollments.) It is possible that these discrepancies can be explained by:

- Some students attend one program that exists at multiple locations. Though the Special Education Department identifies the specific program, the Finance Office only identifies the agency as a whole, to which the payment is being made. Sometimes one agency offers multiple programs.
- The Finance Office FY2004-05 Estimated Expenditure Report excludes circuit breaker reimbursements (72 percent of the remaining cost of tuition following a base payment of $29,320), which might also account for some of the discrepancy, but not all of it.
- Additional service expenditures (excluding tuition payments) may not be included in all instances. For example, the cost of educating a student out-of-district may not include physical therapy in the base tuition rate. This is a cost the Department must also assume and it may be provided by an entity different from the student's out-of-district school.

There are significant expenditures associated with out-of-district placement that the Springfield Public Schools have to assume in order to provide the most appropriate educational services to students with significant needs, as required by Special Education regulations. Out-of-district placement determinations are made by the IEP team and are not a result of decisions made by the Department. By law, the Executive Officer of Special Education can only adhere to this placement decision. Out-of-district placements require careful attention, including tracking and analyses of service provisions (not just placement), reimbursements and cost sharing opportunities to ensure the School Department is receiving full fiscal impact.

BEST PRACTICES

Outstanding Special Education services in other school departments demonstrate the following characteristics to best serve Special Education students:

- Ensures that IEPs are developed, implemented and services are coordinated and delivered in compliance with federal and state regulations.
- Accurately identifies and makes placements in appropriate educational programs, as dictated by the evaluations conducted to assess the students' areas of disability.
- Establishes in-district programs to provide services to students with diverse learning needs in the least restrictive environment where cost effective.
- Conducts regular systematic reviews of the effectiveness of its placements and services, identifying areas where students can be served in gradually less restrictive (and generally less costly) settings.
- Collects information that allows for regular comparisons of staffing, programs and expenditures within the district and in relation to other similar school districts to ensure efficient use of resources.
- Evaluates program effectiveness through student achievement data and performance indicators (IEP benchmarks) as well as fiscal impact.
- Recruits and retains experienced and highly qualified teachers.
- Assures accurate and complete reimbursements from state and federal agencies.

BEST PRACTICE GAP ANALYSIS

The following table presents a gap analysis between the practices of Springfield's Special Education Department and best practices found in other programs most effectively and efficiently serving students with disabilities in accordance with state and federal regulations. The table identifies the strengths and weaknesses of the Special Education Department. This analysis provides the basis for the initiatives described in the later section of this chapter.

Springfield Public Schools Department of Special Education Gap Analysis

Best Practice	Springfield Practice	Addressing Performance Gap
1. Ensure IEPs are developed, implemented and services are coordinated and delivered in compliance with federal and state regulations.	The foundations are in place. Springfield does not consistently develop the IEP and implement required student services in accordance with the timelines outlined in the law.	ETLs have very large case loads. There is not clerical help to assist with extensive paperwork. Supervision and oversight of services is inadequate (CPR report)
2. Accurately identifies and makes placements in appropriate educational programs, as dictated by the evaluations conducted to assess the students' areas of disability.	Special Education services are primarily determined by an education planning team and dictated by the IEP. Placement as determined by seats available in some cases.	Psychologist evaluations are not always completed in a timely manner. Students who are new to the Department are placed without an internal assessment.
3. Establishes in-district programs to provide services to students with diverse learning needs in the least restrictive environment.	Springfield has numerous in-district programs, offering the Department an increased capacity to serve students with a wide range of disabilities.	There is not enough information to determine actual costs of each of these (low-incidence, Springfield Academy) programs. Out-of-district tuition costs appear to be disproportionately high in relation to other districts.
4. Conducts regular systematic reviews of the effectiveness of its placements and services, identifying areas where students can be served in gradually less restrictive settings	The number of students served in less restrictive settings has increased. Low incidence programs show an increase in enrollment.	Without an inventory of service needs at each location/ program, there is not enough information to determine program effectiveness and financial impact.
5. Collects information that allows for regular comparisons of staffing, programs and expenditures within the district and in relation to other similar school districts to ensure efficient use of resources	Springfield does not have a systematic method of collecting information to track and analyze internal costs associated with its Special Education programs.	Lack of information limits comparative analyses that provide insight into program efficacy and fiscal impact.
6. Evaluates program effectiveness through student achievement data and performance indicators (IEP benchmarks) as well as fiscal impact.	Springfield uses the state reporting system (SIMS) to track student performance rates.	There is not an internal evaluation system that is used to link student progress indicators with program effectiveness or efficiency.
7. Recruits and retains experienced and highly qualified teachers.	Retention of staff has been difficult.	Large numbers of new staff limit the Department's ability to provide continuous, effective training to special educators new to the Department.
8. Assures accurate and complete reimbursements from state and federal agencies.	Reimbursement and cost sharing opportunities may not be fully realized currently. Differences exist between costs reported by Finance and Special Education Departments.	The Special Education Department determines services and the Finance Department pays for services. There is not a unified system of tracking to ensure service delivery is connected with costs being expended.

