



Legislative Budget and Finance Committee

A JOINT COMMITTEE OF THE PENNSYLVANIA GENERAL ASSEMBLY

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EXECUTIVE DIRECTOR

PHILIP R. DURGIN

CHIEF ANALYST

JOHN H. ROWE, JR.

Performance Study of the Administrative Operations and Expenditures of the Pittsburgh School District

Conducted Pursuant to SR 331 of 2004

June 2005



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To the Members of the General Assembly:

Senate Resolution 331 of 2004 directed the Legislative Budget and Finance Committee to “. . . investigate the administrative operations and expenditures of the Pittsburgh School District.”

Due to the specialized nature of this study, the Committee issued a Request for Proposal for assistance in December 2004. In January 2005, the Committee contracted with MGT of America to conduct the study.

The MGT report is contained herein. As with all LB&FC reports, the release of this report should not be construed as an indication that the Committee or its individual Committee members necessarily concur with its findings and recommendations.

Sincerely,

Philip R. Durgin
Executive Director

Performance Study of the Administrative Operations and Expenditures of the Pittsburgh School District

FINAL REPORT



submitted to:



Pennsylvania Legislative Budget and Finance Committee

submitted by:



June 2005

PERFORMANCE STUDY OF THE ADMINISTRATIVE OPERATIONS OF THE PITTSBURGH SCHOOL DISTRICT

Final Report

Submitted to:

**Mr. Philip R. Durgin
Executive Director
Legislative Budget and Finance Committee
Pennsylvania General Assembly
Room 400
Finance Building
Harrisburg, PA 17105-8737**

Submitted by:



**2123 Centre Pointe Boulevard
Tallahassee, Florida 32308-4930**

June 2005

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

In January 2005, the Pennsylvania Legislative Budget and Finance Committee contracted with MGT of America, Inc., to conduct a Performance Study of the Administrative Operations and Expenditures of the Pittsburgh School District. The review focused on reviewing the financial, organizational, and operational effectiveness of the nonacademic areas of the Pittsburgh School District.

The performance study is based on Pennsylvania Senate Resolution No. 331 of the 2004 General Assembly Session. The resolution directs the Legislative Budget and Finance Committee to investigate the administrative operations and expenditures of the Pittsburgh School District, including:

- the district's administrative operations; and
- an analysis detailing past and current use of funds, past and current bond obligations, and past and current programs and program requirements of the district.

Exhibit 1 shows an overview of the study and Exhibit 2 provides the timeline for the project activities.

Methodology Used

The methodology MGT used to prepare for and conduct the Performance Study of the Pittsburgh School District is described in this section. Our methodology primarily involved a focused use of MGT's audit guidelines following the analysis of both existing data and new information obtained through various means of community and employee input. Each of the strategies we used is described below.

Existing Reports and Data Sources

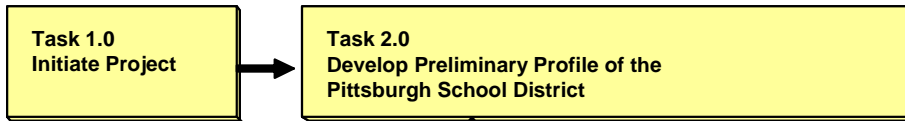
During the period between project initiation and the beginning of our on-site review, we simultaneously conducted a variety of activities. Among these activities were the identification and collection of existing reports and data sources that provided us with available recent information related to the various functions and operations we would review in the Pittsburgh School District.

Examples of materials MGT requested include, but are not limited, to the following:

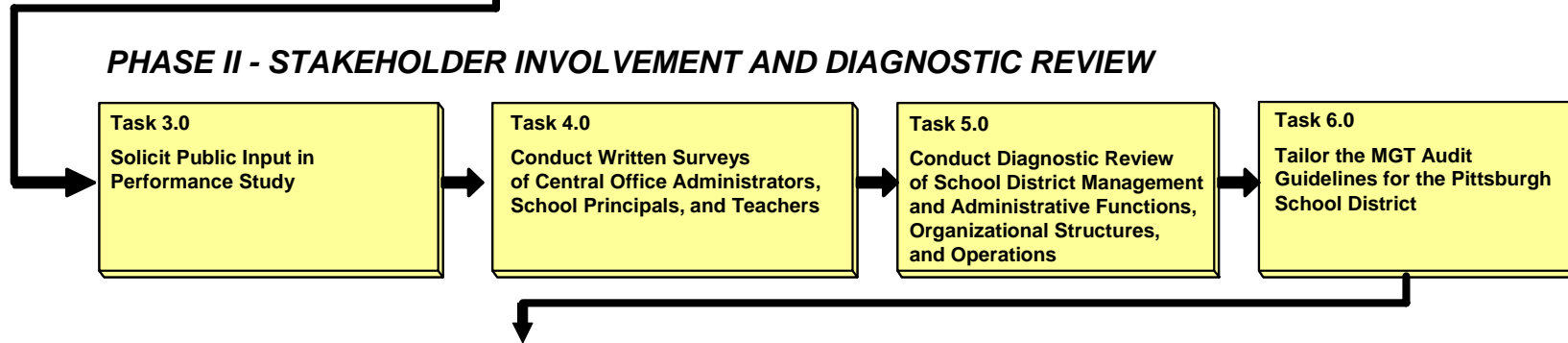
- comparative school system, region, and state demographics;
- financial and performance data;
- school board policies and administrative procedures;
- accreditation reports;
- program and compliance reports;

**EXHIBIT 1
OVERVIEW OF PERFORMANCE STUDY**

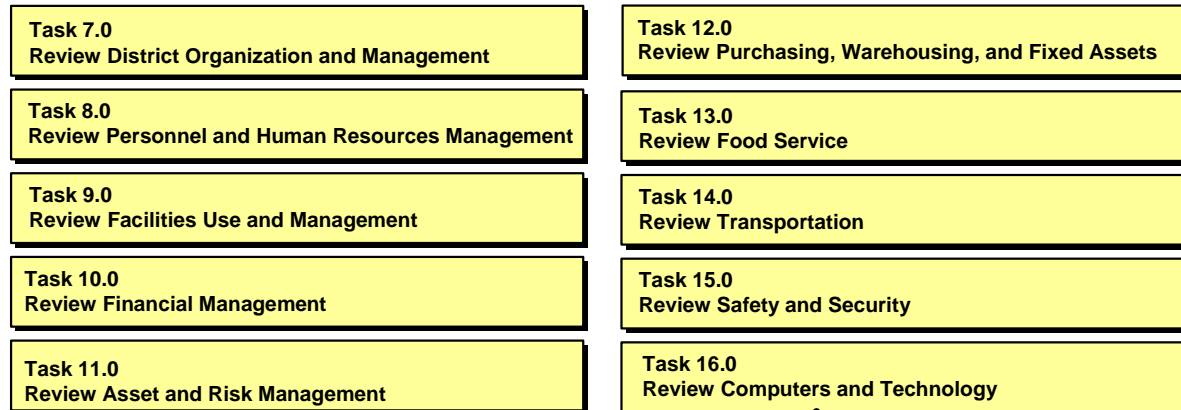
PHASE I - PROJECT INITIATION



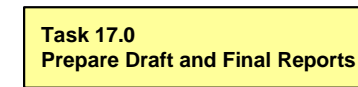
PHASE II - STAKEHOLDER INVOLVEMENT AND DIAGNOSTIC REVIEW



PHASE III - IN-DEPTH PERFORMANCE STUDY



**PHASE IV -
PROJECT REPORTING**



**EXHIBIT 2
TIMELINE FOR THE PERFORMANCE STUDY OF
THE PITTSBURGH SCHOOL DISTRICT**

TIME FRAME	ACTIVITY
January 2005	<ul style="list-style-type: none"> ■ Finalized contract. ■ Conducted initial meeting with Pittsburgh School District officials. ■ Designed tailor-made, written surveys for central office administrators, principals, and teachers. ■ Collected and analyzed existing and comparative data available from the school district. ■ Produced profile tables of the Pittsburgh School District.
February 2005	Disseminated surveys electronically to administrators and teachers.
February 21-24, 2005	<ul style="list-style-type: none"> ■ Visited Pittsburgh School District. <ul style="list-style-type: none"> – Conducted diagnostic review. – Collected data. – Interviewed School Board members. – Interviewed central office administrators. – Interviewed business and community leaders.
March 2005	<ul style="list-style-type: none"> ■ Analyzed data and information that were collected. ■ Tailored audit guidelines and trained MGT team members using findings from the above analyses.
April 11-15, 2005	Conducted formal on-site review, including school visits.
April – May 2005	Requested additional data from the school district and analyzed data.
May 2005	Prepared Draft Final Report.
May 25, 2005	Submitted Draft Final Report.
May – June 2005	Made changes to the Draft Report.
June 22, 2005	Report Release Date.

- technology plan;
- annual performance reports;
- independent financial audits;
- facility needs assessment and plan;
- annual budget and expenditure reports;
- transportation costs;
- job descriptions;
- salary schedules;
- personnel handbooks; and
- agendas, minutes, and background materials for Board of Education meetings.

We analyzed data from each of these sources and used the information as a starting point for collecting additional data during our on-site review.

Diagnostic Review

During the week of February 21, 2005, three MGT consultants conducted the diagnostic review. Over 100 interviews were conducted with individuals and representatives of various organizations, including school board members, central office administrators, and business/community leaders.

Employee Surveys

To secure the involvement of central office administrators, principals, and teachers in the focus and scope of the Performance Study, three surveys were prepared and disseminated in February 2005. Through the use of anonymous surveys, administrators and teachers were given the opportunity to express their views about the management and operations of the school district. These surveys were similar in format and content to provide a database for determining how the opinions and perceptions of central office administrators, principals, and teachers vary. Survey results are discussed in-depth in Chapter 3 of the final report.

Conducting the Formal On-Site Review

During the week of April 11, 2005, MGT conducted the formal on-site review with a team of nine consultants. As part of our on-site review, we examined the following systems and operations in the Pittsburgh School District:

- District Administration
- Personnel and Human Resources Management
- Financial Management and Asset/Risk Management

- Purchasing, Warehousing, and Contract Management
- Facilities Use and Management
- Transportation
- Technology Management
- Food Services
- Safety and Security

On the evening of April 12, 2005, public forums were held in three different locations in the district for external stakeholders to provide comments on the study. Several opportunities were provided for input, including conducting one-on-one discussions with a member of the MGT team, providing written comments on chart paper, and responding to written questions. A fourth public forum was held on May 3, 2005. Over 100 individuals attended the four public forums.

During our on-site review, MGT visited about 34 percent (29 schools) of the Pittsburgh School District schools

Our systematic assessment of the Pittsburgh School District included the use of MGT's *Guidelines for Conducting Management and Performance Audits of School Districts*. Following our collection and analysis of existing data and new information, we tailored our guidelines to reflect local policies and administrative procedures; the unique conditions in the Pittsburgh School District; and the input of parents, administrators, staff, and teachers. Our on-site review included meetings with appropriate central office and school-level staff, and analyses of documentation provided by these individuals.

Overview of Final Report

The final report is organized into 13 chapters. Chapters 2 and 3 contain information on:

- comparison to peer school districts; and
- results of MGT surveys that we conducted with central office administrators, principals, and teachers.

Chapters 4 through 12 present the results of the Performance Study of the Pittsburgh School District. Findings, commendations, and recommendations are presented for each of the operational areas of the school district which we were required to review. In each chapter, we analyze each function within the school division based on the current organizational structure. The following data on each component are included:

- description of the current situation in the Pittsburgh School District;
- a summary of our study findings:
 - findings from report and data sources that we obtained
 - a summary of our on-site findings;
- MGT's commendations and recommendations for each finding;
- implementation strategies and a completion timeline for each recommendation; and

- a five-year fiscal impact for recommended costs or cost savings, which are stated in 2004-05 dollars.

We conclude this report with a summary of the fiscal impact of our study recommendations in Chapter 13.

Major Commendations

MGT identified 32 commendations and best practices in the Pittsburgh School District that the district has implemented to improve program and management practices, increase efficiency and effectiveness of operations, and contain costs. Selected commendations in the report include:

- The Pittsburgh School District has a well-organized, research-based, and state-of-the art strategic planning process.
- The Finance Division provides administrators with tools related to financial payment, record keeping, and procurement.
- The Finance Division of the Pittsburgh School District is commended for installing a new financial system that has responded to the recommendations contained in the operations reviews of the district.
- The Finance Division has established a process for managing the Medicaid reimbursement program that has resulted in a 112 percent increase in revenues since the 2001-02 school year.
- The Finance Division has established a well-developed and comprehensive program for identifying, inventorying, and managing the fixed assets of the Pittsburgh School District.
- The Pittsburgh School District is commended for using an automated on-line purchase requisition and purchase order system.
- The district has implemented an on-line textbook requisition program.
- The Pittsburgh School District provides a high-quality custodial training program.
- The district has implemented an aggressive energy management program.
- The Transportation Guidelines document is an excellent source that details in clear language the basic information necessary for a well-integrated pupil transportation program.
- The Pupil Transportation Department has implemented the Trapeze automated technology for planning, coordinating, and executing bus routes in an efficient and effective manner.

- The Pittsburgh School District's Call Center has implemented a customer feedback process through on-line satisfaction surveys.
- The infrastructure and security of the Pittsburgh School District is efficient and effective, and has served as a model for other school districts and corporations throughout the nation.
- The Pittsburgh School District's ratio of computers per student is considered a best practice for school districts.
- The Food Services Department of the Pittsburgh School District is commended for seeking to continuously innovate and improve its operations.
- The Food Services Department has implemented an effective, targeted, and regular personnel evaluation process.
- The Division of School Safety is commended for recent organizational and management improvements.

Major Recommendations

Although this executive summary briefly highlights key management and performance issues in the Pittsburgh School District, detailed recommendations for improving operations are contained throughout the main body of the report.

Key findings and recommendations for improvement include the following:

DISTRICT ADMINISTRATION

- The Pittsburgh Board of Education does not annually evaluate the Superintendent's performance. Interviews with the Superintendent, Board members, staff, and a review of documentation found that, although the Board has an instrument designed to evaluate the Superintendent, Board members have never formally used it. Many effective school boards now use a performance-based evaluation system to evaluate the Superintendent. The district should revise the evaluation instrument and use it to conduct annual evaluations of the Superintendent. The implementation of this recommendation should ensure the accountability of the Superintendent and permit the periodic assessment of his or her skills in key leadership functions **(Chapter 4, Recommendation 4-4)**.
- The Pittsburgh Board of Education Policy Manual is updated as specific requests arise; however, no systematic process is in place to update the Policy Manual. Furthermore, no procedures have been established to ensure compliance with controlling laws and regulations. MGT's analysis of the manual shows that only three policy provisions have been adopted or revised during the 2001-05 school years. Furthermore, there is no mechanism to permit the user

easy tracking of individual policy development and history. MGT recommends that the district reorganize and update the Pittsburgh Board of Education Policy Manual, place the Policy Manual on the district's Web site, and establish and implement a policy and related procedures for the periodic and systematic review and update of Board policies (**Chapter 4, Recommendations 4-6 and 4-5**).

- Several areas of functional assignments in the current organizational structure of the Pittsburgh School District could be more effectively aligned. Moreover, the assignment of responsibilities shows an excessive assignment of specific functions occurring directly under the Superintendent. MGT recommends that the district consider revising the Board-adopted organizational plan following the hiring of the new Superintendent. The organizational changes should include, but not be limited to, employing a Chief for Human Resources, a Director for the Office of Accountability, and a Chief Information Officer; reassigning the Office of Accountability from the Superintendent to the proposed Division of Planning, Budgeting, and Accountability; transferring the Technology Department from the Chief Operations Officer to report directly to the Superintendent and administered by the Chief Information Officer; and transferring the oversight of School Safety to the Chief Operations Officer (**Chapter 4, Recommendation 4-9**).
- Some schools in the district are overstaffed with assistant principals. Data show that total student enrollment has declined significantly. The district does not have a school staffing formula; however, parameters for staffing are outlined in the district's site-based budgeting document. Best practice standards as provided by regional accreditation agencies and associations dictate that elementary schools staff at a ratio of one assistant principal for every 500 to 600 students, and secondary schools are assigned one assistant principal for every 400 students. Given this best practice ratio, the district should reduce the number of assistant principal positions by 21 positions. Additionally, the district should adopt and implement a staffing formula for determining the administrative staffing of schools, and assign assistant principals based on the best practice formula as well as such factors as high percentages of special education students, ESOL, or other specifically defined high needs student populations. The district can save about \$2.5 million per year by implementing this recommendation (**Chapter 4, Recommendation 4-12**).
- In 2001, an audit was conducted of the Pittsburgh School District's In-House Legal Department. The audit led to 14 major recommendations. MGT consultants found that many of the recommendations have not been implemented. Based on a review of data and interview information, several of the recommendations of the 2001 audit should be implemented, including: appointing long-term general counsel for legal services, either as an in-house

employee or law firm; including the general counsel in the core groups that are used by the Superintendent and Board for policy development and decision making; and exploring with PeopleSoft the availability of computer software to assist in tracking litigation. MGT recommends that the district eliminate the Internal Solicitor and two legal secretaries, and disseminate a Request for Proposals (RFP) for Legal Counsel. Outside counsel should be used for both the legal needs of the Board and district administration (**Chapter 4, Recommendations 4-15 and 4-16**).

PERSONNEL AND HUMAN RESOURCES MANAGEMENT

- The Pittsburgh School District's personnel policies and procedures are not up-to-date. Of the policies that list dates of adoption or revision, one occurred over 14 years ago, and two occurred about 10 years ago. During that time, there have been at least two subsequent collective bargaining agreements reached with each of the employee groups in the professional and classified categories, in addition to new state and federal legislation that has been enacted affecting education. The Office of Human Resources procedures should be revised. Also, there was no citation of the mission statement, purpose, responsibilities, values, or goals of the Office of Human Resources. MGT recommends that the district update all personnel policies and procedures and revise the Procedures Manual for the Office of Human Resources (**Chapter 5, Recommendations 5-3 and 5-4**).
- MGT consultants were unable to obtain data from the district's recruiting efforts concerning the number of teachers hired as a result of specific recruiting events. With data from past efforts, the Pittsburgh School District would be able to evaluate objectively which events were the most effective in attracting new teachers from a culturally diverse pool of qualified teachers. The Pittsburgh School District should create a comprehensive database of information containing all facets of the Pittsburgh School District's recruiting efforts to assist in the objective evaluation of recruitment. Additionally, an analysis of the year-end recruitment report should be conducted to determine if funds that are being allocated to visit particular campuses or events are best suited for meeting the needs of the Pittsburgh School District (**Chapter 5, Recommendations 5-9 and 5-10**).

FINANCIAL MANAGEMENT

- Compliance with Sections 21-2121 through 21-2131 of the Pennsylvania School Code of 1949 is no longer necessary, because the financial systems and procedures result in these requirements being obsolete. The internal control benefits are minimal as there has been no report by the School Controller in recent years that has identified any internal control issues of significance. Delays in processing occur, as all disbursement checks are sent to the School

Controller's Office for review after they have been through a process with effective internal controls. Because all contracts must be signed by the School (City) Controller, they are required to be sent to City Hall for the signature of the City Controller, causing significant delays in processing. The Pittsburgh School District should contact the members of the State Legislature to request that these sections of the Pennsylvania School Code of 1949 be amended or rescinded, and that the function of the Office of the School Controller be abolished. Further, the district should establish an Internal Auditing Department that will consist of an Internal Auditor and four support positions. The net five-year savings resulting from implementation of these two recommendations would be over \$2.8 million (**Chapter 6, Recommendations 6-4 and 6-5**).

- Although the Pittsburgh School District has an excellent process for managing fixed assets, it is a costly activity. There are currently 2.5 employees involved in the management of fixed assets. Most districts reviewed by MGT, regardless of size, have either a single employee responsible for the Fixed Assets Program or none at all, but have a process for identifying the assets and recording them on the inventory. The Government Finance Officers Association recommends that “every state or local government perform a physical inventory of its tangible capital assets, either simultaneously or on a rotating basis, so that all of a government’s tangible capital assets are physically accounted for at least every five years.” The district should reduce one position responsible for managing the Fixed Assets Program. The implementation of this recommendation should result in a five-year savings of about \$240,000 (**Chapter 6, Recommendation 6-6**).

- Since 1999, the issue of the fiscal year calendar in the Pittsburgh School District has been included in three separate studies. The concerns raised in these three reports are valid. MGT believes what should be added to this list is the need to prepare a single budget document that clearly communicates the overall budget for the Pittsburgh School District and that can be easily understood by the Board of Education and the community. The district should initiate a process to convert the fiscal year for the General, Food Services, and Capital Projects Funds to a July – June calendar. The ultimate benefit would be that, beginning with the following July – June fiscal year, the Pittsburgh School District would have all the resources budgeted on a single fiscal year and could prepare a budget document that will clearly identify how resources are allocated. (**Chapter 6, Recommendation 6-9**).

PURCHASING, WAREHOUSING, AND CONTRACT MANAGEMENT

- The Purchasing Department is in the process of implementing a new purchasing system called e-Procurement, which should greatly enhance the purchasing process. Schools and end users will be able to requisition supplies and educational materials from contract vendors. While MGT commends the district for acquiring and implementing an e-Procurement System, the district has not implemented some components of e-Procurement. With these additional components, vendors will be able to directly enter their bid responses into the Strategic Sourcing software for automated bid evaluations and tabulations. The district should fully implement the e-Procurement System and continue to work to resolve vendor connectivity and system slowdown issues. The Purchasing Department should also take steps to increase the single transaction limit to \$1,000. This action will increase school-level purchasing power and reduce the number of smaller purchase orders that must be processed (**Chapter 7, Recommendations 7-3 and 7-5**).
- With the implementation of a fully automated e-Procurement System, six dedicated employees in the Purchasing Department are not required. Over the past three years purchasing employees are processing an average of 12,389 purchase requisitions/orders a year. This equates to about 2,065 per employee, which is low compared to industry standards. In 2004, the number of purchase orders processed per Pittsburgh School District purchasing staff varied from a low of 1,270 to a high of 3,435. The number of employees directly involved in purchasing activities is high considering the office output and productivity. MGT recommends the district eliminate one position. This recommendation should save the district approximately \$220,000 over a five-year period (**Chapter 7, Recommendation 7-6**).
- At the district's Gladstone facility, the MGT review team observed thousands of computers, monitors, keyboards, speakers, and computer mice being stored on every floor and in almost every room. The district has entered into a contract with ITI Solutions to refurbish and test 6,000 machines and monitors for a project called "Digital Divide." The goal is to distribute computers to the families of students in Grades 3, 6, and 9 to facilitate the on-line communication with the Pittsburgh School District's communication system, called "Dashboard." Approximately 2,000 computers have been distributed to student homes and community/faith-based organizations at no charge, and 6,000 remain. Most computers have been sitting in the facility since the Summer of 2004. The district should liquidate surplus personnel computers (PCs) by holding a public sale for these goods at a minimum of three percent of the original price. This recommendation should generate approximately \$270,000 (**Chapter 7, Recommendation 7-13**).