INITIATIVES

SE01 Track and Monitor Student Information, Service Provisions, and Placements in "Real Time"

Prioritization:	Short-term	**Required Approval:**	School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	CBD

Before an accurate estimate of program expenditures and cost saving can be completed, Springfield must implement a coordinated and regularly updated system for tracking student enrollment, placements and related Special Education service provisions. This is especially critical given the varying enrollment statistics and wide array of disabilities that students present with, which require ever-changing services and supports. Though the Department has internal databases and state reporting systems that are used to document some student demographic and enrollment information, these current systems do not contain extensive reports that can be used to effectively track and monitor all Special Education services.

Components of an effective database should include, but are not limited to:

- **Student identification information:** This should include, for example: a unique student ID number; date of birth; date enrolled in the Springfield Public Schools; demographic descriptors (i.e. ethnicity, language, low-income); parent contact info. All Department personnel involved in providing (and paying for) special education services should have ongoing access to this information, that is updated at least quarterly (aligned with quarterly IEP progress reports) to reflect the current services being administered.
- **Detailed documentation of student evaluations:** The State requires that regulatory evaluations be completed for students served by the Special Education Department. Evaluations are a critical component of determining placement and service provisions needed for the student to make progress in their education. Up-to-date records of cognitive, behavioral, communication, psychological and medical evaluations must be easily available to all staff (i.e. Supervisors, ETLs, teachers, paraprofessionals) involved in serving each individual student. Currently, completed evaluations are kept in student files at the school-level, which does not offer centralized access for all personnel.
- **Placement and service information:** Documentation must include: School placement, program type (i.e. LINKS – autism), and detailed service provisions. For example:
    - **Academic services:** How are Special Education services being provided? In the regular education classroom? In a substantially separate setting? What modifications does each student require in order to access the general education curriculum and make maximum progress?
    - **Physical and health related accommodations and services:** Does the student require adaptive equipment (i.e. communication devices)? A school placement that is wheelchair accessible? A 1:1 aide for health-related purposes? Medications administered during the school day?
    - **Psychological/emotional/behavioral services:** Does the student require therapeutic/counseling services? How often and administered by who? Is there a specific behavioral plan in place? Who is responsible for assuring

implementation of behavior programs, monitoring effectiveness and making adjustments?

- **Ancillary services:** Service provisions, including the amount of time allocated per week, the standard for delivery and personnel responsible. Is physical therapy delivered in a group or individual setting? Are speech-language services provided in-district or is it contracted?

The student Individualized Education Program (IEP) is a conduit for ensuring student information and service provisions are documented and regularly monitored. However, Special Education Report Issue 9 in the CPR report indicated, "The district does not consistently document its determination of a disability or disabilities for students that are being served on an IEP…. the district has some cases in which the development of students' IEPs does not indicate the need for specifically designed instruction and/or related services" (p. 29).[35] Difficulty obtaining specific program and service information for the purpose of this Operational Assessment is further evidence of the limited tracking system currently in use by Springfield.

The Department reports they are in the planning phase of employing a web-based "Easy IEP" program and tracking system. The implementation of the "Easy IEP" system is intended to increase Springfield's ability to more reliably and efficiently track student information (including placement and service provisions). Documents can be electronically signed through the "Easy IEP" program, which is likely to alleviate some paperwork. In addition, "Easy IEP" is compatible with the in-district system that will allow current information to be merged. The web-based nature of this program allows personnel system-wide access to student IEPs from a variety of locations. The benefits (above) associated with the "Easy IEP" program are intended to ensure reliability in tracking student information and efficiency in completing student IEPs in compliance with regulatory timelines.

Omitting the time and costs required to implement the "Easy IEP" program and/or any Special Education database would be a serious oversight. New procedures require extended practice by all who are expected to make use of the program, regular feedback on effectiveness of the new system, and regular revisions to make the system most efficient. Sufficient resources (money, time and personnel) must be committed to the implementation phase of a Special Education database if it is to have the desired positive impact on the Department's operations. Though, the "Easy IEP" program will address some aspects of tracking such as student placement and service provisions, a complete monitoring system must also include information on related costs.

This initiative cannot be quantified as data did not exist to do so at the time of this study.

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

[35] Springfield Public Schools and New Leadership Charter School. Mid-Cycle Coordinated Program Review Report of Findings. September 21, 2004 – October 1, 2004.

SE02 Conduct Regular Analyses of Staffing, Programs, and Associated Expenditures

Prioritization:	Short-term	**Required Approval:**	School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	CBD

The administration of Special Education services is costly. Though the Special Education Department may be making efficient use of funds for its in-district program (see Per Pupil Expenditures graph, p. SE - 12), it is impossible to determine specific costs for Department programs and services that are being provided because Springfield has yet to establish a systematic method of tracking and monitoring student placements and service provisions in "real time" (see *SE01*). In addition, low per student expenditures are not necessarily indicative of an effective or efficient Special Education program. Cost savings must occur without reducing the quality of Special Education services provided to Springfield students or jeopardizing compliance with state and federal regulation.

The Department has made initial efforts to track their use of personnel. In at least some cases, staff is moved from their current assignment to fill vacancies in another school. However, other than meeting staff to student compliance ratios, it is unclear what impact this has on expenditures or the educational program. Exemplary Special Education programs have systems to collect information that allow for regular comparisons of staffing, programs and expenditures within the Springfield Public Schools and in relation to other similar school districts to ensure efficient use of resources. Within the current system, Springfield is unable to accurately and reliably state what services are being provided, by student, by program or in relation to the actual numbers of students enrolled at any moment in time. As a result, it is impossible to accurately analyze expenditures and cost saving opportunities in the Special Education Department. It is remarkable that, in the absence of this level of detail of information, the Department has been able to make projections of its special education costs and needs from year to year. Many projections and cost statements are estimates based on measures of gross expenditure, not measures of actual expenses per child, per service, or per program.

For example, the creation of programs to support specialized student needs in-district and the movement of students (see enrollment statistics on pp. SE – 13 and 14) to a less restrictive environment are considered best educational practices. In addition, these practices are thought to have associated cost saving benefits. However, the Department does not have any information available to determine the actual costs associated with educating students in Student Support or Low Incidence programs. There is no way to accurately determine if or how much in-district programs are saving the Springfield Public Schools.

In another example, Springfield Academy is cited by Department personnel as a primary cost savings initiative. However, the only information available on Springfield Academy expenditures are reported as a per student average that is only calculated every other year. The Springfield Academy program aims to transition students out of this more intensive program and return them to a less restrictive setting. The Springfield Public Schools do not have information available on the success of the program - how many students are returned to the Department, move out-of-district, or remain in the program for an extended period of time. Nor is there information available on costs related to educating students in this program (either short-term or

long-term) and associated costs of additional ancillary or therapeutic services provided to children assigned to Springfield Academy. Though costs associated with the Springfield Academy program could be a result of increased teaching staff to provide students with low class-size ratios and a large number of adjustment counselors to support the emotional and behavioral needs of the school's special student population, there is no evidence to confirm this. Such information is critical for a program that provides a wide range of services to students with such significant disabilities that the services required are considerable and ever-changing. Projections of cost savings are equally unreliable without clear and specific information about actual costs of services currently being provided.

The inconsistency in out-of district expenditure reports between the Finance Office and the Special Education Department needs further inquiry, although the absence of real time tracking makes this difficult.. The Finance Office reports making tuition payments to 54 schools, whereas the Special Education Department reports students enrolled in 74 different out-of-district programs. For example, the Finance Office Estimated Expenditure Report indicates a payment to the *Kennedy Action Corps* of $397,480,[36] In accordance with Department policy, this expenditure was approved by the Special Education Department. However, the Special Education Department formal report does not indicate student enrollment in this program. In addition, services being provided and their related cost/s are not identified in either case. For Special Education services with significant associated expenditures, it is imperative that Springfield project costs based on actual per child, per service and per program expenses, not as an estimate based on measures of gross estimated expenditure. Such analyses should include the fiscal benefit of state and federal reimbursements.