- The Purchasing Office maintains a vendor database in the PeopleSoft financial system for current and new vendors to dispatch purchase orders. This database does not include bidder or potential bidder data. Also, the Business Opportunity Program Office maintains an Eligible Business Enterprise (EBE) vendor database separate and apart from the Purchasing Department vendor database. This database incorporates vendors who are not currently doing business with the district, but are interested in doing so. The district should consolidate the vendor databases into one master vendor database, which would diversify the database and assist the district in setting goals based on minority/women-owned business availability. Purchasing staff would have more vendors to choose from for small purchases. This information would increase vendor availability and opportunities for EBEs (**Chapter 7, Recommendation 7-20**).

FACILITY USE AND MANAGEMENT

- MGT analyzed the student capacities of the district's schools with their respective projected enrollments for 2005. The comparison indicates that the district has an excess capacity at the elementary level of approximately 5,600 or equivalent of 13 schools. The excess capacity at the middle school level is almost 3,200 students or six schools. Districts operating with significant excess capacity are either wasting valuable taxpayer dollars that could be spent on the education of children, or will be forced to raise taxes to pay for the inefficiencies. The Pittsburgh School District should close schools to a level that the projected enrollment is approximately 90 percent of capacity for an estimated savings of \$13.5 million annually (**Chapter 8, Recommendation 8-2**).
- The Facilities Division does not perform a formal value engineering process conducted by a third-party consultant. Value engineering is the process whereby the design of a facility is analyzed to determine if the best value is being received for the cost. Value engineers assess the function performed by each building system and calculate if the same or more value can be achieved through alternative means, which costs less in initial and long range costs. The Facilities Division does make decisions about the cost and performance of building systems based on their staff's professional experience. However, they do not have a formal process that uses professional value engineers and life cycle cost analyses. The Pittsburgh School District should implement a formal value engineering process and save an estimated \$5,850,000 over a five-year period (**Chapter 8, Recommendation 8-4**).

- The Construction Section of the Pittsburgh School District has overseen the construction of several major projects during the past five years. MGT's review of data indicates an average change order rate of approximately 12 percent. This rate is an indication that improvements can be made in the design and construction processes that the district uses. The Council of Educational Facility Planners International (CEFPI) recommends that a reasonable change order budget is three to four percent of the construction budget. Renovation projects will typically have somewhat higher rates (six to eight percent) due to the unknown conditions in existing construction. The district should reduce the change order rate to an average of six percent for all major projects. By implementing this recommendation, the district is estimated to save about \$7 million during a five-year period (**Chapter 8, Recommendation 8-5**).

- The 2005 budget for maintenance is \$7.1 million. The district maintains 9,346,473 gross square feet (GSF) of permanent facilities and 33,393 gross square feet of portable buildings for a total of 9,379,866 GSF. This equates to approximately \$0.76 per GSF. An analysis of data shows that the Pittsburgh School District spends approximately 20 percent more per square foot than the median for districts of its size. At the same time, the district spends approximately 135 percent more per student than the median for similarly sized districts. The range of between 20 percent and 135 percent is due largely to the fact that the district is maintaining a significant amount of excess space given its current student enrollment. MGT recommends that the district reduce the maintenance budget proportionately to the proposed reduction in excess facility space. By doing so, the district could save an estimated \$3.3 million over a five-year period (**Chapter 8, Recommendation 8-6**).

TRANSPORTATION

- The basic organizational structure of the Transportation Department has been stable over the past 20 years. Experience and the excellent use of technology have justified the decrease in staffing, with one exception. There is a need for an Assistant to the Transportation Safety Coordinator to increase the inspections of, as well as random visits to, carrier facilities to check critical records (such as the random substance abuse testing, state trooper vehicle inspection results, and actual driver training) as required by the Service Agreement. While the Transportation Department does well in servicing the schools and students, it does not have the capacity to manage the routes and handle daily problems that are common to all school districts and, at the same time, perform the oversight of the contract carriers. The district should hire a transportation assistant with a primary function to assist the Director of Pupil Transportation in ensuring contract carrier compliance with the Service Agreement and ensure safe and efficient pupil

transportation. This recommendation is estimated to cost about \$218,000 over a five-year period (**Chapter 9, Recommendation 9-1**).

- In the Pittsburgh School District's Strategic Plan, Pupil Transportation was given a single goal of "providing the most cost effective, nonpublic transportation. The measure of success is the reduction of dollars spent on nonpublic transportation." Targeted results include saving the buses used by increasing nonpublic student riders on Port Authority for Allegheny County (PAT), riding public and nonpublic students on shared buses, and coordinating bell times to optimize use of a single bus for multiple runs. Interviews indicated that management has tried to do all of these, but with limited success. Reassigning 650 nonpublic high school students from carrier-provided transportation to PAT for their daily transportation could generate a significant cost savings. The district should obtain an agreement from the nonpublic schools for the shift of these students to PAT buses for daily transportation to and from their schools. By implementing this recommendation, the district should incur over \$850,000 in savings over five years (**Chapter 9, Recommendation 9-2**).
- The Pittsburgh School District should implement a more efficient bell schedule to make more effective use of the school bus fleet. School opening times are driving factors dictating the patterns that buses should follow to and from schools. The district currently uses a staggered bus schedule to transport elementary, middle, and high school students. The unique problems encountered in the school district are the different bell times for the many other schools provided student transportation services. In proposing a change to the bell schedule, Act 372 may need to be revised. Should the state and the district choose to implement this recommendation, MGT estimates the district could save approximately \$5.8 million over a five-year period (**Chapter 9, Recommendation 9-4**).
- Oil/water separators are devices commonly used as a method to separate oils from a variety of wastewater discharges. Many contractor vehicle maintenance facilities do not have oil-water separators that collect oil, fuels, anti-freeze, and other spills or discharges. In some cases, the existing maintenance floor plan drain connects to a pipe that permits fluid discharges to enter storm drains or sink into adjacent soil. Many facilities visited by MGT consultants did not have a water treatment system to collect oil and other contaminants when buses are washed. Bus wash run-off was allowed to enter storm drains or seep into adjacent soil. There are serious legal implications for contractors, and the Pittsburgh School District is allowing continuing contamination by discharge of pollutants by contractors into drains, soil, or into the waters of the Commonwealth of Pennsylvania. The district should require the

installation of oil-water separators at all maintenance facilities
(Chapter 9, Recommendation 9-8).

TECHNOLOGY MANAGEMENT

- The Pittsburgh School District's Technology Department has experienced organizational changes upon the recent departure of the Chief Technology Officer. The district previously had all technology components reporting to the Chief Technology Officer. MGT recommends that the district once again consolidate district technology functions into an Office of Technology, reassign technology staff, hire a Chief Information Officer, and place the unit directly under the Superintendent. Placing technology directly under the Superintendent's Office provides a neutral corner, organizationally speaking, to ensure that neither the Operations nor the Academic Services Departments dominate the provision of technology support. In addition, four technology positions can be deleted and two reclassified **(Chapter 10, Recommendation 10-2).**
- The district has a Technology Call Center that is the single point of contact for all issues relating to technology, including software applications, hardware repairs, payroll, and the PeopleSoft Financial System. The Call Center Manager has a total staff of seven. The Remedy Call Tracking System tracks all issues reported to the Call Center. This tracking system allows a self-service input for users to log their particular issue and also allows for users to submit issues using e-mail. When a Call Center is providing help via phone, the system is not being used to its fullest potential, since employees must be available to input the situation or issue. The district should reduce staff at the Call Center by requiring users to submit requests via the Web, unless an Internet connection is not available, and withhold implementation of applications when supporting documentation is not provided to the Office of Technology staff. By doing so, it is estimated the district could save over \$390,000 for a five-year period **(Chapter 10, Recommendation 10-3).**
- The Pittsburgh School District has a state-of-the-art infrastructure in place, but lacks an off-site Disaster Recovery Plan that adheres to the new requirements of the Commonwealth of Pennsylvania. The district has not budgeted for an off-site storage. MGT recommends that the district develop and implement a Disaster Recovery Plan according to new state requirements. Disaster Recovery Plans provide reassurance that if data are lost or destroyed due to a natural or manmade disaster, data can be recovered quickly and reduce a lapse in the operation of the school district. **(Chapter 10, Recommendation 10-5).**
- Schools within the Pittsburgh School District can authorize the purchase of software for one or many computers without the approval of the Office of Technology. A policy exists to require that

hardware and software be approved by the Office of Technology, yet school administrators can bypass this process. A site-based purchasing process leads to numerous small batches of specialized software spread throughout the district. Technical specialists are then expected to support these programs, even though they do not, in many situations, have the proper resources, or the software may not be compatible with the school or district's infrastructure. The district should require that the Office of Technology approve all potential software and hardware purchases by schools prior to the issue of a purchase order (**Chapter 10, Recommendation 10-7**).

FOOD SERVICES

- There are a number of types of competitive foods available to Pittsburgh middle and high school students at lunch time. As a result, students may choose less healthy options than those offered by the Food Services Department, and the department loses substantial revenue opportunities. In MGT focus groups with middle and high school cafeteria managers, district staff noted that the high number of competitive foods available on the school campuses directly impacts cafeteria sales. The district should eliminate competitive food sales to both improve the nutritional value of food available to students in school and to increase the opportunities for district food sales. USDA regulations stipulate that foods considered to be of minimal nutritional value are not allowed to be sold in cafeteria food service areas, and state policy requires that all vending machines be turned off during lunch periods (**Chapter 11, Recommendation 11-2**).
- At some Pittsburgh elementary schools, lunch aides provide playground supervision in addition to regular cafeteria duties. As a result, the Food Services Department is subsidizing the general staffing at those schools. Although the Food Services Department should pay for all direct and indirect costs it incurs in providing food programs for students, it should not be required to subsidize the nonfood operations at the district's schools. In addition, the district can reduce lunch aides from 143 to 82 at a cost savings of about \$340,000 annually (**Chapter 11, Recommendation 11-3**).
- The Pittsburgh School District has not increased its prices for student lunches in 13 years. In that time, both personnel and food costs have increased significantly. Approximately 65 percent of Pittsburgh students qualify for free or reduced lunch. The one-third of students who do pay full price pay \$1.00 for an elementary lunch and \$1.25 for a secondary lunch. The prices that the Pittsburgh School District charges are 37 cents below the peer average at the elementary level and 53 cents below the peer average at the secondary level. Also, some students in the Pittsburgh School District incur large breakfast and lunch debts that their families do

not pay. At the end of each school year, those debts are deleted and families suffer no consequences for not paying for school meals. The district should increase student lunch prices to support health conscious food innovations and collect unpaid student accounts **(Chapter 11, Recommendations 11-6 and 11-8)**.

SAFETY AND SECURITY

- The span of control within the Division of School Safety is extensive. Commanders are providing direct supervision to as many as 34 subordinates. A Commander may be responsible for directly supervising personnel in as many as 10 different locations at once. This broad span of control does not allow commanders to provide adequate mentoring, supervision, or spot corrections. The Pittsburgh School District should take steps to ensure its first responders are well-organized and well-supervised. The district leadership should create additional ranks within the Division of School Safety in order to reduce the span of control and provide advancement opportunities **(Chapter 12, Recommendation 12-1)**.
- The Pittsburgh School District has budgeted \$450,000 for 2005 for overtime for officers and aides. This overtime is primarily for coverage of evening events. MGT's data analysis shows that, although overtime as a percentage of the total budget has decreased over the past three years, it is still more than seven percent of the 2005 budget. While it would be unrealistic to attempt to eliminate all overtime, efficient school districts seek to minimize overtime. The district should establish an evening shift, and reduce overtime by redeploying some of its current staff to an afternoon/evening shift. The district may also choose to hire additional staff to provide the necessary evening coverage. By implementing this recommendation, the district is estimated to save \$725,000 over a five-year period **(Chapter 12, Recommendation 12-4)**.
- The Division of School Safety has not pursued and received grant funding to enhance its effectiveness without placing additional burdens on the General Fund. In comparison, many school districts pursue grant funds to supplement their safety and security resources. There are numerous sources of grant funding available. Additionally, the district's Safe Schools Department, Office of Safe and Drug Free Schools, and Division of School Safety do not have a close working relationship in matters of crisis planning, prevention, response, and preparedness. Moreover, unlike other school districts, the Division of School Safety is not receiving any portion of Title IV grant funds to support its efforts. MGT recommends the district pursue grant funds to support the Division of School Safety; increase coordination among the Department of Safe Schools, Office of Safe and Drug Free Schools, and the Division of School Safety; and shift

some grant funds to the division (**Chapter 12, Recommendations 12-6 and 12-7**).

- The Pittsburgh School District lacks student identification badges, does not enforce display of employee badges, and has poor systems in place for visitor badges. As a result, it is difficult for school police officers and campus staff to identify who legitimately belongs on campus and who does not. At the central office, visitor security is particularly lax. Also, the district does not currently have a student identification badge system in place. To further compound safety issues, several school principals are not uniformly enforcing the district's Code of Conduct. MGT recommends that the district establish districtwide badge systems to promote greater security and provide additional training to principals on discipline management (**Chapter 12, Recommendations 12-11 and 12-12**).

Fiscal Impact of Recommendations

Based on the analyses of data obtained from interviews, surveys, community input, state and local documents, and first-hand observations in the Pittsburgh School District, the MGT team developed over 120 recommendations in this report. Forty-four (44) recommendations have fiscal implications and are summarized in this chapter. It is important to keep in mind that the identified savings and costs are incremental and cumulative.

As shown below in Exhibit 3, full implementation of the recommendations in this report would generate a gross savings of \$86.5 million over five years and a total savings of about \$84.3 million when one-time savings are added. It is important to note that costs and savings presented in this report are in 2004-05 dollars and do not reflect increases due to salary or inflation adjustments.

Exhibit 13-2 in Chapter 3 of the full report details the total costs and savings for each recommendation.

**EXHIBIT 3
SUMMARY OF ANNUAL COSTS AND SAVINGS**

CATEGORY	YEARS					TOTAL FIVE-YEAR (COSTS) OR SAVINGS
	2005-06	2006-07	2007-08	2008-09	2009-10	
TOTAL SAVINGS	\$3,957,180	\$8,597,426	\$24,662,366	\$24,662,366	\$24,662,366	\$86,541,704
TOTAL (COSTS)	(\$89,870)	(\$574,925)	(\$574,925)	(\$574,925)	(\$574,925)	(\$2,389,570)
TOTAL NET SAVINGS	\$3,867,310	\$8,022,501	\$24,087,441	\$24,087,441	\$24,087,441	\$84,152,134
ONE-TIME SAVINGS						\$136,500
TOTAL FIVE-YEAR NET SAVINGS INCLUDING ONE-TIME SAVINGS						\$84,288,634

Implementation strategies, timelines, and fiscal impacts follow each recommendation in this report. The implementation section associated with each recommendation identifies specific actions to be taken. Some recommendations should be implemented immediately, some over the next year or two, and others over several years.

Report Implementation

MGT recommends that the Pittsburgh School District convene a Task Force on Study Implementation and conduct quarterly meetings so that updates and discussions with the Board of Education will be meaningful and demonstrate significant implementation accomplishments by area.

For the administration, the first step in a successful implementation process is the assignment of one staff member to oversee the implementation process and report progress to the Board of Education when questions or concerns arise. This person should be trusted by the Board of Education members and the administration, possess good organizational skills, and have the ability to work well with individuals from all areas of the school district.

Next, each recommendation in the report should be assigned to an individual in the school district. Assigning someone to the recommendation does not commit the district to the implementation of that recommendation. Rather, it makes one individual responsible for researching the issue further, and reporting to the administration and the Board of Education as to whether the recommendation is practical, feasible, or implementable as written; whether the costs or savings promised by the recommendation are realistic; and whether there are alternative implementation strategies that will achieve the same goals in a more palatable manner.

Assigning an individual does not mean that the individual must do everything it takes to implement the recommendation. Rather, it means that the individual will oversee the efforts of everyone involved in the implementation process, report progress back to the implementation project manager, and assist with presentations to the Board of Education on items requiring the Board's approval.

In those situations where recommendations cross divisional boundaries, it is even more critical to assign the task to someone with the authority to cross those boundaries in order to thoroughly research and implement the recommendation.

The Pittsburgh School District may wish to consider the formation of teams to address functional areas, such as maintenance, personnel, facilities, and the like. Team meetings may provide support to implementation team members. A team can generate a level of excitement and an environment for creative thinking, which leads to even more innovative solutions.

Once the recommendations have been assigned to individuals, a method to monitor and follow up needs to be established by the Board of Education and Superintendent.

This methodology should, at a minimum, contain the following elements:

- periodic (weekly, monthly) checkpoints or meetings of implementation team members to discuss progress;
- decision points where the Superintendent and the Board of Education give additional guidance or direction to individual team members;
- monthly reports to the Board of Education concerning findings and progress;
- quarterly meetings of the Board of Education;
- a system for tracking the savings and benefits derived from implementation; and
- regular, open two-way communication with the public and the media. Public recognition for successful implementation efforts may very well be one of the best ways to ensure continual progress.

Finally, the Board of Education must actively demand timely action, reports, and information, and it must be prepared to act swiftly when presented with difficult decisions. Indecision on the part of the Board of Education will lead to inaction on the part of the implementation team. If, after the team has researched an issue and brought options to the Board of Education for consideration, the Board of Education fails to act, the Board of Education will find fewer and fewer items being brought forward. If, however, the Board of Education clearly does not want to implement a recommendation, its reasons should be clearly stated and documented so that both the administration and the Task Force have no doubt about the appropriateness of their actions.

1.0 INTRODUCTION

1.0 INTRODUCTION

In January 2005, the Legislative Budget and Finance Committee contracted with MGT of America, Inc., to conduct a Performance Study of the Administrative Operations and Expenditures of the Pittsburgh School District. The review focused on reviewing the financial, organizational, and operational effectiveness of the non-academic areas of the Pittsburgh School District. Exhibit 1-1 shows an overview of the study's work plan and Exhibit 1-2 provides the timeline for the project activities.

1.1 Study Methodology

The methodology MGT used to prepare for and conduct the Performance Study of the Pittsburgh School District is described in this section. Our methodology primarily involved a focused use of MGT's audit guidelines following the analysis of both existing data and new information obtained through various means of community and employee input. Each of the strategies we used is described below.

Existing Reports and Data Sources

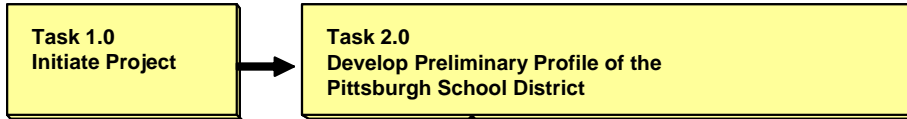
During the period between project initiation and beginning our on-site review, we simultaneously conducted many activities. Among these activities were the identification and collection of existing reports and data sources that provided us with available recent information related to the various functions and operations we would review in the Pittsburgh School District.

Examples of materials MGT requested include, but are not limited, to the following:

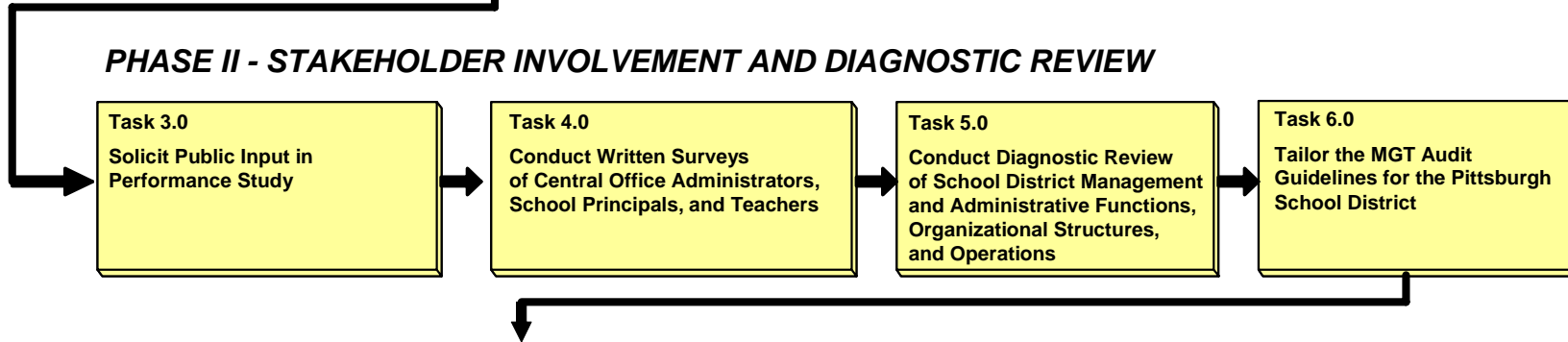
- comparative school system, region, and state demographics, financial, and performance data;
- school board policies and administrative procedures;
- accreditation reports;
- program and compliance reports;
- technology plan;
- annual performance reports;
- independent financial audits;
- facility needs assessment and plan;
- annual budget and expenditure reports;
- transportation costs;
- job descriptions;

**EXHIBIT 1-1
WORK PLAN FOR THE PITTSBURGH SCHOOL DISTRICT PERFORMANCE STUDY**

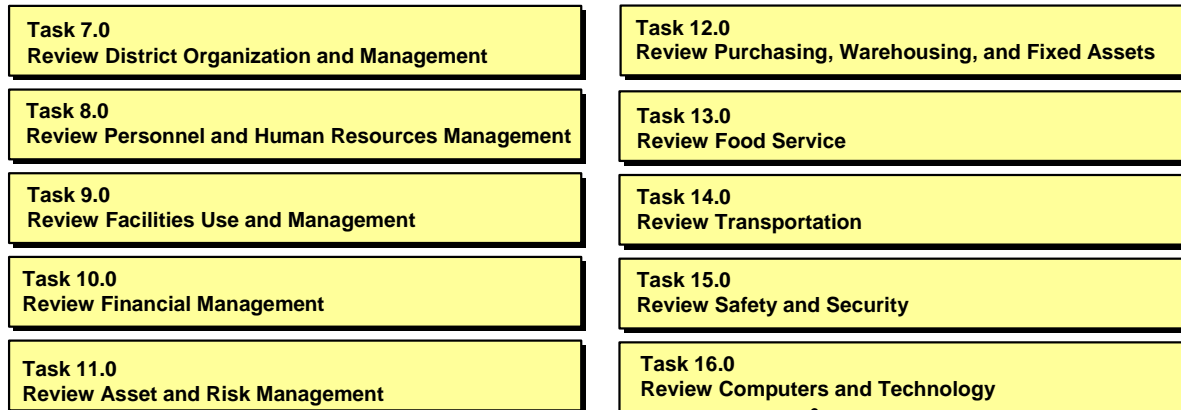
PHASE I - PROJECT INITIATION



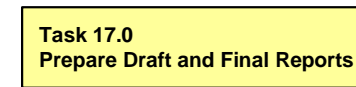
PHASE II - STAKEHOLDER INVOLVEMENT AND DIAGNOSTIC REVIEW



PHASE III - IN-DEPTH PERFORMANCE STUDY



**PHASE IV -
PROJECT REPORTING**



**EXHIBIT 1-2
TIMELINE FOR THE PERFORMANCE STUDY OF
THE PITTSBURGH SCHOOL DISTRICT**

TIME FRAME	ACTIVITY
January 2005	<ul style="list-style-type: none"> ■ Finalized contract. ■ Conducted initial meeting with Pittsburgh School District officials. ■ Designed tailor-made, written surveys for central office administrators, principals, and teachers. ■ Collected and analyzed existing and comparative data available from the school district. ■ Produced profile tables of the Pittsburgh School District.
February 2005	Disseminated surveys electronically to administrators and teachers.
February 21-24, 2005	<ul style="list-style-type: none"> ■ Visited Pittsburgh School District. <ul style="list-style-type: none"> – Conducted diagnostic review. – Collected data. – Interviewed School Board members. – Interviewed central office administrators. – Interviewed business and community leaders.
March 2005	<ul style="list-style-type: none"> ■ Analyzed data and information which were collected. ■ Tailored audit guidelines and trained MGT team members using findings from the above analyses.
April 11-15, 2005	Conducted formal on-site review, including school visits.
April – May 2005	Requested additional data from the school district and analyzed data.
May 2005	Prepared Draft Final Report.
May 25, 2005	Submitted Draft Final Report.
May – June 2005	Made changes to the Draft Report.
June 22, 2005	Report Release Date.

- salary schedules;
- personnel handbooks; and
- agendas, minutes, and background materials for Board of Education meetings.

We analyzed data from each of these sources and used the information as a starting point for collecting additional data during our on-site review.

Diagnostic Review

During the week of February 21, 2005, three MGT consultants conducted the diagnostic review. Interviews were completed with individuals and representatives of various organizations, including school board members, central office administrators, and business/community leaders. Over 100 interviews were conducted.

Employee Surveys

To secure the involvement of central office administrators, principals, and teachers in the focus and scope of the Performance Study, three surveys were prepared and disseminated in February 2005. Through the use of anonymous surveys, administrators and teachers were given the opportunity to express their views about the management and operations of the school district. These surveys were similar in format and content to provide a database for determining how the opinions and perceptions of central office administrators, principals, and teachers vary. Survey results are discussed in-depth of Chapter 3 of the final report

Conducting the Formal On-Site Review

During the week of April 11, 2005, MGT conducted the formal on-site review with a team of nine consultants. As part of our on-site review, we examined the following systems and operations in the Pittsburgh School District:

- District Administration
- Personnel and Human Resources Management
- Financial Management and Asset/Risk Management
- Purchasing, Warehousing, and Contract Management
- Facilities Use and Management
- Transportation
- Technology Management
- Food Services
- Safety and Security

On the evening of April 12, 2005, public forums were held in three different locations in the district for external stakeholders to provide comments on the study. Several opportunities were provided for input including one-on-one discussions with a member of the MGT team, providing comments on the wall, and responding to written questions. A fourth public forum was held on May 3, 2005. Over 100 individuals attended the four public forums.

During our on-site review, about 34 percent (29 schools) of the Pittsburgh School District were visited.

Our systematic assessment of Pittsburgh School District included the use of MGT's *Guidelines for Conducting Management and Performance Audits of School Districts*. Following our collection and analysis of existing data and new information, we tailored our guidelines to reflect local policies and administrative procedures; the unique conditions in the Pittsburgh School District; and the input of parents, administrators, staff, and teachers. Our on-site review included meetings with appropriate central office and school-level staff, and analyses of documentation provided by these individuals.

1.2 Overview of Final Report

The final report is organized into 13 chapters. Chapters 2 and 3 contain information on:

- comparison to peer school districts; and
- results of MGT surveys which we conducted of central office administrators, principals, and teachers.

These chapters are included for informational purposes and serve as a summary of the peer comparisons and surveys that were used throughout the performance study and are incorporated into the various chapters of this report.

THE READER WHO WISHES TO PROCEED IMMEDIATELY TO THE FINDINGS AND RECOMMENDATIONS SHOULD ADVANCE TO CHAPTER 4.

Chapters 4 through 12 present the results of the Performance Study of the Pittsburgh School District. Findings, commendations, and recommendations are presented for each of the operational areas of the school district which we were required to review. In each chapter, we analyze each function within the school division based on the current organizational structure. The following data on each component are included:

- description of the current situation in the Pittsburgh School District;
- a summary of our study findings:
 - findings from report and data sources which we obtained
 - a summary of our on-site findings;
- MGT's commendation or recommendation for each finding;

- implementation strategies and a completion timeline for each recommendation; and
- a five-year fiscal impact for recommended costs or cost savings which are stated in 2004-05 dollars.

We conclude this report with a summary of the fiscal impact of our study recommendations in Chapter 13.

***2.0 COMPARISON OF THE
PITTSBURGH SCHOOL DISTRICT
WITH OTHER SCHOOL DISTRICTS***

2.0 COMPARISON OF THE PITTSBURGH SCHOOL DISTRICT WITH OTHER SCHOOL DISTRICTS

To effectively facilitate ongoing systemic improvement and to overcome the continual challenges of a changing environmental and fiscal landscape, a school district must have a clear understanding of the status of its internal systems and processes. One way to achieve this understanding is to compare the operations of one school district to others with similar characteristics. MGT's experience has found that such comparisons with other school districts yield valuable insights and often form a basis for determining efficient and effective practices for a school district interested in making improvements. For these comparisons to be meaningful, however, the comparison school districts must be chosen carefully. Ideally, a school district should be compared with others that are not only similar in size and demographics, but also those that are similar in organizational structure and funding.

The practice of benchmarking is often used to make such comparisons between and among school districts. Benchmarking refers to the use of commonly held organizational characteristics in making concrete statistical or descriptive comparisons of organizational systems and processes. It is also a performance measurement tool used in conjunction with improvement initiatives to measure comparative operating performance and identify best practices. Effective benchmarking has proven to be especially valuable to strategic planning initiatives within school districts.

Thus, we have chosen five comparison school districts that match the Pittsburgh School District to a large extent in both student size and ethnicity, student achievement, and student-to-staff ratios. Additionally, we considered school districts which have comparable special education student populations, as well as similar poverty rates of the students ages 5 through 17. Lastly, we chose school districts for comparisons that have similar current expenditures, particularly in instructional expenditures. Nonetheless, in making comparisons, the reader must remember that no two school districts are identical.

As comparisons are made, it is important for readers to keep in mind that when comparisons made across more than one state or district, the data are not as reliable, as different systems have different operational definitions and self-reported data by peer school districts can be subjective. When comparing information across databases of multiple systems, a common set of operational definitions should be established so that comparable data are analyzed to the greatest extent possible. For example, an administrator in one school district may be categorized as a non-administrative coordinator in another school district. Many of the national statistical databases — specifically those developed by the National Center for Educational Statistics — compile data using standardized criteria to account for this variance. Thus, nationally standardized data were used to promote relevant and valuable comparisons whenever possible.

Sources of information used for these comparisons include the U. S. Census Bureau, the National Center for Education Statistics (NCES), and the Pennsylvania Department of Education as well as the selected school districts.

Comparison of the Pittsburgh School District With Other School Districts

The school districts chosen for these comparisons and agreeing to participate are:

- Kansas City 33 (MO)
- Buffalo Public Schools (NY)
- Rochester City School District (NY)
- Toledo Public Schools (OH)
- Milwaukee Public Schools (WI)

Each of these school districts was sent a letter requesting participation by the Chief Operations Officer of the Pittsburgh School District, and upon agreeing to participate, was sent a data request form. The data request form asked for extensive information covering a similar range of school district operations to those which MGT reviewed within the Pittsburgh School District.

2.1 General Overview of Comparison School Districts

Unless otherwise noted, the data used in this section is from the 2002-03 school year which is the last data available in the national database from the National Center for Education Statistics (NCES).

Exhibit 2-1 illustrates how the peer school districts compare to the Pittsburgh School District in terms of enrollment, number of schools, and number of full-time staff. As can be seen:

- the school districts have similarly-sized student populations, with Milwaukee Public Schools having the largest enrollment (97,293) and the Pittsburgh School District having the smallest (35,146);
- with 35,146 students, the Pittsburgh School District is below (26 percent) the comparison group average of 47,639;
- the average number of schools is 104, with the Rochester City School District and Toledo Public Schools having the fewest (69) while Milwaukee Public Schools, with the highest enrollment (97,293), has the most schools (218);
- the Pittsburgh School District has significantly fewer students per school (378) when compared to the peer districts;
- with 5,437.7 full-time staff, the Pittsburgh School District has 22 percent less than the average for the school districts (6,932.3); and
- Milwaukee Public Schools has the highest number of staff (14,282.3), while Kansas City 33 has the lowest number (4,887.7).

**EXHIBIT 2-1
OVERVIEW OF PEER SCHOOL DISTRICTS
2002-03 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL STUDENT POPULATION	TOTAL NUMBER OF SCHOOLS	STUDENTS PER SCHOOL	TOTAL STAFF
Pittsburgh School District, PA	35,146	93	378	5,437.7
Kansas City 33, MO	38,521	90	428	4,887.7
Buffalo Public Schools, NY	43,474	86	506	6,335.9
Rochester City School District, NY	35,659	69	517	5,704.3
Toledo Public Schools, OH	35,742	69	518	4,945.7
Milwaukee Public Schools, WI	97,293	218	446	14,282.3
SCHOOL DISTRICT AVERAGE	47,639	104	466	6,932.3

Source: NCES, CCD public school district data for the 2002-03 school year, March 2005.

Student Demographics

Exhibit 2-2 illustrates the area demographics in the comparison school districts. As shown:

- The percent Hispanic of any race ranges from 1.5 percent (Pittsburgh School District), to 19.0 percent (Rochester City School District), with an average of 12.0 percent.
- The percentage of white students ranges from 28.6 percent (Rochester City School District), to 54.0 percent (Toledo Public Schools). The Pittsburgh School District has the second highest percentage of white students with 51.8 percent.
- Kansas City 33 reports the highest percentage of African American students (54.3 percent), while Toledo Public Schools reports the lowest (35.7 percent). The Pittsburgh School District has the second lowest percentage of African American students with 42.2 percent.
- The percentage of Asian students ranges from .6 percent (Toledo Public Schools), to 4.1 percent (Milwaukee Public Schools). The Pittsburgh School District are slightly less than the school district average with 1.7 percent.
- The percentage of students of other races or more than one race range from 4.3 percent in the Pittsburgh School District, to 16.7 percent in the Rochester City School District, with an average of 11.4 percent.

**EXHIBIT 2-2
AREA DEMOGRAPHICS
2000-01 SCHOOL YEAR**

SCHOOL DISTRICT AREA	TOTAL POPULATION UNDER 18	PERCENT HISPANIC¹	PERCENT WHITE²	PERCENT AFRICAN AMERICAN²	PERCENT ASIAN²	PERCENT OTHER³
Pittsburgh School District, PA	67,457	1.5	51.8	42.2	1.7	4.3
Kansas City 33, MO	59,467	13.1	32.0	54.3	1.7	11.9
Buffalo Public Schools, NY	76,957	11.9	39.8	47.6	1.2	11.4
Rochester City School District, NY	61,733	19.0	28.6	53.0	1.7	16.7
Toledo Public Schools, OH	69,100	9.7	54.0	35.7	0.6	9.7
Milwaukee Public Schools, WI	170,998	16.5	30.3	51.5	4.1	14.1
SCHOOL DISTRICT AVERAGE	84,285	12.0	39.4	47.4	1.8	11.4

Source: NCES, CCD public school district data for 2000-01 school year (most current), March 2005.

Note: Percentages will not add up to 100 percent because Hispanic students may be included in other race alone or two or more races.

¹ Percent Hispanic of any race.

² Percent of one race.

³ Percent other one race or two or more races.

Classroom Teachers

Exhibit 2-3 offers a comparison of student population, number of classroom teachers, and the number of students per teacher. As shown in the exhibit:

- the student/teacher ratio in the comparison school districts range from a low of 12.1 students per teacher to a high of 15.0;
- Milwaukee Public Schools has the highest student population (97,293), and the highest number of classroom teachers (6,495), resulting in the highest number of students per teacher (15.0);
- the Rochester City School District has the lowest student/teacher ratio with 12.1 students per teacher; and
- the Pittsburgh School District and Toledo Public Schools both report 13.0 students per classroom teacher, which is slightly below the comparison school district average of 13.8 students per teacher.

**EXHIBIT 2-3
TEACHER STAFFING LEVELS
2002-03 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL STUDENT POPULATION	TOTAL NUMBER OF CLASSROOM TEACHERS (FTE)	STUDENTS PER TEACHER
Pittsburgh School District, PA	35,146	2,710	13.0
Kansas City 33, MO	38,521	2,643	14.6
Buffalo Public Schools, NY	43,474	3,229	13.5
Rochester City School District, NY	35,659	2,944	12.1
Toledo Public Schools, OH	35,742	2,752	13.0
Milwaukee Public Schools, WI	97,293	6,495	15.0
SCHOOL DISTRICT AVERAGE	47,639	3,462	13.8

Source: NCES, CCD public school district data for the 2002-03 school year, March 2005.

Instructional Aides

Exhibit 2-4 details the use of instructional aides in the comparison school districts. As shown:

- the number of student per instructional aide in the peer districts ranges from a low of 38.4 in Buffalo Public Schools, to a high of 111.0 in Kansas City 33, with an average of 52.4;
- the Pittsburgh School District has less than the peer average number of instructional aides (551 compared to 909), but is higher than the peer average in the number of students per instructional aide (63.8 compared to 52.4);
- Buffalo Public Schools has the second-highest student population (43,474), and the second-highest number of instructional aides (1,132), resulting in the highest use of instructional aides (one for every 38.4 students);
- Kansas City 33 reports the lowest number of instructional aides (347) - far below the comparison average of 909 - and the lowest level of aide use among the comparison group (one (1) for every 111.0 students); and
- Milwaukee Public Schools report the highest total number of instructional aides (2,372), and the second-highest level of aides used in the comparison group, with one for every 41.0 students.

**EXHIBIT 2-4
INSTRUCTIONAL AIDES IN COMPARISON SCHOOL DISTRICTS
2002-03 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL STUDENT POPULATION	TOTAL NUMBER OF INSTRUCTIONAL AIDES (FTE)	STUDENTS PER INSTRUCTIONAL AIDE
Pittsburgh School District, PA	35,146	551	63.8
Kansas City 33, MO	38,521	347	111.0
Buffalo Public Schools, NY	43,474	1,132	38.4
Rochester City School District, NY	35,659	667	53.5
Toledo Public Schools, OH	35,742	386	92.6
Milwaukee Public Schools, WI	97,293	2,372	41.0
SCHOOL DISTRICT AVERAGE	47,639	909	52.4

Source: NCES, CCD public school district data for the 2002-03 school year, March 2005.

Guidance Counselors

Exhibit 2-5 profiles the number of guidance counselors utilized in the comparison school districts. As can be seen in the exhibit:

- the Milwaukee Public Schools reports the most guidance counselors of the comparison systems (115), followed by Kansas City 33 (111), and Buffalo Public Schools (82);
- the Pittsburgh School District is the fourth highest with 68, and Toledo Public Schools has the lowest number of guidance counselors with 64;
- each guidance counselor in the Pittsburgh School District serves an average of 516.9 students, which is below the comparison average of 567.1; and
- guidance counselors in Milwaukee Public Schools have the highest average student load with 846.0 for every counselor, and Kansas City 33 has the lowest with 347.0 students for every counselor.

**EXHIBIT 2-5
GUIDANCE COUNSELORS IN COMPARISON SCHOOL DISTRICTS
2002-03 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL STUDENT POPULATION	TOTAL NUMBER OF GUIDANCE COUNSELORS (FTE)	STUDENTS PER GUIDANCE COUNSELOR
Pittsburgh School District, PA	35,146	68	516.9
Kansas City 33, MO	38,521	111	347.0
Buffalo Public Schools, NY	43,474	82	530.2
Rochester City School District, NY	35,659	66	540.3
Toledo Public Schools, OH	35,742	64	558.5
Milwaukee Public Schools, WI	97,293	115	846.0
SCHOOL DISTRICT AVERAGE	47,639	84	567.1

Source: NCES, CCD public school district data for the 2002-03 school year, March 2005.

Central Office Administrators

Exhibit 2-6 illustrates the staffing levels of central office administrators in the peer school districts. As shown in the exhibit:

- the reported number of total district administrators varies from a low of 22 (Rochester City School District), to a high of 85 (Pittsburgh School District);
- the Pittsburgh School District employs above the average number of central office administrators (85 compared to 36) – using the data from the district;
- the Pittsburgh School District reports the highest number of central office administrators per 1,000 students with 2.4, followed closely by Toledo Public Schools with 1.9; and
- Milwaukee Public Schools has the lowest number of district administrators per 1,000 students with .48.

**EXHIBIT 2-6
CENTRAL OFFICE ADMINISTRATORS PER 1,000 STUDENTS
2002-03 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL STUDENT POPULATION	TOTAL NUMBER OF DISTRICT ADMINISTRATORS (FTE)	DISTRICT ADMINISTRATORS PER 1,000 STUDENTS
Pittsburgh School District, PA	35,146	85*	2.4
Kansas City 33, MO	38,521	34	0.89
Buffalo Public Schools, NY	43,474	42	1.0
Rochester City School District, NY	35,659	22	0.62
Toledo Public Schools, OH	35,742	66	1.9
Milwaukee Public Schools, WI	97,293	47	0.48
SCHOOL DISTRICT AVERAGE	47,639	36	0.77

Source: NCES, CCD public school district data for the 2002-03 school year.

*Based on survey data for February 2005 since NCES data said 6 FTE.

School Administrators

Staffing levels of school administrators is displayed in Exhibit 2-7. As can be seen in the exhibit:

- the number of school administrators per school district ranges from 132 in Toledo Public Schools to 333 in the Milwaukee Public Schools, with an average number of 182;
- the Pittsburgh School District has the lowest student population, but the third-highest number of school administrators (153);
- Kansas City 33 reports the highest number of school administrators per 1,000 students with 4.6, 15 percent higher than the comparison average of 3.9 administrators;
- Milwaukee Public Schools has the lowest number of school administrators per 1,000 students (3.4); and
- among the comparison school districts, the Pittsburgh School District has the second-highest number of school administrators per 1,000 students (4.4), above the comparison average of 3.9.

**EXHIBIT 2-7
SCHOOL ADMINISTRATORS PER 1,000 STUDENTS
2002-03 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL STUDENT POPULATION	TOTAL NUMBER OF SCHOOL ADMINISTRATORS (FTE)	SCHOOL ADMINISTRATORS PER 1,000 STUDENTS
Pittsburgh School District, PA	35,146	153	4.4
Kansas City 33, MO	38,521	175	4.6
Buffalo Public Schools, NY	43,474	152	3.5
Rochester City School District, NY	35,659	147	4.2
Toledo Public Schools, OH	35,742	132	3.8
Milwaukee Public Schools, WI	97,293	333	3.4
SCHOOL DISTRICT AVERAGE	47,639	182	3.9

Source: NCES, CCD public school district data for the 2002-03 school year, March 2005.

Administrative Support Staff

Exhibit 2-8 illustrates the number of administrative support staff employed at the school level in each school district. As is shown:

- Kansas City 33 did not report administrative support staff data;
- the number of total school administrative support staff ranges from 95 in the Rochester City School District, to 423 in Milwaukee Public Schools;
- the Pittsburgh School District reports 235 school-level administrative support staff, below the comparison average of 248;
- the Pittsburgh School District has the second-highest number of school administrative support staff per 1,000 students with 6.7, behind Toledo Public Schools with 9.5; and
- the Rochester City School District reports the lowest number of administrative support staff with 2.7 per 1,000 students.

**EXHIBIT 2-8
SCHOOL ADMINISTRATIVE SUPPORT STAFF PER 1,000 STUDENTS
2002-03 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL STUDENT POPULATION	TOTAL SCHOOL ADMINISTRATIVE SUPPORT STAFF (FTE)	SCHOOL ADMINISTRATIVE SUPPORT STAFF PER 1,000 STUDENTS
Pittsburgh School District, PA	35,146	235	6.7
Kansas City 33, MO	38,521	N/A	N/A
Buffalo Public Schools, NY	43,474	156	3.6
Rochester City School District, NY	35,659	95	2.7
Toledo Public Schools, OH	35,742	331	9.5
Milwaukee Public Schools, WI	97,293	423	4.4
SCHOOL DISTRICT AVERAGE	47,639	248	5.3

Source: NCES, CCD public school district data for the 2002-03 school year, March 2005.

Overall Staffing Levels

Exhibit 2-9 profiles the percentage of classroom teachers to all other staff within the comparison group. As can be seen:

- the percentage of classroom teachers ranges from 45.5 percent in Milwaukee Public Schools to 55.6 percent in Toledo Public Schools, with an overall average of 49.9 percent;
- with 49.8 percent of its total workforce comprised of classroom teachers, the Pittsburgh School District is the second-lowest among the comparison school districts;
- percentages of employees not comprised of classroom teachers ranges from a low of 44.4 percent (Toledo Public Schools), to a high of 54.5 percent (Milwaukee Public Schools), with an average of 50.1 percent;
- the Pittsburgh School District percentage of other staff (50.2 percent) ranks the second-highest of the comparison group; and
- the Pittsburgh School District is closely aligned with the average percentages in both staffing categories.

**EXHIBIT 2-9
DISTRICT STAFFING PERCENTAGES
2002-03 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL STAFF	TOTAL NUMBER OF CLASSROOM TEACHERS (FTE)	PERCENT OF TOTAL	TOTAL OTHER STAFF (FTE)	PERCENT OF TOTAL
Pittsburgh School District, PA	5,438	2,710	49.8	2,728	50.2
Kansas City 33, MO	4,888	2,643	54.1	2,245	45.9
Buffalo Public Schools, NY	6,336	3,229	51.0	3,107	49.0
Rochester City School District, NY	5,704	2,944	51.6	2,760	48.4
Toledo Public Schools, OH	4,946	2,752	55.6	2,194	44.4
Milwaukee Public Schools, WI	14,282	6,494	45.5	7,788	54.5
SCHOOL DISTRICT AVERAGE	6,932	3,462	49.9	3,470	50.1

Source: NCES, CCD public school district data for the 2002-03 school year, March 2005.