The fiscal impact of this initiative cannot be determined since the necessary data is not available. Once a robust database is in place and fully populated with relevant student, program and service data, the Department can conduct, or contract to have conducted, a detailed assessment of its current expenditures and projected costs to accurately determine if in-district programs are financially viable. In the absence of a fully implemented system to monitor program costs and the impact services are having on students enrolled in Special Education, it is impossible to say what decisions Springfield could make to receive potential savings related to its programs, while at the same time ensuring that the Department is delivering an effective, appropriate and high quality education to its Special Education students.

This initiative cannot be quantified as data did not exist to do so at the time of this study.

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

[36] Source: Finance Office report: Special education – out-of-District Tuition FY05 Estimated expenditure

SE03 Ensure Accurate and Complete Reimbursements from State and Federal Agencies

Prioritization:	Immediate	**Required Approval:**	School Department Management
Rev/Exp:	Exp	**5 Year Fiscal Impact:**	CBD

The Department must carefully monitor available state and federal reimbursements and cost sharing opportunities, even in light of constantly changing student enrollment, student placements, and service provisions.

Massachusetts Circuit Breaker reimbursements offer school district's significant allocations to alleviate the large expenses related to out-of-district student placements. While the state distributes quarterly, lump sum payments to eligible Districts, an internal breakdown and analysis of per student and per program reimbursements might be helpful in realizing fiscal impact and ensuring that the allocation is consistent with program and related services costs being expended by Springfield Public Schools.

In addition to determining education-related practices to address each student's unique needs, precise documentation of student service provisions on the IEP becomes even more critical as this is the basis for filing Medicaid reimbursement claims. These reimbursements are designed to alleviate the extensive costs of educating students with disabilities. A list of reimbursements received per student or claim are not currently available from the Springfield Public Schools. Nor could the Department present clear procedures and policies for ensuring all available reimbursements are being received. Springfield must ensure that they receive the full cost benefit of Medicaid reimbursements, which can only be done through comprehensive and complete tracking of student information. This becomes especially critical with the upcoming shift in Massachusetts from a "bundled" rate, in which payment is made for groups of services (i.e. physical therapy) without record of the actual delivery of services or their costs, to reimbursement based on individual services that must be documented in the IEP.

Springfield must implement measures to ensure that all cost-sharing opportunities are fully realized. Knowledgeable negotiations with collaborating agencies and attention to specific documentation on the student IEP could result in increased savings on some of the Department's most expensive student placements. As indicated in the Special Education Department report on out-of-district expenditures, the cost for one student attending the *New England Center for Children* day program is $45,128. On the other hand, another student attending the *New England Center for Children* residential program costs Springfield $150,344, more than three times the rate of the day program.[37] It is possible that expenses associated with the residential program are not only used to cover costs related to the student's educational program – the portion the Department is responsible for – but also covers other costs that are not the responsibility of the Springfield Public Schools.

[37] Source: Document titled "qryCB_OODTotalCost" provided by the Special Education Department

Because Special Education expenditures and available state and federal reimbursements have not been differentiated, it is impossible to determine whether Springfield is receiving or realizing the full fiscal impact of all possible reimbursements.

This initiative cannot be quantified as data did not exist to do so at the time of this study.

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD

SE04 Provide Sufficient Staff to Accurately Identify Student Needs and Ensure Compliance with Federal and State Regulations

Prioritization: Immediate **Required Approval:** School Department Management

Rev/Exp: Exp **5 Year Fiscal Impact:** CBD

Quality special education programs ensure that student evaluations are completed and IEPs are developed, implemented and services are coordinated and delivered in compliance with federal and state regulations. Throughout this report, several instances of non-compliance have been cited from the recent Coordinated Program Review conducted by the Massachusetts Department of Education. Many of these deficiencies are linked to the lack of available Special Education staff to maintain records, monitor delivery of services, and carry out the reporting, evaluation, and meeting activities associated with special education programs. A careful analysis of the roles and responsibilities of key members of the Special Education Department is required to identify why these maintenance gaps exist. Emphasis should be placed on the Department's Evaluation Team Leaders (ETLs), School Psychologists and Central Office Special Education administrators.