Educational Service Delivery

Exhibit 2-10 profiles the number of schools in each school district by type. As shown in the exhibit:

- the Pittsburgh School District has slightly below the average number of elementary schools (53 compared to 53.7) and high schools (10 compared to 12.4);
- the Pittsburgh School District has above the average number of middle schools (17 compared to 11.8), and special schools (6 compared to 5.4);
- the Milwaukee Public Schools has the highest number of elementary schools (82), while the Rochester City School District has the fewest (40);
- the number of middle schools ranges from five (Buffalo Public Schools), to 20 (Milwaukee Public Schools); and
- the Toledo Public Schools has the fewest high schools with nine, while the Buffalo Public Schools has the most (17).

**EXHIBIT 2-10
NUMBER OF SCHOOLS BY TYPE
2004-05 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL NUMBER OF ELEMENTARY SCHOOLS	TOTAL NUMBER OF MIDDLE/JUNIOR HIGH SCHOOLS	TOTAL NUMBER OF HIGH SCHOOLS	TOTAL NUMBER OF SPECIAL SCHOOLS	OTHER
Pittsburgh School District, PA	53	17	10	6	
Kansas City 33, MO	49	10	10	3	
Buffalo Public Schools, NY	51	5	17	1	
Rochester City School District, NY	40				17 ¹
Toledo Public Schools, OH	47	7	9	3	
Milwaukee Public Schools, WI	82	20	16	14	25 ²
SCHOOL DISTRICT AVERAGE	53.7	11.8	12.4	5.4	21

Source: Individual school district/state education agency Web sites, March 2005.

¹Grades 7-12

²Grades K-8

Private Schools

Exhibit 2-11 profiles the number of private schools in each school district. As shown in the exhibit:

- the total number of private schools ranges from 47 (Buffalo Public Schools) to 147 (Milwaukee Public Schools); and
- the Pittsburgh School District has the second-highest number of private schools (120), 32 percent higher than the school district average.

**EXHIBIT 2-11
PRIVATE SCHOOLS IN SCHOOL DISTRICT CITIES
2001-02 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL PRIVATE SCHOOLS
Pittsburgh School District, PA	120
Kansas City 33, MO	55
Buffalo Public Schools, NY	47
Rochester City School District, NY	64
Toledo Public Schools, OH	57
Milwaukee Public Schools, WI	147
SCHOOL DISTRICT AVERAGE	82

Source: National Center for Education Statistics, Private School Locator, 2001-02 school year, March 2005.

Total Revenue

Exhibit 2-12 reports the total revenues of the comparison school districts. As can be seen:

- the average total revenue of the comparison school districts is \$575,725,333;
- the Pittsburgh School District has lower revenue than the comparison average with \$524,673,000 (9 percent lower than the average); and
- Milwaukee has the highest total revenue of the comparison school districts (\$1,096,752,000), while Toledo Public Schools has the lowest (\$360,490,000).

**EXHIBIT 2-12
TOTAL REVENUE FOR COMPARISON SCHOOL DISTRICTS
2001-02 FISCAL YEAR**

SCHOOL DISTRICT	TOTAL REVENUE
Pittsburgh School District, PA	\$524,673,000
Kansas City 33, MO	\$378,363,000
Buffalo Public Schools, NY	\$583,443,000
Rochester City School District, NY	\$513,631,000
Toledo Public Schools, OH	\$360,490,000
Milwaukee Public Schools, WI	\$1,096,752,000
SCHOOL DISTRICT AVERAGE	\$575,725,333

Source: NCES, CCD public school district data for the 2001-02 school year, March 2005.

Revenues By Source

Total revenues are disaggregated by source in Exhibit 2-13. As shown:

- percentages of local revenues range from 18 percent in Buffalo Public Schools to 55 percent in the Pittsburgh School District;
- the Pittsburgh School District is above the school district average for local revenues (34.8 percent);
- percentages of state revenues range from 35 percent in the Pittsburgh School District, to 68 percent in Buffalo Public Schools;
- the Pittsburgh School District is below the average for state revenues (53.5 percent);

Comparison of the Pittsburgh School District With Other School Districts

- Buffalo Public Schools receives the largest percentage of total revenues from federal sources (14 percent), while the Pittsburgh School District receives the smallest (9 percent); and
- the Pittsburgh School District receives less than the comparison average for federal revenue (nine percent compared to 11.3 percent).

**EXHIBIT 2-13
REVENUES BY SOURCE
2001-02 FISCAL YEAR**

SCHOOL DISTRICT	PERCENT LOCAL REVENUE	PERCENT STATE REVENUE	PERCENT FEDERAL REVENUE
Pittsburgh School District, PA	55%	35%	9%
Kansas City 33, MO	50%	38%	11%
Buffalo Public Schools, NY	18%	68%	14%
Rochester City School District, NY	25%	63%	12%
Toledo Public Schools, OH	34%	56%	10%
Milwaukee Public Schools, WI	27%	61%	12%
SCHOOL DISTRICT AVERAGE	34.8%	53.5%	11.3%

Source: NCES, CCD public school district data for the 2001-02 school year (most current data), March 2005.

Total Expenditures

Exhibit 2-14 illustrates the total expenditures in each school district. As is shown in the exhibit, in FY 2001:

- Milwaukee Public Schools has the largest total expenditures with \$1,071,771,000, while Toledo Public Schools had the smallest with \$350,596,000;
- the comparison average total expenditures was \$572,120,333; and
- the Pittsburgh School District spent 7 percent less than the peer school district average (\$531,972,000 compared to \$572,120,333).

**EXHIBIT 2-14
TOTAL EXPENDITURES
2001-02 FISCAL YEAR**

SCHOOL DISTRICT	TOTAL EXPENDITURES
Pittsburgh School District, PA	\$531,972,000
Kansas City 33, MO	\$370,201,000
Buffalo Public Schools, NY	\$588,697,000
Rochester City School District, NY	\$519,485,000
Toledo Public Schools, OH	\$350,596,000
Milwaukee Public Schools, WI	\$1,071,771,000
SCHOOL DISTRICT AVERAGE	\$572,120,333

Source: NCES, CCD public school district data for the 2001-02 school year, March 2005.

Comparison of the Pittsburgh School District With Other School Districts

Per-Pupil Expenditures

Exhibit 2-15 displays system per-pupil expenditures and ratios of administrative expenditures. As can be seen, in FY 2002:

- the Rochester City School District reports the highest total per-pupil expenditures of the comparison group (\$14,337 per-pupil), while Kansas City 33 reports the lowest (\$9,601 per-pupil);
- the Pittsburgh School District spent \$14,144 per-pupil, 15 percent more than the comparison average of \$11,963 per-pupil;
- among the comparison systems, administration expenditures ranged from \$964 per-pupil in the Buffalo Public Schools, to \$1,558 in the Rochester City School District;
- the Pittsburgh School District spent \$1,347 per-pupil on administration, 11 percent more than the comparison average of \$1,202 per-pupil;
- among the comparison systems, instructional expenditures ranged from \$4,629 per-pupil in Kansas City 33, to \$8,399 per-pupil in Buffalo Public Schools;
- the Pittsburgh School District spent \$5,444 per-pupil on instruction, 12 percent less than the comparison average of \$6,186 per-pupil;
- the ratio of administrative to instructional expenditures in the comparison group ranges from 11.5 percent in the Buffalo Public Schools, to 25.2 percent in Kansas City 33; and
- the Pittsburgh School District spends 21 percent more than the comparison average on administration (24.7 percent compared to 19.4 percent).

**EXHIBIT 2-15
PER-PUPIL AND INSTRUCTIONAL EXPENDITURES/ADMINISTRATIVE RATIOS
2001-02 FISCAL YEAR**

SCHOOL DISTRICT	PER-PUPIL EXPENDITURES	ADMINISTRATION PER-PUPIL EXPENDITURES	INSTRUCTIONAL PER-PUPIL EXPENDITURES	ADMINISTRATIVE RATIO*
Pittsburgh School District, PA	\$14,144	\$1,347	\$5,444	24.7
Kansas City 33, MO	\$ 9,601	\$1,167	\$4,629	25.2
Buffalo Public Schools, NY	\$13,126	\$964	\$8,399	11.5
Rochester City School District, NY	\$14,337	\$1,558	\$7,646	20.4
Toledo Public Schools, OH	\$ 9,607	\$1,002	\$5,185	19.3
Milwaukee Public Schools, WI	\$10,963	\$1,171	\$5,814	20.1
SCHOOL DISTRICT AVERAGE	\$11,963	\$1,202	\$6,186	19.4

Source: NCES, CCD public school district financial data for fiscal year 2001-02 (most current), March 2005.

*This ratio is the sum of administrative expenditures divided by instructional expenditures, expressed as a percent.

Median Incomes and Property Values

Exhibit 2-16 illustrates the median income and property values of the comparison school districts. As is shown in the exhibit:

- median household incomes range from \$24,536 in Toledo Public Schools to \$37,198 in Kansas City 33;
- the Pittsburgh School District report a median household income of \$28,588, six percent less than the comparison average of \$30,368;
- the median value of housing units ranges from \$59,300 in Buffalo Public Schools to \$84,000 in Kansas City 33; and
- the Pittsburgh School District reports a median value of housing unit of \$59,700, 15 percent less than the comparison average of \$70,000.

**EXHIBIT 2-16
MEDIAN INCOMES AND PROPERTY VALUES**

SCHOOL DISTRICT	MEDIAN HOUSEHOLD INCOME 1999	MEDIAN VALUE OF HOUSING UNITS 2000
Pittsburgh School District, PA	\$28,588	\$59,700
Kansas City 33, MO	\$37,198	\$84,000
Buffalo Public Schools, NY	\$24,536	\$59,300
Rochester City School District, NY	\$27,123	\$61,300
Toledo Public Schools, OH	\$32,546	\$75,300
Milwaukee Public Schools, WI	\$32,216	\$80,400
SCHOOL DISTRICT AVERAGE	\$30,368	\$70,000

Sources: U. S. Census Bureau Web site, 2005.

2.2 Information from Comparison Districts

MGT, in cooperation with the Pittsburgh School District, requested that comparison districts complete charts on selected operational areas. The results of this data request are included in this section.

Data shown in Exhibits 2-17 through 2-30 are for the 2003-04 school year and were collected from each individual school district.

Exhibit 2-17 details the number of school board meetings and standing committees of the school boards among the comparison school districts. As can be seen:

- three of the six school districts average only one board meeting each month, including the Pittsburgh School District;

Comparison of the Pittsburgh School District With Other School Districts

- Milwaukee Public Schools holds one board meeting and three committee meetings each month;
- the average number of special board meetings held each month range from zero in Buffalo Public Schools to 4 in Kansas City 33; the Pittsburgh School District has an average of two special board meetings per month; and
- four of the six school districts have five standing committees of the board; Kansas City 33 and Buffalo Public Schools both have four standing committees.

**EXHIBIT 2-17
BOARD MEETINGS PER MONTH AND
NUMBER OF STANDING COMMITTEES
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	AVERAGE NUMBER OF REGULAR BOARD MEETINGS PER MONTH	AVERAGE NUMBER OF SPECIAL BOARD MEETINGS PER MONTH	NUMBER OF STANDING COMMITTEES OF THE BOARD
Pittsburgh School District, PA	1	2	5
Kansas City 33, MO	2	4	4
Buffalo Public Schools, NY	2	0	4
Rochester City School District, NY	1	1.5	5
Toledo Public Schools, OH	1	1	5
Milwaukee Public Schools, WI	4 ¹	.75	5
SCHOOL DISTRICT AVERAGE	1.8	1.9	4.7

Source: Data Collected from Individual Peer School Districts, 2005.

¹One board meeting and three committee meetings.

Exhibit 2-18 compares the school district's average salaries for teachers and administrators for the 2003-04 school year. As seen:

- the Pittsburgh School District pays the highest average teacher salaries (\$59,506), while Kansas City 33 pays the lowest (\$42,071);
- the average administrator salaries range from \$62,000 in Toledo Public Schools to \$87,822 in the Rochester City School District; and
- the Pittsburgh School District pays above the school district average for administrator salaries (\$87,310 compared to \$77,813).

**EXHIBIT 2-18
TEACHER AND ADMINISTRATOR AVERAGE SALARIES
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	AVERAGE TEACHER'S SALARY	AVERAGE ADMINISTRATOR'S SALARY
Pittsburgh School District, PA	\$59,506	\$87,310
Kansas City 33, MO	\$42,071	\$71,064
Buffalo Public Schools, NY	\$58,712	\$83,854
Rochester City School District, NY	\$50,183	\$87,822
Toledo Public Schools, OH	\$48,000	\$62,000
Milwaukee Public Schools, WI	\$45,468	\$74,825
SCHOOL DISTRICT AVERAGE	\$50,657	\$77,813

Source: Data Collected from Individual Peer School Districts, 2005.

Exhibit 2-19 compares the teacher turnover rates between the peer school districts. As shown, Kansas City 33 has the highest turnover rate of the six school districts (10 percent), while the Rochester City School District has the lowest (four percent). The Pittsburgh School District's turnover rate is the same as the school district average (7 percent).

**EXHIBIT 2-19
TEACHER TURNOVER RATE
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL NUMBER OF TEACHERS IN 2003-04	NUMBER OF NEW HIRES IN 2004-05	NUMBER WHO RESIGNED, RETIRED OR LEFT AT END OF 2003-04	TURNOVER RATE (PERCENT)
Pittsburgh School District, PA	2,863	200	197	7%
Kansas City 33, MO	2,430	283	233	10%
Buffalo Public Schools, NY	3,973	150	278	7%
Rochester City School District, NY	3,425	198	135	4%
Toledo Public Schools, OH	2,600	60	150	6%
Milwaukee Public Schools, WI	6,778	357	634	9%
SCHOOL DISTRICT AVERAGE	3,678	208	271	7%

Source: Data Collected from Individual Peer School Districts, 2005.

Exhibit 2-20 compares the number of school resource officers (SROs) serving the school districts by school level. As the exhibit indicates:

- the total number of SROs range from seven (Kansas City 33) to 231 (Milwaukee Public Schools);
- only two of the school districts have SROs serving elementary schools, the Rochester City School District has five and Milwaukee Public Schools has 30;

Comparison of the Pittsburgh School District With Other School Districts

- on average, high schools have the highest number of school resources officers (47.5); and
- the Pittsburgh School District has a higher total number of school resources officers than the district average (114 compared to 78.3), as well as higher numbers of SROs* serving middle schools (24 compared to 23), and more than one school-level (37 compared to 15.3).

**EXHIBIT 2-20
NUMBER OF SCHOOL RESOURCE OFFICERS (SROs)
BY SCHOOL LEVEL
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL NUMBER OF SROs	NUMBER OF SROs SERVING ELEMENTARY SCHOOLS	NUMBER OF SROs SERVING MIDDLE/JUNIOR HIGH SCHOOLS	NUMBER OF SROs SERVING HIGH SCHOOLS	NUMBER OF SROs WHO SERVE MORE THAN ONE SCHOOL LEVEL
Pittsburgh School District, PA	114	0	24	45	37
Kansas City 33, MO	7	0	1	6	0
Buffalo Public Schools, NY	38 ¹	0	0	38	0
Rochester City School District, NY	69	5	N/A	61	3
Toledo Public Schools, OH	11	0	4	7	11
Milwaukee Public Schools, WI	231 ²	30 ²	63 ²	128 ²	10 ²
SCHOOL DISTRICT AVERAGE	78.3	17.5	23.0	47.5	15.3

Source: Data Collected from Individual Peer School Districts, 2005.

¹Security Officers

² Non-sworn, non-commissioned security assistants

Exhibit 2-21 provides suspensions by reason among the school districts. Looking at the six school district average, 84 percent of suspensions are behavior-related, one percent are weapons-related, one percent are related to drug offenses, and 14 percent fall under the category of “other” (includes academic dishonesty and property abuse violations). As the exhibit indicates:

- almost all (92 percent) of the suspensions in the Pittsburgh School District resulted from behavioral offenses, with only one percent each related to drugs and weapons;
- Kansas City 33 has more suspensions falling in the “other” category than behavior (55 percent compared to 36 percent);
- Milwaukee Public Schools had the highest total number of suspensions of the comparison school districts (65,932), while the Rochester City School District has the lowest (1,458) in 2003-04; and
- the Pittsburgh School District had the second highest total number of suspensions with 40,346 in 2003-04.

*The role of the School Resource Officer is addressed in Chapter 12 of our report.

**EXHIBIT 2-21
NUMBER OF SUSPENSIONS BY REASON
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	BEHAVIOR		WEAPONS		DRUGS ¹		OTHER ²		TOTAL
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT	
Pittsburgh School District, PA	37,154	92%	324	1%	540	1%	2,328	6%	40,346
Kansas City 33, MO	836	36%	89	4%	127	5%	1,261	55%	2,313
Buffalo Public Schools, NY	11,237	94%	238	2%	334	3%	95	1%	11,904
Rochester City School District, NY	898	62%	126	9%	58	4%	376	26%	1,458
Toledo Public Schools, OH	11,063	92%	46 ³	0.4%	99	1%	747	6%	12,055
Milwaukee Public Schools, WI	51,843	79%	221	0.3%	577	1%	13,291	20%	65,932
SCHOOL DISTRICT AVERAGE	18,838.5	84%	174.0	1%	289.2	1%	3,016.3	14%	22,334.7

Source: Data Collected from Individual Peer School Districts, 2005.

¹ Drugs includes tobacco, alcohol, and controlled substances

² The "other" category includes attendance and abuse to property violations

³No guns or explosives.

Exhibit 2-22 details the expenditures of the comparison school districts by function. Due to individual reporting standards, not all the school districts report expenditures for all categories. In these cases, N/A (for not applicable) appears in the exhibit, and these school districts are not included in the averages which appear at the bottom of the exhibit.

As can be seen from Exhibit 2-22:

- Rochester City School District did not provide MGT with expenditure information;
- Milwaukee Public Schools has the highest total expenditures (\$1,133,315,525), while Kansas City 33 has the lowest (\$319,827,932);
- Milwaukee Public Schools also spends the most on instructional (\$514,433,352) and food service (\$30,857,161) expenditures, while Kansas City 33 spends the least in these categories (\$135,331,950 and \$41,550, respectively);
- Toledo Public Schools spends the least amount on transportation (\$14,127,015), while Milwaukee Public Schools spends the most (\$58,134,880);
- Pittsburgh School District spends less than the district average for transportation (\$24,046,104 compared to \$28,740,492);

Comparison of the Pittsburgh School District With Other School Districts

**EXHIBIT 2-22
EXPENDITURES BY FUNCTION
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL**	INSTRUCTIONAL	INSTRUCTIONAL-RELATED SERVICES	TRANSPORTATION	FOOD SERVICE	MAINTENANCE	INSTRUCTIONAL/SCHOOL LEADERSHIP
Pittsburgh School District, PA ¹	\$418,607,354	\$183,911,028	\$169,022,931	\$24,046,104	\$15,053,887	\$48,523,847	4
Kansas City 33, MO	\$319,827,932	\$135,331,950	\$7,990,291	\$20,936,199	\$41,550	\$35,471,523	\$17,205,338
Buffalo Public Schools, NY	\$477,952,665 ²	\$212,189,015 ³	\$1,277,686	\$26,458,264	\$19,258,832	\$41,709,541	\$20,943,497
Rochester City School District, NY	*	*	*	*	*	*	*
Toledo Public Schools, OH	\$543,551,372	\$221,367,785	N/A	\$14,127,015	\$11,623,266	\$33,609,294	N/A
Milwaukee Public Schools, WI	\$1,133,315,525	\$514,433,352	N/A	\$58,134,880	\$30,857,161	\$27,056,883	N/A
SCHOOL DISTRICT AVERAGE	\$578,650,970	\$253,446,626	\$59,430,303	\$28,740,492	\$15,366,939	\$37,274,218	\$19,074,418

Source: Data Collected from Individual Peer School Districts, 2005.

¹ Budgetary data from January 2003 to December 2003 in the 2003 audited statements

² Includes all expenses in General Fund

³ General Fund Only

⁴ Data included in column 4

*Data not available

**Some categories included in other subcategories in this exhibit

Comparison of the Pittsburgh School District With Other School Districts

**EXHIBIT 2-22 (Continued)
EXPENDITURES BY FUNCTION
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	STUDENT SUPPORT SERVICES	ADMINISTRATIVE SUPPORT SERVICES	NON-STUDENT SUPPORT SERVICES	ANCILLARY SERVICES	DEBT SERVICE - PRINCIPAL PAYMENTS	DEBT SERVICE - INTEREST PAYMENTS	CAPITAL OUTLAY	GRANT
Pittsburgh School District, PA	\$6,022,886	\$48,003,233	\$4,273,978	N/A	\$32,053,785	\$18,061,693	\$1,291,060	\$63,296,201
Kansas City 33, MO	\$21,295,812	\$4,263,874	\$9,195,065	\$2,736,296	\$12,140,000	\$7,254,460	\$479,516	\$45,486,057
Buffalo Public Schools, NY	\$13,270,836	\$6,734,615	\$2,040,965	\$10,209,824	\$23,135,511	\$5,539,615	\$117,688	\$155,722,391 ⁵
Rochester City School District, NY	*	*	*	*	*	*	*	*
Toledo Public Schools, OH	\$46,260,418	\$29,655,830	\$59,088,905	\$23,237,843	\$80,893,000	\$6,382,246	\$17,305,770	N/A
Milwaukee Public Schools, WI	\$43,836,605	\$31,640,503	\$229,907,303	N/A	\$57,037,894	\$15,101,371	\$15,291,243	\$110,018,330
SCHOOL DISTRICT AVERAGE	\$26,137,311	\$24,059,611	\$60,901,243	\$12,061,321	\$41,052,038	\$10,467,877	\$6,897,055	\$93,630,745

Source: Data Collected from Individual Peer School Districts, 2005.

⁵ Federal and State Funds

*Data not provided

**Some categories included in other subcategories in this exhibit

Comparison of the Pittsburgh School District With Other School Districts

- the Pittsburgh School District spends a lot less than the district average for student support services (\$6,022,886 compared to \$26,137,311) but noticeably more than the average for administrative support (\$48,003,233 compared to an average of \$24,059,611);
- as part of the debt service category, interest payments are a larger expenditure for the Pittsburgh Public Schools than for the comparison school districts (with the highest at \$18,061,693, compared to an average of \$10,467,877); and
- with regard to the debt service-principle payments category, Toledo Public Schools spends the most (\$80,893,000) followed by Milwaukee Public Schools (\$57,037,894) and the Pittsburgh School District (\$32,053,785).

Exhibit 2-23 shows expenditures for regular and special education. As the exhibit illustrates:

- the Rochester City School District did not provide expenditure information;
- the Milwaukee Public Schools has the highest regular education expenditures (\$494,504,300) followed by the Pittsburgh School District with \$151,842,424; Toledo Public Schools spends the least (\$127,000,000); and
- expenditures for special education range from a high of \$101,188,170 (Milwaukee Public Schools) to a low of \$38,918,865 (Kansas City 33); and
- the Pittsburgh School District spent more than the district average (\$79,501,455 compared to \$70,166,132).

**EXHIBIT 2-23
EXPENDITURES FOR REGULAR AND SPECIAL EDUCATION
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	EXPENDITURES FOR REGULAR EDUCATION	EXPENDITURES FOR SPECIAL EDUCATION
Pittsburgh School District, PA	\$151,842,424	\$79,501,455
Kansas City 33, MO	\$128,467,390	\$38,918,865
Buffalo Public Schools, NY	\$131,966,844	\$80,222,171
Rochester City School District, NY	*	*
Toledo Public Schools, OH	\$127,000,000	\$51,000,000
Milwaukee Public Schools, WI	\$494,504,300	\$101,188,170
SCHOOL DISTRICT AVERAGE	\$206,756,192	\$70,166,132

Source: Data Collected from Individual Peer School Districts, 2005.

*Data not provided

Comparison of the Pittsburgh School District With Other School Districts

Exhibit 2-24 compares the number of purchase orders handled by purchasing employees in the peer school districts, as well as the dollar amounts of those orders. As the exhibit shows:

- Toledo Public Schools purchasing employees process the greatest total number (27,000) and dollar volume (\$553,000,000) of comparison school districts;
- the Pittsburgh School District has less than the school district average for the number of purchase orders (14,363), and has the lowest dollar volume of purchase orders (\$23,220,716);
- the number of purchasing employees ranges from six (Rochester City School District) to 13 (Buffalo Public Schools and Toledo Public Schools)—the Pittsburgh School District has just under the district average (8 compared to 9); and
- the average number of days to process a purchase order ranges from two days in Milwaukee Public Schools to 21 days in Toledo Public Schools—Pittsburgh processes their purchase orders an average of 5.7 days.

**EXHIBIT 2-24
PURCHASE ORDERS PROCESSED
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	NUMBER OF PURCHASE ORDERS	DOLLAR VOLUME OF PURCHASE ORDERS	NUMBER OF PURCHASING EMPLOYEES	AVERAGE VALUE OF PURCHASE ORDERS	AVERAGE NUMBER OF DAYS TO PROCESS A PURCHASE ORDER
Pittsburgh School District, PA	14,363	\$23,220,716	8	1,617	5.7
Kansas City 33, MO	7,653	\$84,000,000	7	\$10,976	3
Buffalo Public Schools, NY	15,000	\$63,664,040	13	\$4,244	20
Rochester City School District, NY	9,128	\$85,000,000	6	\$500	10
Toledo Public Schools, OH	27,000	\$553,000,000	13	\$20,000	21
Milwaukee Public Schools, WI	12,509	\$93,485,634	8	\$7,473	2
SCHOOL DISTRICT AVERAGE	14,386	\$150,395,065	9	\$7,456	11

Source: Data Collected from Individual Peer School Districts, 2005.

Exhibit 2-25 provides a comparison of total gross square feet in each school district, the number of custodians per square foot, the allocation formula for assigning custodians, and the maintenance costs excluding custodial and utilities. Kansas City 33, Rochester City School District, and Toledo Public Schools did not provide an allocation formula for their custodians. Buffalo Public Schools and Milwaukee Public Schools submitted allocation formulas which are not comparable to those given by the other school districts. These formulas are given below; however, they are not used for comparison with the other school districts in this exhibit.

Buffalo Public Schools provided the following formula for its allocation of custodians:

- One Chief/First Class Engineer in each occupied building (not leases); custodial based on square footage.

Comparison of the Pittsburgh School District With Other School Districts

Milwaukee Public Schools uses this allocation formula:

- Building square footage times the formula divided by 2,080 work hours per year = F.T.E. (This formula applies to the entire school, including School Engineer, Boiler Attendant, and Building Service Helpers II and/or I as described above).

<u>Square Footage</u>	<u>Formula</u>
0 – 30,000	.135
30,000 – 60,000	.106
60,000 – 100,000	.084
100,000 – 250,000	.082
250,000 and Above	.077

The Pittsburgh School District reports an allocation formula as a number of custodians per square feet (1/25,800).

As shown in Exhibit 2-25:

- the total gross square feet in the schools ranges from 6,144,606 in Kansas City 33 to 16,617,379 in Milwaukee Public Schools—the Pittsburgh School District has the third highest square footage in their schools (7,946,281);
- Milwaukee Public Schools reports the highest total gross square feet in central offices (1,262,657) followed by the Pittsburgh School District (663,486)—Toledo Public Schools has the lowest (40,000);
- the Pittsburgh School District has less than the school district average for the number of custodian assigned to the schools with 308; and
- Kansas City 33 reports the lowest maintenance cost excluding custodial and utilities (\$6,188,804) followed by Toledo Public Schools (\$7,059,000) and the Pittsburgh School District (\$7,188,802).

**EXHIBIT 2-25
GROSS SQUARE FEET PER CUSTODIAN
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL GROSS SQUARE FEET – SCHOOLS	TOTAL GROSS SQUARE FEET - CENTRAL OFFICES	NUMBER OF CUSTODIANS (NOT CENTRAL OFFICE)	ALLOCATION FORMULA FOR CUSTODIANS (PER SCHOOL)	MAINTENANCE COSTS (EXCLUDING CUSTODIAL AND UTILITIES)
Pittsburgh School District, PA	7,946,281	663,486	308	1/25,800	\$7,188,802
Kansas City 33, MO	6,144,606	285,462	278	N/A	\$6,188,804
Buffalo Public Schools, NY	7,994,487	311,648	314 ¹	See formula above	\$7,195,969
Rochester City School District, NY	6,600,000	116,755 ²	250	N/A	\$7,200,000
Toledo Public Schools, OH	6,257,000	40,000	187	N/A	\$7,059,000 ³
Milwaukee Public Schools, WI	16,617,379	1,262,657	671 ⁴	See formula above	\$9,923,340
SCHOOL DISTRICT AVERAGE	8,593,292	446,668	335	N/A	\$7,459,319

Source: Data Collected from Individual Peer School Districts, 2005.

¹Includes 70 engineers and 244 HVAC/Custodial FTE

²The district also has a 256,000 sq. ft. Transportation/Food Service/Maintenance facility.

³Includes maintenance, repair, and bldg. operators.

⁴Includes engineers, boiler attendant/trainee, and building service helpers.

Comparison of the Pittsburgh School District With Other School Districts

Exhibit 2-26 compares the numbers and ages of buildings in the comparison school districts. As can be seen:

- Milwaukee Public Schools has the highest number of permanent school buildings (216) and the Rochester City School District has the lowest (51);
- the Pittsburgh School District falls just below the school district average for number of school buildings (83 compared to the average of 94.8)
- Toledo Public Schools has the highest number of temporary facilities (31), while Buffalo Public Schools reports the least amount of temporary facilities in use (nine) followed by Pittsburgh with 19; and
- the average age of school buildings ranges from 35 (Kansas City 33) to 73 (Pittsburgh), with a group average of 59.7.

**EXHIBIT 2-26
NUMBERS AND AGES OF BUILDINGS
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	NUMBER OF PERMANENT SCHOOL BUILDINGS	NUMBER OF TEMPORARY FACILITIES	AVERAGE AGE OF SCHOOL BUILDINGS
Pittsburgh School District, PA	83	19	73
Kansas City 33, MO	72	N/A	35
Buffalo Public Schools, NY	78*	9	65
Rochester City School District, NY	51	28**	61
Toledo Public Schools, OH	69	31 portables	60
Milwaukee Public Schools, WI	216	N/A	64
SCHOOL DISTRICT AVERAGE	94.8	21.3	59.7

Source: Data Collected from Individual Peer School Districts, 2005.

*Five buildings without students.

** The district maintained 26 transportable classroom buildings housing 58 classrooms at 18 elementary sites. The district also leased two small elementary classroom buildings.

Exhibit 2-27 compares the use of technology for instructional and administrative use among the peer school districts. As the exhibit indicates:

- all school districts report having internet access at all schools and that all their teachers have email access;
- the Pittsburgh School District reports the highest number of administrative and instructional technology support staff members (90), while the Rochester City School District reports only five;
- Milwaukee Public Schools has the highest number of computers for instructional use (26,000) and administrative use (7,000);

Comparison of the Pittsburgh School District With Other School Districts

- Buffalo Public Schools has the lowest number for instructional use (9,150) and Kansas City 33 reports the lowest number of computers for administrative use (455); and
- the Pittsburgh School District is very similar to the school district average for both the number of computers for instructional use (12,223 compared to 13,397) and administrative use (3,431 compared to 2,721).

**EXHIBIT 2-27
COMPUTERS BY USE, NETWORKING/EMAIL ACCESS,
AND TECHNOLOGY PLANS
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	NUMBER OF ADMINISTRATIVE AND INSTRUCTIONAL TECHNOLOGY SUPPORT STAFF MEMBERS	NUMBER OF COMPUTERS PRIMARILY FOR INSTRUCTIONAL USE	NUMBER OF COMPUTERS PRIMARILY FOR ADMINISTRATIVE USE	DO ALL SCHOOLS HAVE INTERNET ACCESS?	DO ALL TEACHERS HAVE EMAIL ACCESS?
Pittsburgh School District, PA	90*	12,223**	3,431	Yes	Yes
Kansas City 33, MO	31	9,206	455	Yes	Yes
Buffalo Public Schools, NY	56	9,150	987	Yes	Yes
Rochester City School District, NY	5	9,300	950	Yes	Yes
Toledo Public Schools, OH	28	14,500	3,500	Yes	Yes
Milwaukee Public Schools, WI	60	26,000	7,000	Yes	Yes
SCHOOL DISTRICT AVERAGE	45	13,397	2,721	Yes	Yes

Source: Data Collected from Individual Peer School Districts, 2005.

* Includes students, vacancies, and the CTO vacancy

** Includes school administrators

Exhibit 2-28 compares the number of buses used for daily student transportation, disaggregated by regular and special education students, and the costs to transport regular and special education students in the 2003-04 school year. As can be seen:

- Toledo Public Schools uses the fewest buses to transport regular education students (114), while Rochester City School District uses the most (760 buses);
- the Pittsburgh School District uses 502 buses for regular education students, which is more than the district average of 459;

**EXHIBIT 2-28
NUMBER OF BUSES USED FOR DAILY STUDENT TRANSPORTATION
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	NUMBER OF BUSES USED DAILY TO TRANSPORT REGULAR EDUCATION STUDENTS	NUMBER OF BUSES USED DAILY TO TRANSPORT SPECIAL EDUCATION STUDENTS	TOTAL COST TO TRANSPORT REGULAR EDUCATION STUDENTS	TOTAL COST TO TRANSPORT SPECIAL EDUCATION STUDENTS	TOTAL NUMBER OF SQUARE MILES IN SCHOOL DISTRICT
Pittsburgh School District, PA	502	261	\$19,849,225	\$7,396,638	55
Kansas City 33, MO*	304	10	\$10,178,153	\$411,266	115
Buffalo Public Schools, NY	375	186	\$22,728,499	\$10,346,924	42
Rochester City School District, NY	760	270	\$22,726,924	\$7,355,866	36
Toledo Public Schools, OH	114	34	\$7,000,000	\$6,700,000	72
Milwaukee Public Schools, WI	698	320	\$38,833,004	\$12,104,397	610
SCHOOL DISTRICT AVERAGE	459	180	\$20,219,300	\$7,385,849	155

Source: Data Collected from Individual Peer School Districts, 2005.

Note: Regular Education Service includes transportation for students participating in the Inter-district suburban transfer program. The number of regular students transported and cost includes students transported via Milwaukee County Transit District. Approximately 14,000 students used MCTS as a cost of \$5.1 million.

Comparison of the Pittsburgh School District With Other School Systems

- the number of buses used for special education students ranges from a low of 10 in Kansas City 33 to a high of 320 in Milwaukee Public Schools—Pittsburgh has the third highest number of buses for special education students with 261;
- Milwaukee Public Schools covers the largest number of square miles (610), while the Rochester City School District covers the smallest area (36 square miles)—Pittsburgh has the third lowest number of square miles (55);
- despite its small area, the Rochester City School District spends more than the group average to transport regular education students (\$22,726,924 compared to the average of \$20,219,300);
- Milwaukee Public Schools spends the most to transport regular education students (\$38,833,004) and special education students (\$12,104,397);
- Toledo Public Schools spends the least to transport regular education students (\$7,000,000) and Kansas City 33 spends the least to transport special education students (\$411,266); and
- the Pittsburgh School District spends below the average to transport regular education students (\$19,849,225) and slightly above the average to transport special education students (\$7,396,638).

Exhibit 2-29 compares the costs and levels of student participation of the food services programs of the comparison school districts. The exhibit illustrates that:

- Kansas City 33 served the fewest lunch meals (3,443,480) in 2003-04, and Milwaukee Public Schools served the most (10,356,686);
- Toledo Public Schools spent the least for lunch meals (\$2,783,353);
- the Pittsburgh School District served fewer lunch meals than the district average (3,649,223) and spent less for lunches than the average (\$4,086,817);
- three school districts served over two million breakfasts in the 2003-04 school year—Buffalo Public Schools (3,063,305), Kansas City 33 (2,058,544), and Rochester City School District (2,043,440); and
- the Pittsburgh School District served the second-lowest amount of breakfast meals (1,479,911) and spent the second-lowest amount for breakfast meals served (\$1,669,263).

**EXHIBIT 2-29
FOOD SERVICES PROGRAM COSTS AND PARTICIPATION
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL NUMBER OF LUNCH MEALS SERVED IN 2003-04	TOTAL COST OF LUNCH MEALS SERVED IN 2003-04	TOTAL NUMBER OF BREAKFAST MEALS SERVED IN 2003-04	TOTAL COST OF BREAKFAST MEALS SERVED IN 2003-04
Pittsburgh School District, PA	3,649,223	\$4,086,817	1,479,911	\$1,669,263
Kansas City 33, MO	3,443,480	\$9,478,867	2,058,544	\$4,257,274
Buffalo Public Schools, NY*	5,629,758	N/A	3,063,305	N/A
Rochester City School District, NY	4,009,760	\$4,139,504	2,043,440	\$2,069,752
Toledo Public Schools, OH	3,643,839	\$2,783,353	1,082,516	\$831,391
Milwaukee Public Schools, WI	10,356,686	N/A	1,891,775	N/A
SCHOOL DISTRICT AVERAGE	5,122,124	\$175,542,282	1,936,582	2,206,920

Source: Data Collected from Individual Peer School Districts, 2005.

Exhibit 2-30 compares the number of meals prepared per labor hour of food service workers among the school districts. As can be seen:

- the total number of meals served ranges from a high of 12,248,461 in Milwaukee Public Schools to a low of 4,245,917 in Toledo Public Schools;
- the Pittsburgh School District served the second-lowest number of meals (5,129,134) and reports the second-lowest number of labor hours (240,389.8) resulting in the second-highest number of meals per labor hour (21);
- Buffalo Public Schools served the second-highest number of meals (8,693,063) and reports only 239,700 labor hours resulting in a very high number of meals per labor hour (36); and
- Kansas City 33 served the lowest number of meals per labor hour (13).

**EXHIBIT 2-30
MEALS PER LABOR HOUR
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	TOTAL NUMBER OF MEALS SERVED IN 2003-04	TOTAL NUMBER OF LABOR HOURS FOR FOOD SERVICE WORKERS FOR THE 2003-04 SCHOOL YEAR	MEALS PER LABOR HOUR (ANNUAL AVERAGE)
Pittsburgh School District, PA	5,129,134	240,390	21
Kansas City 33, MO	5,502,024	432,105	13
Buffalo Public Schools, NY	8,693,063	239,700	36
Rochester City School District, NY	6,053,200	440,349	14
Toledo Public Schools, OH	4,245,917	296,699	14
Milwaukee Public Schools, WI	12,248,461	775,632	16
SCHOOL DISTRICT AVERAGE	6,978,633	404,146	19

Source: Data Collected from Individual Peer School Districts, 2005.

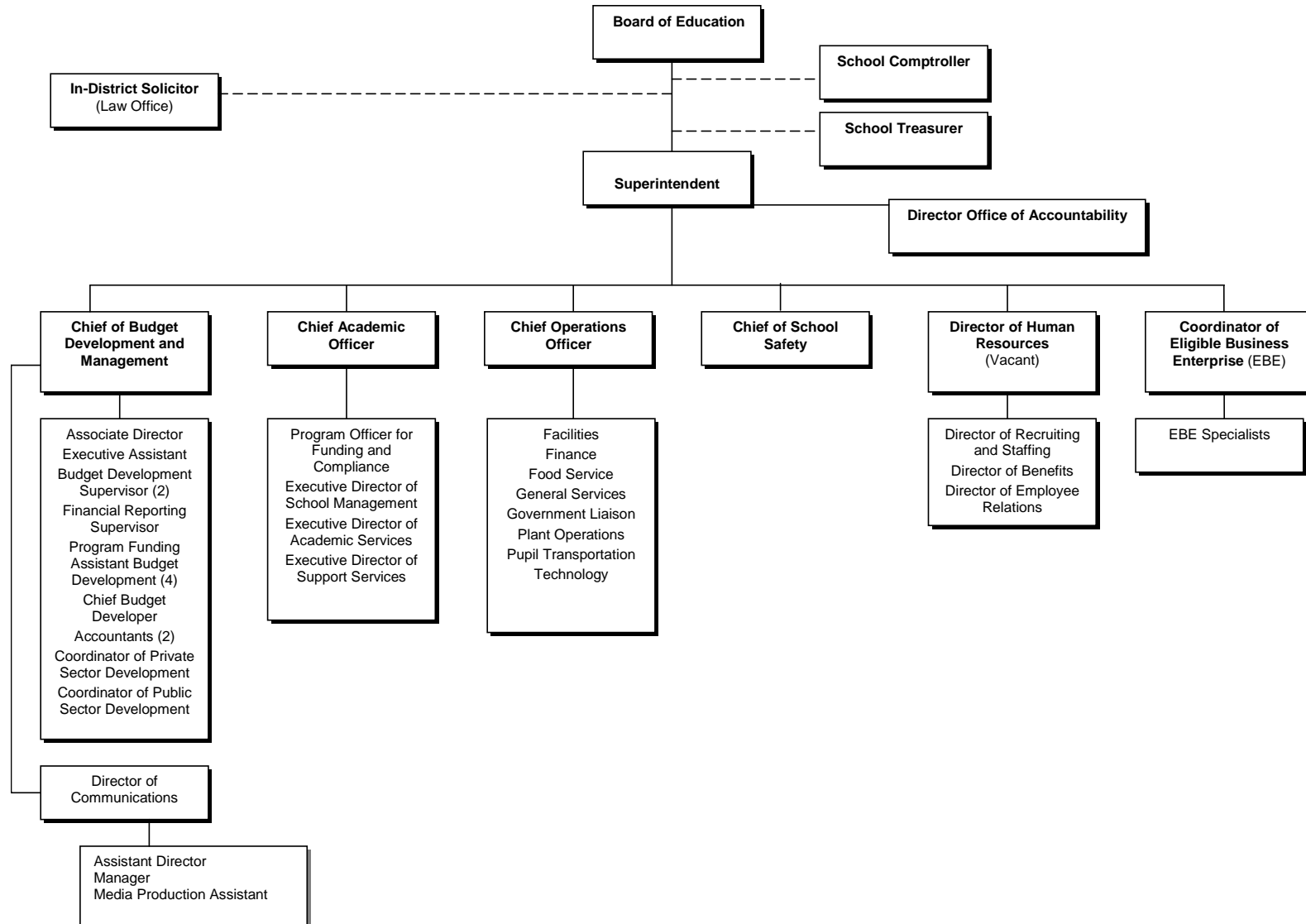
2.3 Organizational Structures on Comparison School Districts

This section of Chapter 2 presents the organizational charts for the comparison school districts.