Evaluation Team Leaders (ETLs) appear to have an unworkable case load, given the absence of clerical help to coordinate IEP meeting times and availability of participants, to enter data and complete the enormous amount of related paperwork. While the "Easy IEP" program may be helpful, it is unclear what gaps it will resolve until it is implemented and used effectively.

Other large school districts that utilize the same ETL model as Springfield (large case loads, serve multiple schools) have clerical assistants who are specifically assigned to an ETL/s. In the Lowell Public School for example, which serves 1,941 Special Education students (13.2 percent of total student enrollment),[38] there are 14 Educational Team Chairpersons (ETC - the equivalent of an ETL) and six clerical assistants.[39] This indicates an average caseload of 138 students per ETC with clerical assistance in Lowell; in contrast to Springfield ETLs who possess a caseload average of 209 (see p. SE - 9) with no clerical assistance. The addition of clerical assistance for Springfield ETLs may help reduce instances of non-compliance and increase time that ETLs can spend coordinating and ensuring implementation of IEP service provisions, which have a direct affect on the quality of education a student receives. Beyond tracking case loads, monitoring the

[38] Source: October 2004 report, MA Department of Education: http://profiles.doe.mass.edu/selectedpopulations.aspx?mode=&year=2005&orderBy=SPEDCNT%20DESC

[39] Source: Lowell Public Schools: http://www.lowell.k12.ma.us/sped/default.htm

number of annual IEP review meetings and the implementation of the IEP service grids that occur within the mandated timelines are good measures of ETL (and clerical staff) effectiveness.

A primary difficulty associated with providing Special Education services is the accurate identification of disabilities and associated needs to ensure the student receives an appropriate education. Psychologists are not able to conduct timely evaluations in compliance with legal regulations in all cases. Psychological evaluations and behavioral assessments conducted by school psychologists are an integral part of understanding a student's disability (and if they have a disability) as well as the placement and related supports that are needed to provide the student with a "free and appropriate public education (FAPE)." The absence of these evaluations, even in some cases, could result in improper student placement and/or the allocation of unnecessary special education supports. Not only can this result in increased financial expenditures for the Springfield Public Schools, but also has impact for the students who may not be receiving appropriate services. Not only are psychologists responsible for regulatory evaluations, but they may be required to complete a "crisis evaluation" as a result of student behavior difficulties and/or at the request of school personnel. A system of tracking psychologists responsible for conducting evaluations including dates; an analysis of additional psychologist responsibilities (outside of Special Education); and monitoring the timely (compliant) completion of student evaluations would provide insight into the effectiveness of Springfield school psychologists.

Special Education Central Office administration is understaffed. The Lowell Public Schools for example that enrolls 3,207 fewer students than Springfield[40] has two additional District-Level Administrators working directly below the Director of Special Education,[41] whereas Springfield has only an Executive Officer of Special Education. As a result, Special Education Supervisors compensate for the lack of central administration personnel by taking on additional tasks, although they also have extensive responsibilities at the school level that include, monitoring instruction and curriculum accommodations, building compliance, and ongoing collaboration with ETLs. The tasks associated with overseeing a Special Education program are numerous and widespread. The Executive Officer of Special Education and Supervisors have done a good job given the conditions (decreasing resources, high staff turnover, etc.) under which they have had to work.

For example, a major theme throughout this report has been the lack of a systematic method of tracking program information. However, it is unreasonable to expect the Executive Officer of Special Education to install an excellent tracking system given that she solely assumes official oversight of all Special Education operations. Areas of non-compliance may or may not be related to limited effectiveness of Special Education administration operations, but more likely, it is the result of a lack of personnel to assume the associated and necessary responsibilities.

Without comprehensive data about student progress, service quality and compliance with federal and state regulations, assessing program and staff efficiency and related fiscal impact cannot be completed.

This initiative cannot be quantified as data did not exist to do so at the time of this study.

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[40] Source: MA Department of Education: http://profiles.doe.mass.edu/selectedpopulations.aspx?mode=&year=2005&orderBy=SPEDCNT%20DESC

[41] Source: Source: Lowell Public Schools: http://www.lowell.k12.ma.us/sped/default.htm

	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Discount %	0%	0%	0%	0%	0%
Fiscal Impact	CBD	CBD	CBD	CBD	CBD