Exhibit 2-31 illustrates the organizational structure of the Pittsburgh School District. As is shown in the exhibit:

- the Superintendent reports directly to the Board of Education;
- the Director of the Office of Accountability, the Chief of Budget Development and Management, the Chief Academic Officer, the Chief Operations Officer, the Chief of School Safety, the Director of Human Resources, and the Coordinator of Eligible Business Enterprise report to the Superintendent;
- under the Chief of Budget Development and Management are the Associate Director, the Executive Assistant, the Budget Development supervisors, six other positions as well as the Director of Communications and her staff;
- the Chief Academic Officer is responsible for seven positions, including the Program Officer for Funding and Compliance and the Executive Directors for school management, academic services, and support services;
- the Chief Operations Officer is responsible for seven staff, including the Director of Finance, the Accounting Manager, and Risk Manager;

**EXHIBIT 2-31
PITTSBURGH SCHOOL DISTRICT
ORGANIZATION CHART**



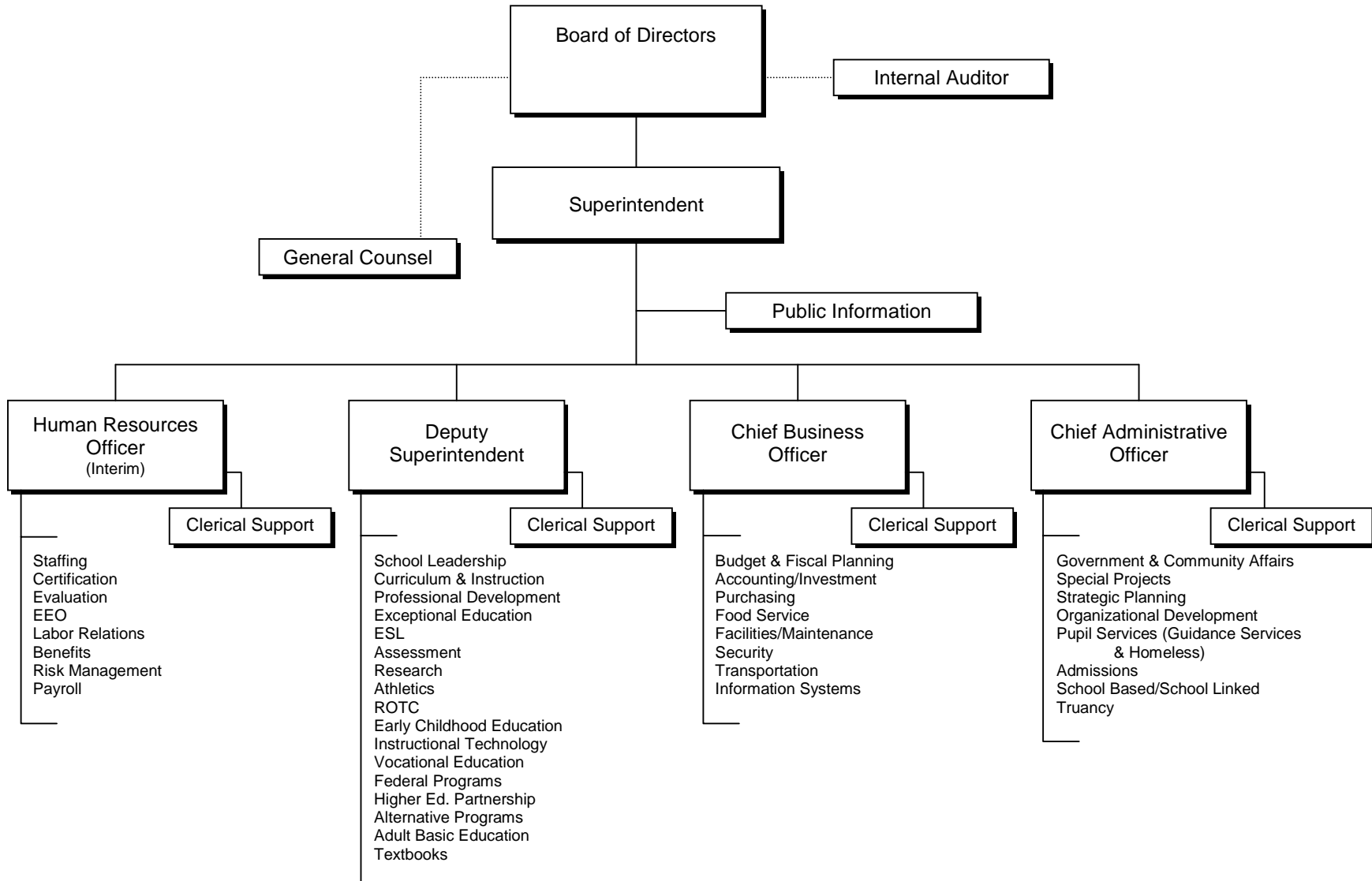
Source: Pittsburgh School District, 2005.

- under the Chief of School Safety are safety officers;
- the Director of Human Resources is vacant – the position has authority over the Director of Recruiting and Staffing, the Director of Benefits, and the Director of Employee Relations; and
- the Coordinator of Eligible Business Enterprise is in charge of the EBE Specialists.

Exhibit 2-32 illustrates the organizational structure of Kansas City 33. As can be seen:

- the Board of Directors receives reports from three sources, including the Superintendent, the General Counsel, and the Internal Auditor;
- four divisions of Kansas City 33 report directly to the Superintendent; the Human Resources Officer, the Deputy Superintendent, the Chief Business Officer, and the Chief Administrative Officer;
- the Human Resources Officer is responsible for eight divisions including Staffing, Certification and Evaluation;
- the Deputy Superintendent is in charge of 17 areas including School Leadership, Curriculum and Instruction, and Professional Development;
- the Chief Business Officer heads up the Budget and Fiscal Planning, Purchasing, and Information Systems, as well as five other areas; and
- the Chief Administrative Officer is responsible for Government and Community Affairs, Strategic Planning, and Organizational Development, as well as five other divisions.

**EXHIBIT 2-32
KANSAS CITY, MISSOURI SCHOOL DISTRICT
ORGANIZATIONAL CHART**

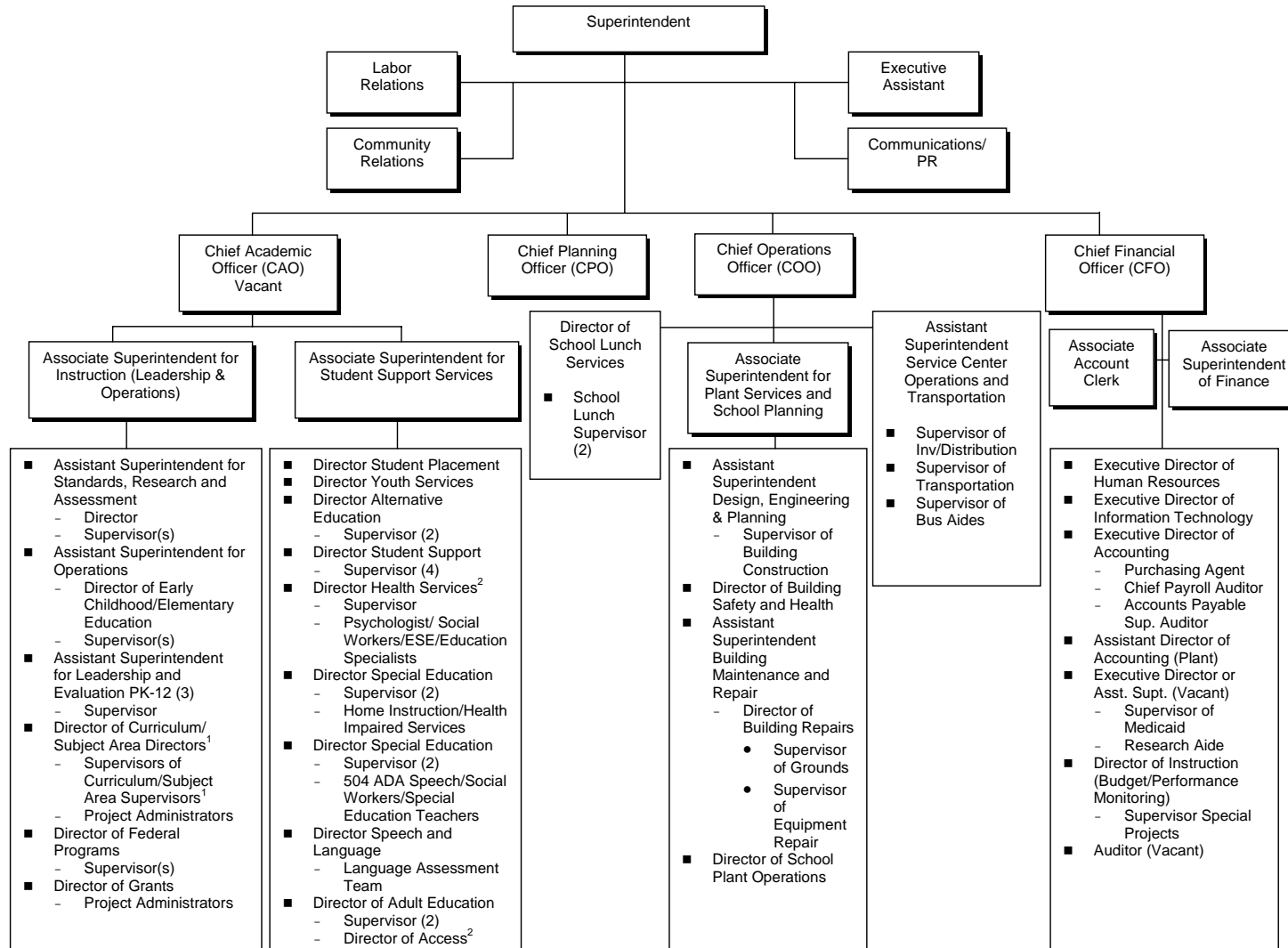


Source: Kansas City, Missouri School District, 2004.

Exhibit 2-33 displays the organizational structure of Buffalo Public Schools. As is shown:

- under the Superintendent are the Executive Assistant, Labor Relations, Community Relations, Communications/PR, the Chief Academic Officer, the Chief Planning Officer, the Chief Operations Officer, and the Chief Financial Officer;
- the Chief Academic Officer is responsible for the Associate Superintendent for Instruction and the Associate Superintendent for Student Support Services;
- the Assistant Superintendent for Standard, Research, and Assessment, the Assistant Superintendent for Operations, the Assistant Superintendent for Leadership and Evaluation, the Director of Curriculum, the Director of Federal Programs, and the Director of Grants all report to the Associate Superintendent for Instruction;
- the directors of Student Placement, Youth Services, Alternative Education, Student Support, Health Services, Special Education, Speech and Language, and Adult Education all report to the Associate Superintendent for Student Support Services;
- the Chief Operations Officer is in charge of the Associate Superintendent for Plant Services, as well as the Director of School Lunch Services and the Assistant Superintendent Service Center Operations and Transportation;
- the Assistant Superintendent for Design, Engineering and Planning, the Director of Building Safety and Health, the Assistant Superintendent for Building Maintenance and Repair, and the Director of School Plant Operations report to the Associate Superintendent for Plant Services; and
- the Chief Financial Officer has authority over the Associate Account Clerk, the Associate Superintendent of Finance, as well as the executive directors of Human Resources, Information Technology, and Accounting, the Assistant Director of Accounting (Plant), the Executive Director or Assistant Superintendent (a vacant position), the Director of Instruction, and the Auditor (a vacant position).

**EXHIBIT 2-33
BUFFALO PUBLIC SCHOOLS
ORGANIZATIONAL STRUCTURE**



Source: Buffalo Public Schools, 2005.

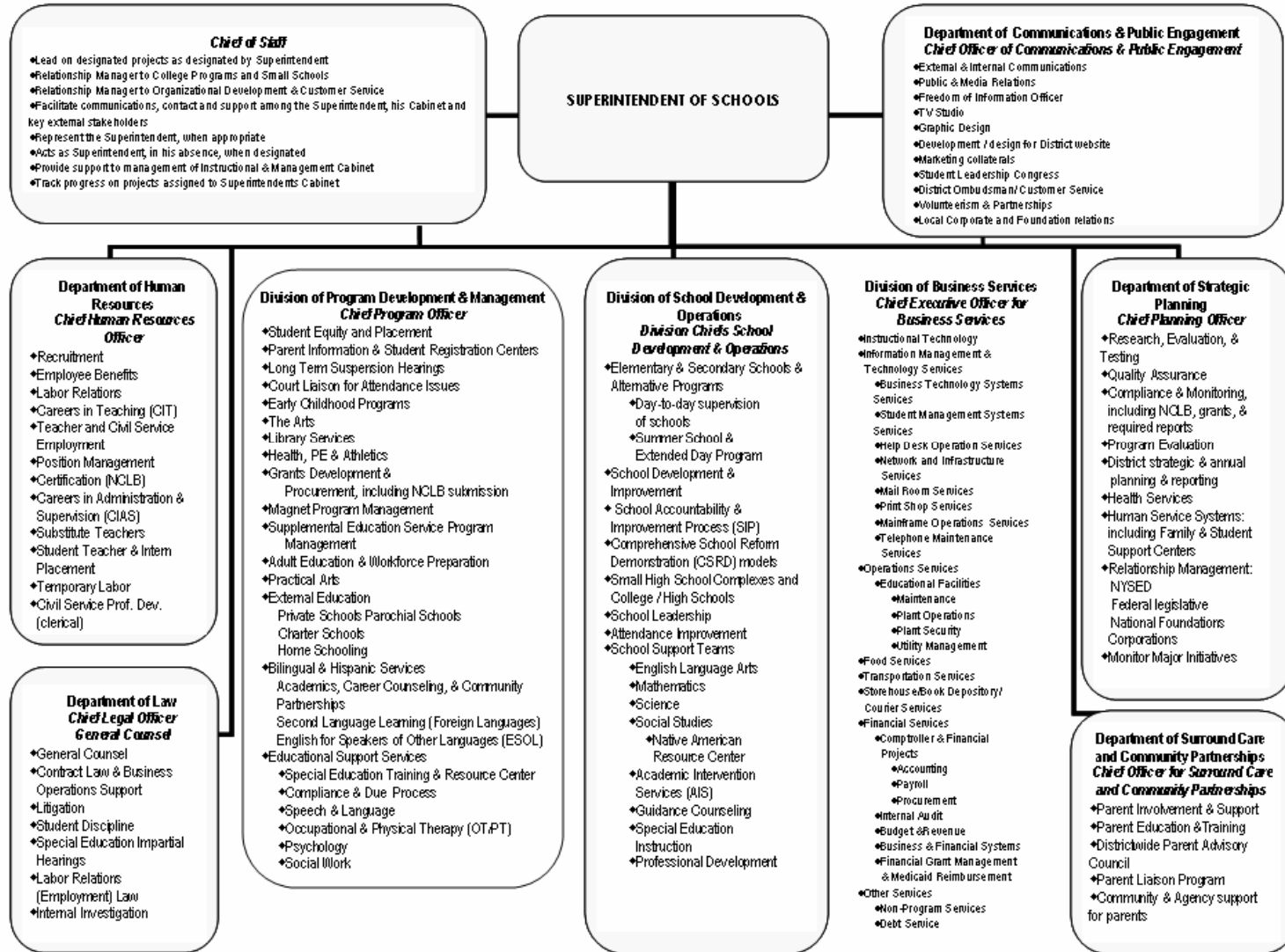
¹Includes Vocational Education

²Civil Service

Exhibit 2-34 displays the organizational structure of the Rochester City School District. As can be seen in the exhibit:

- the Chief of Staff reports directly to the Superintendent of Schools;
- the Chief of Staff's duties include Relationship Manager to college programs/small schools and organizational development/customer service, facilitate communications, contact and support among the Superintendent (his cabinet and external stakeholders), and acts as Superintendent in his absence;
- the Superintendent receives reports from eight other departments or divisions of the system; the Department of Human Resources, the Department of Law, the Division of Program Development and Management, the Division of School Development and Operations, the Division of Business Services, the Department of Communications and Public Engagement, the Department of Strategic Planning, and the Department of Surround Care and Community Partnerships;
- the Chief Human Resources Officer is responsible for recruitment and employee benefits as well as 10 other areas of the department;
- the Chief Legal Officer is in charge of General Counsel, Contract Law and Business Operations Support, and Litigation, as well as five other sections of the department;
- the Chief Program Officer heads up 16 areas within the Division of Program Development and Management, including Educational Support Services, Library Services and Parent Information;
- the Division Chiefs of School Development and Operation are in charge of eight areas of their Division, including the day-to-day supervision of schools;
- the Chief Executive Officer for Business Services has authority over Instructional Technology, Financial Services, and Operations Services, as well as five other sections of the division;
- the Chief Officer of Communications and Public Engagement is responsible for 11 areas within the department, including Marketing Collaterals and Graphic Design;
- the Chief Planning Officer heads up the Department of Strategic Planning and has authority over nine units, including Research, Evaluation, and Testing; and
- the Chief Officer for Surround Care and Community Partnerships is in charge of Parent Involvement and Support, Parent Education, the Parent Advisory Counsel, the Parent Liaison Program, and Community and Agency Support for Parents.

EXHIBIT 2-34
 ROCHESTER CITY SCHOOLS DISTRICT
 2004-05 ORGANIZATION CHART



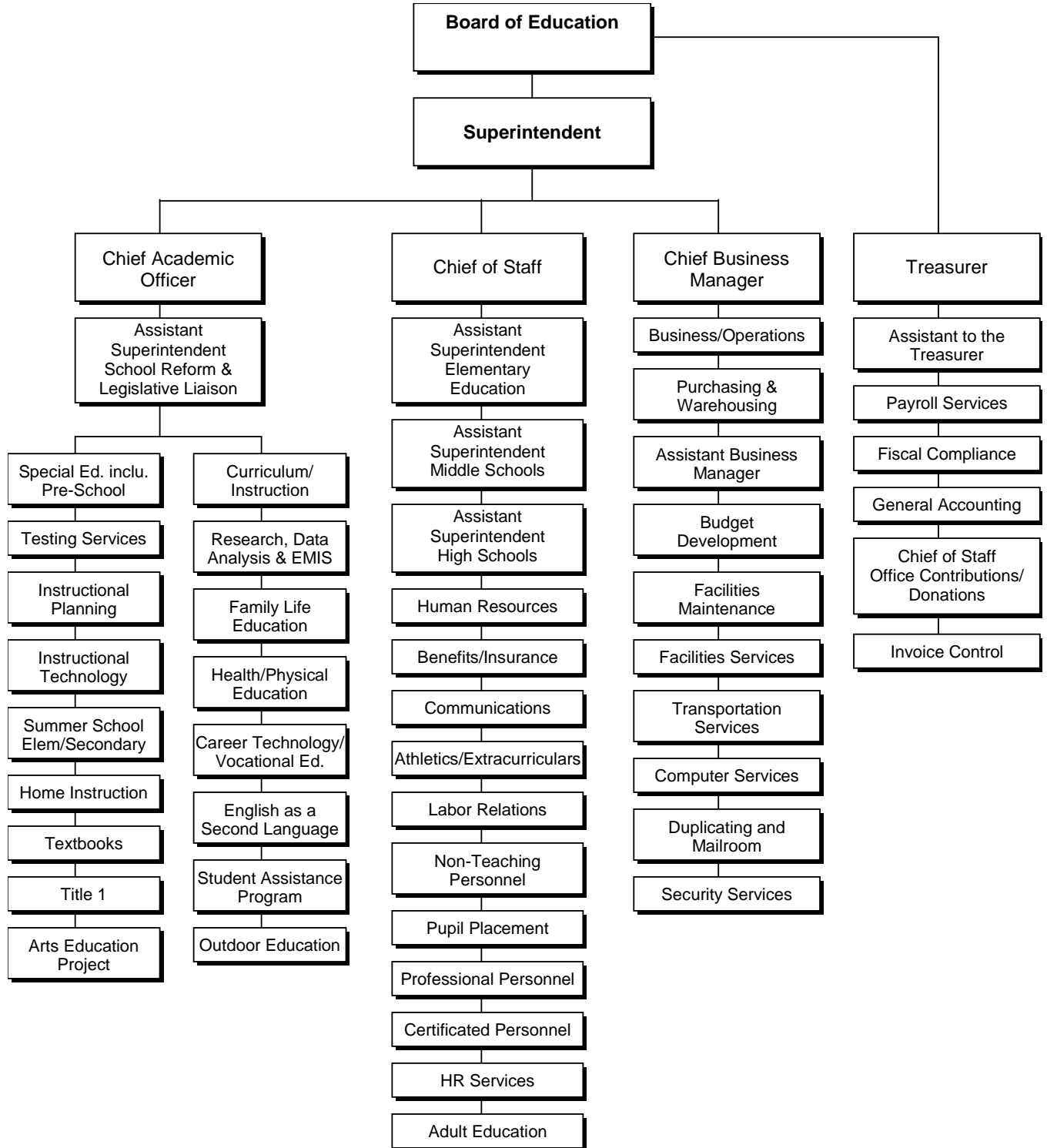
Source: Rochester City School District, 2005.

Comparison of the Pittsburgh School District With Other School Systems

Exhibit 2-35 displays the organizational structure of Toledo Public Schools. As can be seen:

- the Superintendent and Treasurer report directly to the Board of Education;
- the Superintendent receives reports from the Chief Academic Officer, the Chief of Staff, and the Chief Business Manager;
- the Chief Academic Officer is responsible for the Assistant Superintendent of School Reform and Legislative Liaison, who receives reports from 17 divisions, including Curriculum and Instruction, Testing Services, and Instructional Technology;
- under the Chief of Staff are the Assistant Superintendents of elementary, middle and high schools, Human Resources, Benefits and Insurance, as well as nine other divisions;
- under the Chief Business Manager are 10 areas including Purchasing and Warehousing, Facilities Maintenance and Transportation Services; and
- the Treasurer is responsible for the Assistant, Payroll Services, Fiscal Compliance, General Accounting, the Chief of Staff Office Contributions/Donations, and Invoice Control.

**EXHIBIT 2-35
TOLEDO PUBLIC SCHOOLS
ORGANIZATIONAL CHART**

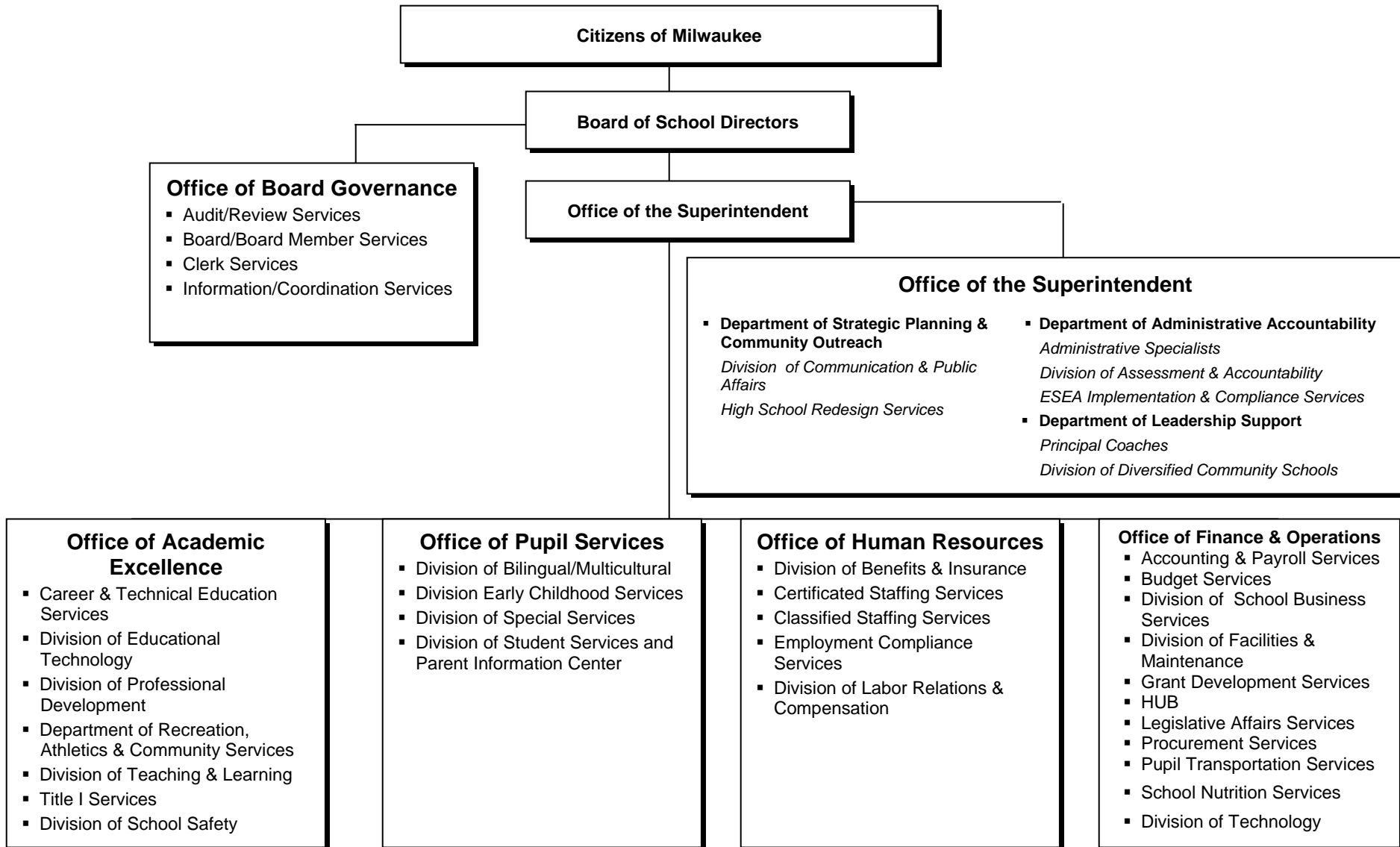


Source: Toledo Public Schools Web site, 2005.

Exhibit 2-36 displays the organizational structure of Milwaukee Public Schools. As can be seen in the exhibit:

- the organizational chart shows that the Board of School Directors reports directly to the citizens of Milwaukee;
- the Board of School Directors receives reports from the Superintendent and the Office of Board Governance;
- three departments within the Office of the Superintendent report directly to the Superintendent—the Department of Strategic Planning and Community Outreach, the Department of Administrative Accountability, and the Department of Leadership Support;
- the Superintendent is responsible for the Offices of Academic Excellence, Pupil Services, Human Resources, and Finance and Operations;
- within the Office of Academic Excellence are Career and Technical Education Services, the Division of Educational Technology, the Division of Professional Development, and five other units;
- the Office of Pupil Services includes four divisions — Bilingual/Multicultural, Early Childhood Services, Special Services, and Student Services and Parent Information Center;
- the Division of Benefits and Insurance, Certificated and Classified Staffing Services, Employment Compliance Services, and the Division of Labor Relations and Compensation are in the Office of Human Resources; and
- the Office of Finance and Operations has 11 divisions, including Accounting and Payroll Services, Budget Services, and the Division of School Business Services.

**EXHIBIT 2-36
MILWAUKEE PUBLIC SCHOOLS
ORGANIZATIONAL CHART**



Source: Milwaukee Public Schools, 2005.

3.0 SURVEY RESULTS

3.0 SURVEY RESULTS

In February 2005, central office administrators, principals/assistant principals, and teachers in the Pittsburgh School District participated in an on-line survey. The following sections contain summaries of the survey results for:

- central office administrators;
- principals;
- teachers;
- comparisons of administrators, principals, and teachers; and
- comparisons of the responses of the Pittsburgh School District and other school districts.

Copies of the response frequencies for central office administrators, school administrators, and teachers are included in the Appendix.

3.1 Central Office Administrator Survey Results

Of the 85 surveys that were disseminated to central office administrators, 65 were completed for a 77 percent response rate. Forty-nine (49) percent of the respondents are fairly new in their current positions within the Pittsburgh School District, having held their current positions for five years or less. Eighteen (18) percent have held their positions for six to 10 years, 20 percent for 11 to 20 years, and 12 percent for 21 years or more. Twenty-three (23) percent of the respondents has worked in the school district for five or less years, 12 percent for six to 10 years, 25 percent for 11 to 20 years, and 40 percent for 21 years or more.

Parts A, B, and C of the survey consist of items designed to solicit opinions about a variety of school district management and performance issues. Parts D, E, F, G, and H address issues of work environment, job satisfaction, administrative structures/practices and operations, respectively.

The survey items are categorized into the following broad areas, each of which are summarized separately:

- school district-related responses;
- school board-related responses;
- school administrator-related responses;
- teacher-related responses;
- student-related responses;
- parent/community-related responses;
- work environment-related responses;
- job satisfaction-related responses;
- administrative structure/practices-related responses; and
- operations-related responses.

School District-Related Responses

Central office administrators in the Pittsburgh School District were asked to rate their school district — 54 percent rate its overall quality of public education as *good* or *excellent*. Forty-two (42) percent indicate that the overall quality of education is *improving*, while 28 percent believe that quality is *staying the same*. Twenty (20) percent of the central administrator respondents think that the quality of education in the school district is *getting worse*. A majority of administrators indicate that schools can be described as *good places to learn* (63 percent *agree* or *strongly agree*), and 67 percent *agree* that the emphasis on learning has increased in recent years. Forty-one (41) percent of the administrators state that funds are managed wisely to support public education in the Pittsburgh School District.

The administrators were asked to rate themselves: eight percent grade central office administrators with an *A*, while 46 percent give themselves a *B*. Twenty-five (25) percent give central office administrators a *C*, while sixteen (16) percent of the administrators award themselves a grade of *D* or *F*.

The central office administrators were divided in their opinions of the Superintendent's work as the educational leader and chief administrator of the school district. Forty-two (42) percent indicate that the Superintendent's work as the educational leader of the system as *excellent* or *good*; while 41 percent indicate a response of *fair* or *poor*. On a related item, 48 percent state that his work as the chief administrator of the school district is *excellent* or *good*, while 37 percent think it is *fair* or *poor*.*

Only three percent of administrators indicate that the overall operation of the school district is highly efficient, but 29 percent of administrators indicate that the overall operation is above average in efficiency. Almost one-half (40 percent) believe the school district is average in efficiency, and 23 percent think it is less efficient than other school districts. When presented with a list of choices and asked which choices would improve overall operational efficiency, the most common responses from administrators included *reducing the number of facilities* (59 percent), *rezoning schools* (52 percent), *increasing the number of support staff* (51 percent), and *increasing the number of teachers* (43 percent).

Approximately half of the administrators think the school district provides a safe environment for students. Forty-eight (48) percent of administrators *agree* or *strongly agree* that the Pittsburgh School District is safe and secure from crime. Forty-one (41) percent state that there is administrative support for controlling student behavior, though only 31 percent believe that schools effectively handle misbehavior problems.

More than half of the administrators are satisfied when asked about the amount of space and facilities available within the school district. Sixty-nine (69) percent *agree* or *strongly agree* that their schools have sufficient space and facilities to support instructional programs while 14 percent *disagree* or *strongly disagree*. However, while 71 percent rate the maintenance and cleanliness of school district facilities as *good* or *excellent*, over one-fourth (27 percent) think it is *fair* or *poor*.

*It is critical to this study that the response to this item not be considered because of the change in Superintendents that occurred during the study.

Administrators were also asked their opinions about the amount of student services provided in the Pittsburgh School District. Seventy (70) percent *agree* or *strongly agree* that sufficient student services are provided in the schools, while only 19 percent *disagree* or *strongly disagree*.

School Board-Related Responses

Survey respondents are asked to rate school board members in three areas:

- members' knowledge of the educational needs of students in the Pittsburgh School District;
- members' knowledge of operations in the Pittsburgh School District; and
- members' work at setting or revising policies for the Pittsburgh School District.

Responding central office administrators have less favorable opinions of the School Board of the Pittsburgh School District. Only twenty-three (23) percent of administrators rate the Board members' knowledge of the educational needs of the students as *good* or *excellent*. Nearly one-third (31 percent) rate the Board's knowledge of operations as *good* or *excellent*. Less than one-fifth of the central office administrators (18 percent) rate Board members' work at setting or revising policy as *good* or *excellent* while 67 percent rate it *fair* or *poor*.

School Administrator-Related Responses

Central office administrators have fairly favorable opinions of school administrators in the Pittsburgh School District. Eleven (11) percent give school administrators a grade of *A*, 48 percent give them a grade of *B*, and 22 percent give them a grade of *C*, while only 11 percent give them a grade of *D* or *F*. Respondents state that principals and assistant principals care about students' needs (74 percent *agree* or *strongly agree*). Administrators are equally positive when rating principals' work as effective managers of the staff and teachers (66 percent *good* or *excellent*) and the instructional leaders of their schools (60 percent rate them *good* or *excellent*). Administrators are satisfied with the opportunities provided by the school district to improve the skills of the school administrators; 53 percent rate these as *good* or *excellent*, while 31 percent rate the opportunities as *fair* or *poor*.

Teacher-Related Responses

Administrators have positive opinions of the Pittsburgh School District teachers. Eleven (11) percent give teachers a grade of *A*, 55 percent give them a grade of *B*, 18 percent give them a grade of *C*, while only five percent give them a grade of *D* or *F*.

With regard to teacher relationships with their students, central office administrators state that teachers care about student needs (65 percent *agree* or *strongly agree*). Sixty-five (65 percent) of central office administrators *agree* or *strongly agree* that teachers know the material they teach. Forty (40) percent rate the teachers' work in communicating with parents as *good* or *excellent*, while 45 percent rate as *fair* or *poor*.

More than half (57 percent) of central office administrators believe the teachers are meeting the students' individual learning needs, and agree that teachers expect students to do their very best (62 percent). Only thirty-seven (37) percent rate teachers' attitudes towards their jobs as *good* or *excellent*, while 54 percent rate their attitudes as *fair* or *poor*.

Student-Related Responses

Central office administrators indicate that most students in the Pittsburgh School District are motivated to learn; 36 percent *agree* or *strongly agree*, while 32 percent *disagree* or *strongly disagree*. Fifty-four (54) percent of respondents rate the students' ability to learn as *good* or *excellent*, while 39 percent rate it as *fair* or *poor*.

Most (53 percent) administrators *agree* or *strongly agree* that the curriculum is broad and challenging for most students. Half of the responding administrators (50 percent) *agree* or *strongly agree* that lessons are organized to meet students' needs; while 17 percent *disagree* or *strongly disagree* with this statement.

Parent/Community-Related Responses

Forty (40) percent of central office administrators state that the school district does a *good* or *excellent* job in maintaining relations with various groups in the community and 43 percent of the administrators *agree* or *strongly agree* that the community really cares about its children's education. Many administrators *disagree* or *strongly disagree* with the statement: *parents take responsibility for their children's behavior in schools* (60 percent). Only 28 percent of administrators state that parents in Pittsburgh are satisfied with the education their children are receiving.

Less than one-fifth (19 percent) of central office administrators think that parents seem to know what goes on in their children's schools, while more than half (52 percent) indicate that they do not. One-fourth of administrators (25 percent) indicate that parents take an active role in decision making in the schools, while 51 percent *disagree* or *strongly disagree* with this assessment. Administrators are not satisfied with parent participation in school activities and organizations; 12 percent rate such participation as *good* or *excellent*, while 80 percent rate it as *fair* or *poor*. Only 11 percent of administrators rate parents efforts in helping their children do better in school as *good* or *excellent*, while 80 percent rate their efforts as *fair* or *poor*.

Work Environment Responses

Respondents have positive attitudes toward their work environment. Almost three-fourths of the central office administrators (72 percent) find the Pittsburgh School District to be an exciting and challenging place to work. A smaller number of administrators feel that work standards are equal to or above those of other school districts (61 percent *agree* or *strongly agree*) and that Pittsburgh School District officials enforce high work standards (62 percent *agree* or *strongly agree*). Seventy-one (71) percent of central office administrators indicate that they have sufficient authority to perform their responsibilities.

Satisfaction with equipment and computer support reflects greater satisfaction – 85 percent indicate that these are adequate. A somewhat lower number (79 percent) of administrators *agree* or *strongly agree* that they have adequate facilities to perform their work.

The workload is an area of concern among central office administrators. About one-fourth (27 percent) *agree* that the workloads are evenly distributed, while 41 percent are in disagreement. A slightly higher percentage (32 percent) are in agreement with the more specific statement that *workloads are equitably distributed among teachers and among staff members*, while 31 percent *disagree* or *strongly disagree*.

Administrators have negative opinions when asked if *teachers who do not meet expected work standards are disciplined*. Only 20 percent *agree* or *strongly agree*. Regarding whether staff who do not meet expected work standards are disciplined, a somewhat greater number, 25 percent, *agree* or *strongly agree*. Less than half (45 percent) of the central office administrators *agree* or *strongly agree* that teachers and administrators in the Pittsburgh School District have excellent working relationships.

The majority of administrators feel well-prepared for emergencies; 80 percent *agree* or *strongly agree* that they would know how to respond in the event of an emergency in the schools.

Job Satisfaction Responses

Administrators have positive attitudes about their job satisfaction. Seventy-one (71) percent of administrators *agree* or *strongly agree* with the statement *I am very satisfied with my job in the Pittsburgh School District*. Seventy-five (75) percent plan to continue their career, and only 14 percent disagree with the statement *I feel there is no future for me in the Pittsburgh School District*.

About three-fourths (77 percent) of administrators perceive that supervisors appreciate their work; 69 percent of administrators feel that they are an integral part of the Pittsburgh School District team. Administrators are less satisfied with current salary levels – only 53 percent of administrators *agree* or *strongly agree* that their salary levels are adequate for their level of work and experience, and 62 percent state that salary levels in the Pittsburgh School District are competitive.

Administrative Structures/Practices Responses

Administrators are generally mixed in their opinions of administrative structures and practices. Thirty-nine (39) percent think that most administrative practices are highly effective and efficient, while 32 percent *disagree* or *strongly disagree*. Administrators are also divided with how administrative decisions are made; 34 percent *agree* or *strongly agree* that administrative decisions are made quickly and decisively, while 43 percent indicate they are not. Almost half (45 percent) of administrators believe that central office administrators are easily accessible and open to input.

Few administrators (20 percent) think that the authority for administrative decisions is delegated to the lowest possible level, while 41 percent do not. In contrast, over twice as many administrators (49 percent) indicate that teachers and staff are empowered with sufficient authority to effectively perform their responsibilities.

In regard to their opinions about the number of committees in the school district, about one-third (34 percent) administrators *disagree or strongly disagree* with the statement that *the Pittsburgh School District has too many committees*. Thirty-one (31) percent of administrators *agree* that the committee structure in the school district ensures adequate input from teachers and staff on important decisions, while 33 percent *disagree*. Thirty-five (35) percent of the administrators indicate that the school district has too many layers of administrators, while 38 percent *disagree or strongly disagree* with this statement.

Almost half of responding administrators (42 percent) indicate that most administrative processes are highly efficient and responsive. Fifty-four (54) percent believe that administrators are responsive to school needs, and 56 percent believe that they provide quality service to schools.

Operations Responses

Central office administrators were given a list of 26 programs and functions and asked to rate them with one of the following descriptions:

- *Should be eliminated*
- *Needs major improvement*
- *Needs some improvement*
- *Adequate*
- *Outstanding*

Of the 26 programs or functions, 11 received three percent or less of the administrators indicating they should be eliminated. When combining the *needs some improvement* and *needs major improvement* response percentages, eight areas receive greater than 50 percent:

- Budgeting (51 percent);
- Staff development (51 percent);
- Community relations (52 percent);
- Strategic planning (53 percent);
- Program evaluation, research, and assessment (57 percent);
- Personnel evaluation (62 percent);
- Personnel recruitment (68 percent); and
- Personnel selection (69 percent).

Nine programs are given a combined *adequate* or *outstanding* rating of 50 percent or greater by the central office administrators:

- Financial management and accounting (52 percent);
- Instructional Support (52 percent);
- Food service (52 percent);
- Instructional technology (53 percent);
- Safety and security (56 percent);
- Transportation (57 percent);
- Plan maintenance (60 percent);
- Administrative technology (62 percent); and
- Custodial services (64 percent).

3.2 Principals Survey Results

Of the 86 surveys that were disseminated to the principals, 71 completed the survey which represents a response rate of 83 percent. Over half (54 percent) of the principals who responded have been in their current positions for five years or less, 27 percent have been in their current positions from six to 10 years, 8 percent from 11 to 20 years, and 11 percent for 21 years or more. Seventy-three (73 percent) have worked in some capacity for the Pittsburgh School District for 10 years or less, while 26 percent have worked in the school district for 11 years or more.

School District-Related Responses

Seventy-six (76) percent of principals rate the school district's overall quality of public education as *good* or *excellent*. Sixty-three (63) percent of the respondents state that the overall quality of education is *improving*, while 25 percent state that the quality of education is *staying the same*, and 11 percent state it is *getting worse*. More than four-fifths (81 percent) of principals indicate that their schools can be described as *good places to learn*, and 86 percent believe that the emphasis on learning has increased in recent years. More than half of the principals (51 percent) state that funds are managed wisely to support public education in the Pittsburgh School District.

Eleven (11) percent of principals award a grade of *A* to central office administrators; another 44 percent give them a *B*; while 23 percent give them a *C*, 13 percent give them a *D*, and six percent give central office administrators an *F*.

School administrators are favorable in their opinions of the Superintendent. Sixty (60) percent rate the superintendent's work as the educational leader and as the chief administrator of the school district *good* or *excellent*.*

Eighty-eight (88) percent of principals indicate that the overall operation of the school district is at least average in efficiency, while 11 percent believe it is less efficient than most other school districts. When presented with a list of options to improve operational efficiency, the two options that receives the most support among principals is *increasing the number of teachers* and *increasing the number of support staff* (68 percent). The next two options most often selected are *reducing the number of facilities* (49 percent), and *rezoning schools* (49 percent).

Most school administrators (76 percent) state that the schools are safe and secure from crime and 85 percent *agree* that there is administrative support for controlling student behavior. In addition, 68 percent of the principals concur with the statement, *our schools effectively handle misbehavior problems*.

Principals are relatively positive in their opinions about facilities — 61 percent indicate that they believe that there is sufficient space and facilities to support instructional programs, while 33 percent indicate that sufficient space and facilities do not exist. Principals are also positive in their assessment of the cleanliness and maintenance of the Pittsburgh School District facilities: 69 percent of the respondents rate the cleanliness and maintenance of school district facilities as *excellent* or *good*, while 31 percent give a *fair* or *poor* rating.

*It is critical to this study that the response to this item not be considered because of the change in Superintendents that occurred during the study.

Principals are positive in their opinions regarding technology for instructional purposes. Sixty-four (64) percent rate the school district's job of providing adequate instructional technology as *good* or *excellent*, 37 percent rate it as only *fair* or *poor*. School administrators are slightly more positive in their opinions of the school district's administrative technology — 71 percent rate the school district's use of technology for administrative purposes as *good* or *excellent*, while 30 percent indicate that it is only *fair* or *poor*.

School Board-Related Responses

Principals are more supportive of the School Board than are the central office administrators, but the percentages are still low. Thirty-five (35) percent state that the Board members' knowledge of operations in the Pittsburgh School District is *good* or *excellent*. Slightly fewer principals (28 percent) indicate that the same is true of the School Board's work at setting or revising policies. Twenty-four (24) percent rate the Board members' knowledge of the educational needs of students as *good* or *excellent*.

School/School Administrator-Related Responses

Overall, principals give themselves high grades: 37 percent give school administrators an *A*, while 45 percent give them a *B*, and 15 percent give them a *C*.

Almost all of the respondents (94 percent) *agree* or *strongly agree* that principals care about students' needs. Over four-fifths of the respondents (87 percent) rate principals' work as the managers of the staff and teachers as *good* or *excellent*. With regard to principals' work as the instructional leaders of their schools, 80 percent of the respondents rate this area as *good* or *excellent*.

School administrators are relatively divided in their opinions on the issue of the opportunities provided by the school district to improve the skills of school administrators. Fifty-two (52) percent state they are *good* or *excellent*, while 48 percent rate these opportunities as *fair* or *poor*.

Teacher-Related Responses

Principals have favorable opinions of teachers. Twenty (20) percent of the respondents give teachers a grade of *A*, 46 percent give teachers a grade of *B*, twenty-eight (28) percent give teachers a *C*, and one percent give them a *D*.

School administrators indicate that teachers care about students' needs (80 percent *agree* or *strongly agree*). A slightly lower percentage (74 percent) state that teachers expect students to do their very best. Many principals believe that teachers' work in meeting students' individual learning needs is *good* or *excellent* (65 percent).

About three-fourths (73 percent) of principals *agree* that teachers know the material they teach. More than half of the respondents (58 percent) rate teachers' attitudes as *good* or *excellent*, and 42 percent rate attitudes as *fair* or *poor*. Forty-four (44 percent) of the respondents rate teachers' work in communicating with parents as *good* or *excellent*, while 56 percent rate their communication efforts as *fair* or *poor*.

Student-Related Responses

Many school administrators (52 percent) *agree* or *strongly agree* that students in the Pittsburgh School District are motivated to learn. A higher percentage (71 percent) rate students' ability to learn as *good* or *excellent*.

About three-fourths (74 percent) of principals *agree* or *strongly agree* that lessons are organized to meet students' needs. A slightly higher percentage of respondents indicate that the curriculum is broad and challenging for most students (78 percent).

Parent/Community-Related Responses

Only 44 percent of principals are satisfied with the school district's relationship with the community and state that the school district does a *good* or *excellent* job of maintaining relations with various community groups. A slightly higher percentage (47 percent) state that the community really cares about children's education.

School administrators have less than favorable opinions concerning the involvement of parents in their schools. Fifty-two (52) percent of principals indicate that parents are satisfied with the education their children are receiving. However, only 22 percent state that parents take responsibility for their children's behavior in school, while 45 percent state they do not. Parental participation is rated low by school administrators; only 11 percent rate parent participation in school activities and organizations as *good* or *excellent*. Similarly, only eight percent rate parents' efforts in helping their children to do better in school as *good* or *excellent*. Parents are rated slightly higher on participation in decision making — 25 percent of principals *agree* or *strongly agree* that parents play an active role in decision making in the school.

Work Environment Responses

Overall, the principals are satisfied with many aspects of their work environment. A majority of respondents (75 percent) find the school district to be an exciting and challenging place to work. Similarly, 78 percent indicate that work standards and expectations are equal to or above those of other school districts, and 71 percent of principals indicate that school officials enforce high work standards. Sixty-eight (68) percent find that teachers and administrators have excellent working relationships, and 71 percent believe that they have the authority to adequately perform their job responsibilities. Slightly more principals (77 percent) think they have adequate facilities to do their work.

Many (52 percent) of school administrators feel that workloads are equitably distributed among teachers and staff. However, when considering the general statement, *workload is evenly distributed*, only 36 percent *agree* with the statement, while 37 percent *disagree*.

Principals have similar opinions about disciplinary actions against teachers and against staff. Forty-four (44) percent indicate that teachers who fail to meet expected work standards are disciplined. Similarly, 45 percent indicate that staff who do not meet expected work standards are disciplined.

Principals are satisfied with the existing level of equipment and computer support. Most respondents (85 percent) indicate that they have adequate equipment and computer support to conduct their work. Almost all of the principals (98 percent) believe they are knowledgeable about how to respond should an emergency arise in their schools.

Job Satisfaction Responses

Most Pittsburgh principals have a high level of job satisfaction, with 74 percent either *agreeing* or *strongly agreeing* that they are very satisfied with their jobs. Slightly more (76 percent) plan to continue their career in the school district, and very few of the respondents (13 percent) are actively looking for a job outside of the Pittsburgh School District.

Principals are positive in their opinions of how their work is valued by supervisors. More than half of the respondents (61 percent) indicate that their work is appreciated by their supervisors, while 25 percent *disagree* or *strongly disagree*. Sixty-one (61) percent of the responding principals feel that they are an integral part of the Pittsburgh School District team.

The principals are less satisfied with their salaries. Fifty-nine (59) percent state that their salary level is adequate for their level of work and experience, and 31 percent disagree. A higher percentage (78 percent) *agree* or *strongly agree* that salary levels in the school district are competitive.

Administrative Structures/Practices Responses

Principals give somewhat favorable assessments to most administrative structures and practices. Fifty-eight (58) percent of principals indicate that central office administrators are accessible and open to input. Sixty (60) percent indicate that most administrative practices in the Pittsburgh School District are highly effective and efficient, and 55 percent of respondents indicate that administrative decisions are made quickly and decisively.

School administrators are split in their opinions as to whether authority for administrative decisions is delegated to the lowest possible level. Twenty-three (23) percent *agree* or *strongly agree*, but 45 percent *disagree* or *strongly disagree*.

When asked about the use of committees, only 29 percent of principals indicate that the Pittsburgh School District has too many committees. Thirty-eight (38) percent indicate that the committee structure ensures adequate input from teachers and staff on important decisions, while 42 percent state that it does not.

School administrators are also split in their opinions as to whether the school district has too many layers of administration. Thirty-eight (38) percent of the principals *agree* or *strongly agree* with this statement, and 34 percent *disagree* or *strongly disagree*. In addition, many of the principals indicate that central office administrators are responsive to school needs (55 percent) and believe they provide quality service to schools (51 percent).

Operations Responses

School administrators were given a list of 26 programs and functions and asked to rate them with the same descriptions used by central office administrators. These descriptions range from *should be eliminated* to *outstanding*. Of the 26 programs or functions, 12 received less than four percent of the respondents indicating they *should be eliminated*.

When combining the *needs some improvement* and *needs major improvement*, six programs receive a rating greater than 60 percent:

- Instructional Support (64 percent);
- Personnel Evaluation (65 percent);
- Staff Development (65 percent);
- Program Evaluation, research, and assessment (68 percent);
- Personnel Recruitment (72 percent); and
- Personnel Selection (72 percent).

When combining the *adequate* and *outstanding* categories, five programs receive a rating equal to or greater than 60 percent:

- Budgeting (60 percent);
- Custodial Services (61 percent);
- Financial Management and Accounting (64 percent);
- Safety and Security (64 percent); and
- Transportation (71 percent).

3.3 Teacher Survey Results

Of the 3,007 surveys that were disseminated to teachers, 1,240 were completed for a 41 percent response rate. About one-fourth of the respondents (24 percent) have worked in the Pittsburgh School District for a five years or less. Twenty (20) percent have worked in the school district for six to 10 years, 27 percent have worked in the school district for 11 to 20 years, and 28 percent report working in the school district for 21 or more years.

School District-Related Responses

Sixty-six (66) percent of teachers indicate that the overall quality of public education in the Pittsburgh School District is *good* or *excellent*. Half (50 percent) of the respondents state the overall quality of education is *improving*, 28 percent state it is *staying the same*, and 20 percent state it is *getting worse*. Seventy-two (72) percent of the teachers indicate that the emphasis on learning has increased in recent years, and 64 percent of teachers state that the schools can be described as *good places to learn*.

Teachers are negative in their opinions as to whether funds are managed wisely to support public education in the school district. Eighteen (18) percent indicate that dollars are used wisely, while 55 percent state that they are not.

Central office administrators are given a grade of *A* by four percent of the teachers. Eighteen (18) percent give administrators a *B*, 36 percent give them a *C*, 22 percent award a grade of *D*, and 13 percent give them a grade of *F*.

Teachers have somewhat negative opinions of the Superintendent's performance. About half (51 percent) of respondents rate the Superintendent's work as the educational leader of the school district as *fair* or *poor*, while 34 percent rate the Superintendent's work as *good* or *excellent*. Similar marks are given concerning the Superintendent's work as the chief administrator; 50 percent say it is *fair* or *poor* in this area, while 35 percent rate the Superintendent's work as *good* or *excellent*.*

Over two-thirds of teachers surveyed (70 percent) state that the Pittsburgh School District is at least average in overall operational efficiency, while 24 percent indicate that it is less efficient than other school districts. Teachers were asked how school district operations might be made more efficient. The most frequent response (79 percent) given was *increasing the number of teachers*. Other options receiving some notice are *increasing the number of support staff* (64 percent), and *reducing the number of administrators* (49 percent).

Teachers are split in their opinions about safety and behavioral issues. Forty-three (43 percent) indicate their schools are safe and secure from crime, while 39 percent do not think their schools are safe. Over one-fourth (26 percent) of teachers indicate that schools effectively handle misbehavior problems, while 56 percent *disagree* or *strongly disagree*. Thirty-nine (39) percent of teachers state that there is administrative support for controlling student behavior in schools, while 43 percent feel that such support is lacking.

Almost three-fifths of the teachers (58 percent) indicate that sufficient student services are provided, while 26 percent indicate that sufficient services, such as counseling, speech therapy, and health, are not provided. Thirty-one (31) percent of teachers *agree* or *strongly agree* that school-based personnel play an important role in decision making in the school district, while 40 percent *disagree* or *strongly disagree*.

School Board-Related Responses

Teachers are somewhat negative in their opinions of the School Board. Regarding the Board members' knowledge of the educational needs of students in the Pittsburgh School District, 13 percent rate it *excellent* or *good*, while 78 percent rate it *fair* or *poor*. Similarly, 13 percent indicate that the Board's work at setting or revising policies is *excellent* or *good*, while 76 percent rate it *fair* or *poor*. The teachers are also negative with regard to the Board members' knowledge of operations in the school district—18 percent assess it *excellent* or *good*, while 70 percent give it a *fair* or *poor* rating.

School/School Administrator-Related Responses

Teachers give school administrators lower grades than do central office administrators and principals. Eleven (11) percent of teachers award these administrators an *A*, 34 percent award them a *B*, 32 percent give them a *C*, 14 percent give them a *D*, and six percent award them an *F*.

*It is critical to this study that the response to this item not be considered because of the change in Superintendents that occurred during the study.

Over half (57 percent) of respondents rate principals' work as instructional leaders of their schools as *good* or *excellent*, while 41 percent rate the work as *fair* or *poor*. Similarly, 57 percent rate the principals' work as managers of the staff and teachers as *good* or *excellent*, and 40 percent rate them as *fair* or *poor*.

Teacher-Related Responses

Teachers award themselves higher grades than they award to administrators and principals. Thirty-one (31) percent give themselves a grade of *A*, 51 percent give a grade of *B*, and only 13 percent give teachers a grade of *C*.

For most survey items, teachers are positive about their own performance. For example, 89 percent indicate that they care about their students' needs and they expect students to do their very best. In addition, most (83 percent) of the teachers rate their work in meeting students' individual learning needs as *good* or *excellent*.

Most teachers (89 percent) state that they know the material they teach. A smaller percentage (76 percent) rate teachers' work in communicating with parents as *good* or *excellent*. Teachers are slightly less positive about their job attitudes. Only 52 percent rate their attitudes as *good* or *excellent*, while 46 percent rate them as *fair* or *poor*.

Student Responses

Teachers are less positive in their opinions about the students and learning. Thirty-nine (39) percent *agree* that students are motivated to learn, while 42 percent of the teachers *disagree* with this statement. However, a higher percentage (57 percent) rate the students' ability to learn as *good* or *excellent*, and 42 percent rate their ability as *fair* or *poor*.

Generally, the current curriculum is acceptable to most teachers. Most respondents (79 percent) indicate that lessons are organized to meet students' needs. Similarly, 76 percent believe that the curriculum is broad and challenging for most students.

Parent/Community Responses

Teachers seem fairly confident that parents are satisfied with their children's education. Forty-two (42) percent *agree* or *strongly agree* that parents are satisfied, while only 15 percent *disagree* or *strongly disagree*. However, teacher attitudes are decidedly negative concerning parental participation in the schools. Only 13 percent of teachers rate parents' participation in school activities and organizations as *good* or *excellent*, while 84 percent rate participation as *fair* or *poor*. The same number of teachers rate parents' efforts in helping their children to do better in school. Thirteen (13) percent rate parents' efforts as *good* or *excellent*, while 84 percent rate parents' efforts as *fair* or *poor*. The results are also negative when teachers are asked whether parents play an active role in decision making in the schools—22 percent of the respondents indicate that parents do play an active role in decision making, while 50 percent *disagree*.

Teachers expressed negative attitudes concerning the issue of community support for education. Just over one-third (36 percent) of teachers believe that the community really cares about its children's education, while 38 percent of teachers *disagree*. Similarly, 35 percent of teachers think that the school district does a *good* or *excellent* job of

maintaining relations with various groups in the community, while half (50 percent) indicate that relations are *fair* or *poor*.

Work Environment Responses

Seventy (70) percent of teachers find the Pittsburgh School District to be an exciting and challenging place to work. Sixty-two (62) percent indicate that school officials enforce high work standards and 61 percent find that work standards and expectations are equal to or above those of other school districts.

In general, Pittsburgh teachers are satisfied with their work environment. The majority of teachers (78 percent) indicate that they have the authority to adequately perform their job responsibilities and almost three-fourths (74 percent) indicate that they have adequate facilities in which to conduct their work. A smaller percentage (69 percent) *agree* or *strongly agree* that they have adequate equipment and computer support to conduct their work, and 23 percent *disagree* or *strongly disagree* with this statement.

Teachers are slightly divided with respect to the equity of workload distribution. Thirty-four (34) percent believe that workloads are equitably distributed among teachers and staff; 47 percent *disagree* or *strongly disagree*. Similarly, when considering the general statement, *workload is evenly distributed*, fewer teachers (31 percent) *agree* or *strongly agree*, while 47 percent *disagree* or *strongly disagree*.

Teachers were also asked about disciplinary actions. Twenty-seven (27) percent *agree* or *strongly agree* that teachers who fail to meet expected work standards are disciplined. Twenty-two (22) percent indicate that staff who fail to meet expected work standards are disciplined. Most teachers feel they are adequately prepared to handle an emergency in the schools (78 percent *agree* or *strongly agree*).

Job Satisfaction Responses

Generally, teacher satisfaction is high within the school district. Many teachers (68 percent) are very satisfied with their jobs and 82 percent plan to continue their career within the school district. Only nine percent feel there is no future for them in the Pittsburgh School District.

Many teachers are pleased with how their work is received. Sixty (60) percent of teachers report that their supervisors appreciate their work, and 61 percent feel that they are an integral part of the Pittsburgh School District team. Teachers are divided in their opinions of salary levels. Fifty-two (52) percent believe that salaries are competitive, and 40 percent *disagree*. About half of the teachers (49 percent) indicate that they do not think that their salary levels are adequate for their level of work and experience.

Administrative Structures/Practices Responses

Teachers in Pittsburgh are in disagreement whether the school district has appropriate administrative structures and practices. Only 28 percent of the teachers *agree* or *strongly agree* that administrative practices are highly effective and efficient, while 44 percent are in disagreement. The same number of teachers (28 percent) indicate that administrative decisions are made quickly and decisively, and 24 percent believe that most administrative processes are highly efficient and responsive. About one-third of

the teachers (31 percent) indicate that administrators are easily accessible and open to input, while 42 percent *disagree* or *strongly disagree*. Additionally, only 12 percent state that authority for administrative decisions is delegated to the lowest possible level; 29 percent *disagree* or *strongly disagree* with this statement, while 58 percent either do not know or do not have a firm opinion.

Almost two-thirds (61 percent) of teachers *agree* or *strongly agree* with the statement that the *Pittsburgh School District has too many layers of administrators*, while only seven percent *disagree* or *strongly disagree*. Forty-five (45) percent of teachers indicate that the school district has too many committees; only nine percent *disagree* with that statement. Less than one-fifth of the teachers (15 percent) *agree* that central office administrators are responsive to school needs; 40 percent *disagree*. Slightly more Pittsburgh teachers (17 percent) *agree* that central office administrators provide quality service to schools; 36 percent *disagree*.

Operations Responses

Teachers were also given a list of 26 school district programs and functions and were asked to rate them with descriptions ranging from *should be eliminated* to *outstanding*.

When combining the *needs some improvement* and *needs major improvement*, seven programs stand out with more than 50 percent of the teachers responding.

- Personnel Selection (51 percent *needs some or major improvement*);
- Safety and Security (54 percent);
- Financial Management and Accounting (57 percent);
- Curriculum Planning (58 percent);
- Strategic Planning (59 percent);
- Community Relations (61 percent); and
- Budgeting (67 percent).

Six programs receive a combined *adequate* and *outstanding* rating from 41 percent to 47 percent. The programs that scored highest in combined *adequate* or *outstanding* ratings are:

- Personnel Evaluation (41 percent *adequate* or *outstanding*);
- Instructional Coordination/Supervision (44 percent);
- Instructional Support (44 percent);
- Staff Development (45 percent);
- Custodial Services (46 percent); and
- Instructional Technology (47 percent).

3.4 Comparison of Central Office Administrators, Principals, and Teachers Surveys

In this section, the responses given by the three employee groups are compared to each other. Exhibit 3-1 compares responses given by central office administrators, principals, and teachers to Part A of the surveys. Exhibit 3-2 compares responses for Part B of the surveys, and so on through Exhibit 3-8, which compares responses to Part H of the surveys. For Parts B, D, E, and F the *agree* and *strongly agree* responses are combined and compared to the combined *disagree* and *strongly disagree* responses. In Part C, the *good* and *excellent* responses are combined and compared to the combined *fair* and *poor* responses. In Part G, the responses *needs some improvement* and *needs major improvement* are combined and compared to the combined *adequate* and *outstanding* responses. **The *neutral* and *don't know* responses are omitted from all exhibits in this section.**

In Exhibit 3-1, responses to Part A of the surveys are compared. Principals, central office administrators, and teachers are fairly positive in their opinion of the quality of public education in Pittsburgh. Seventy-six (76) percent of principals and 66 percent of teachers rate the overall quality of education as *good* or *excellent* while 54 percent of central office administrators rate it *good* or *excellent*. Principals and teachers are more optimistic about the direction of change than central administrators. Sixty-three (63) percent of principals and 50 percent of teachers think the quality of education is *improving*, while 42 percent of central administrators believe it is *improving*. Twenty (20) percent of central administrators and teachers express concern that the quality of education in the Pittsburgh School District is *getting worse*.

Central office administrators, principals and teachers are satisfied with the performance of teachers, with 66 percent of central administrators and principals giving them a *B* or better and teachers giving themselves a 82 percent *above average* rating. Eighty-two (82) percent of principals rate the principals *above average* while fewer central administrators (59 percent) and teachers (45 percent) rate the principals *above average*. Central office administrators and principals are somewhat satisfied with the performance of the central administrators. Fifty-five (55) percent of principals and 54 percent of central office administrators rate them *above average*, while only 22 percent of teachers give them a rating above *B*.

Exhibit 3-2 compares survey responses in Part B. Principals have the best overall impression of education in the Pittsburgh School District, while central office administrators and teachers express mixed feelings. In a few cases, the three groups are closely aligned.

About three-fourths (76 percent) of principals believe that the Pittsburgh School District is safe and secure from crime, a much lower percentage of the central administrators (48 percent) and teachers (43 percent) have the same opinion. Many responding principals (68 percent) think that schools are effectively handling misbehavior problems, while considerably fewer central administrators (31 percent) and teachers (26 percent) *agree*. Again, more principals (85 percent) think there is administrative support for controlling student behavior, while only 41 percent of administrators and 39 percent of teachers believe this is true.

**EXHIBIT 3-1
COMPARISON SURVEY RESPONSES
WITHIN THE PITTSBURGH SCHOOL DISTRICT**

PART A OF SURVEY	ADMINISTRATOR RESPONSES (%)	PRINCIPAL RESPONSES (%)	TEACHER RESPONSES (%)
1. Overall quality of public education in the Pittsburgh School District is: Good or Excellent Fair or Poor	 54 40	 76 24	 66 34
2. Overall quality of education in the Pittsburgh School District is: Improving Staying the Same Getting Worse Don't Know	 42 28 20 11	 63 25 11 0	 50 28 20 3
3. Grade given to the Pittsburgh School District teachers: Above Average (A or B) Below Average (D or F)	 66 5	 66 1	 82 0
4. Grade given to the Pittsburgh School District school administrators: Above Average (A or B) Below Average (D or F)	 59 11	 82 0	 45 20
5. Grade given to the Pittsburgh School District central office administrators: Above Average (A or B) Below Average (D or F)	 54 16	 55 19	 22 35

**EXHIBIT 3-2
COMPARISON SURVEY RESPONSES
WITHIN THE PITTSBURGH SCHOOL DISTRICT**

PART B	(%A + SA) / (%D + SD) ¹		
	ADMINISTRATORS	PRINCIPALS	TEACHERS
1. The emphasis on learning in the Pittsburgh School District has increased in recent years.	67/14	86/7	72/14
2. Our schools are safe and secure from crime.	48/26	76/10	43/39
3. Our schools effectively handle misbehavior problems.	31/42	68/15	26/56
4. Our schools have sufficient space and facilities to support the instructional programs.	69/14	61/33	45/43
5. Our schools have the materials and supplies necessary for instruction in basic skills programs such as writing and mathematics.	61/17	81/14	58/29
6. Our schools can be described as "good places to learn."	63/18	81/8	64/18
7. There is administrative support for controlling student behavior in our schools.	41/26	85/8	39/43
8. Most students in our schools are motivated to learn.	36/32	52/22	39/42
9. Lessons are organized to meet students' needs.	50/17	74/12	79/8
10. The curriculum is broad and challenging for most students.	53/18	78/8	76/11
11. There is little a teacher can do to overcome education problems due to a student's home life.	29/53	21/51	39/38
12. Teachers in our schools know the material they teach.	65/11	73/8	89/3
13. Teachers in our schools care about students' needs.	65/14	80/8	89/3
14. Teachers expect students to do their very best.	62/13	74/7	87/3
15. Principals and assistant principals in our schools care about students' needs.	74/9	94/1	77/8
16. In general, parents take responsibility for their children's behavior in our schools.	19/60	22/45	15/66
17. Parents in this school district are satisfied with the education their children are receiving.	28/22	52/18	42/15
18. Most parents seem to know what goes on in our schools.	19/52	28/36	24/52
19. Parents play an active role in decision-making in our schools.	25/51	25/33	22/50
20. This community really cares about its children's education.	43/29	47/30	36/38
21. Funds are managed wisely to support education in the Pittsburgh School District.	41/34	51/25	18/55
22. Sufficient student services are provided in the Pittsburgh School District (e.g., counseling, speech therapy, health).	70/19	53/34	58/26
23. School-based personnel play an important role in making decisions that affect schools in the Pittsburgh School District.	43/28	55/28	31/40
24. Students are often late arriving to and/or departing from school because the buses do not arrive to school on time.	9/51	21/57	18/51
25. The food services department provides nutritious and appealing meals and snacks.	42/21	42/41	35/39

¹Percent responding *Agree* or *Strongly Agree*/Percent responding *Disagree* or *Strongly Disagree*.

Eighty-nine (89) percent of teachers, 73 percent of principals, and 65 percent of central office administrators feel that teachers know the materials they teach. All three groups are also positive in regard to teachers caring about students' needs. Eighty-nine (89) percent of teachers and 80 percent principals *agree* or *strongly agree* with this statement, while only 65 percent of central administrators are in agreement. Eighty-seven (87) percent of teachers, 74 percent of principals, and 62 percent of central administrators convey the belief that teachers expect students to do their very best.

More than half of the central office administrators and principals believe that the school district has sufficient space and facilities to support instructional programs; 69 percent of central office administrators and 61 percent of principals *agree* or *strongly agree*, while only 45 percent of the teachers indicate that space and facilities are adequate. Most principals (81 percent) believe their schools have adequate materials and supplies necessary for instruction in basic skills programs, but fewer administrators (61 percent) and teachers (58 percent) have this opinion. More central administrators (70 percent) believe there is sufficient student services, such as counseling, provided in the school district; while 53 percent of principals, and 58 percent of teachers *agree* or *strongly agree* that there are sufficient student services.

About half of the principals (51 percent) and about two-fifths (41 percent) of the central office administrators think that funds are managed wisely to support public education in the school district; a considerably lower percentage of teachers (18 percent) state the same. Fifty-five (55) percent of principals and 43 percent of central office administrators *agree* that school-based personnel have a large role in decision making at the schools, while only 31 percent of teachers indicate the same. Central office administrators and principals (42 percent) are more satisfied with the quality of meals and snacks provided by the food services department than are the teachers (35 percent).

Questions concerning community and parental involvement also drew varying responses from the surveyed groups. All three groups express a lack of confidence in parents taking responsibility for their children's behavior in the schools. Only 15 percent of teachers, 19 percent of administrators, and 22 percent of principals *agree* that parents do take responsibility. Principals are the most certain that parents are satisfied with their children's education (52 percent). Forty-two (42) percent of teachers believe parents are satisfied, while central administrators are less convinced (28 percent).

All survey groups question whether parents play an active role in decision making in the schools. Twenty-five (25) percent of central office administrators and principals and 22 percent of teachers *agree* that parents do play a role in making decisions. All of the three groups have mixed feelings regarding the issue of the community really caring about the education of its children (43 percent of the central office administrators, 47 percent of the principals, and 36 percent of the teachers agree).

Generally, each of the survey groups is fairly positive about the attitude and performance of students, teachers and principals, and they believe that schools are "good places to learn." More principals (52 percent) believe that most students in the schools are motivated to learn than do central office administrators (36 percent) and teachers (39 percent).

Most central office administrators and principals surveyed do not agree with the statement, *there is little a teacher can do to overcome education problems due to a student's home life*. Fifty-three (53) percent of central office administrators and 51

percent of principals *disagree* or *strongly disagree* with this statement. The teachers, however, have divided opinions, with 39 percent agreeing and 38 percent disagreeing.

Exhibit 3-3 compares survey responses in Part C. All three groups have fairly negative opinions of the work of the School Board. Regarding the Board's working knowledge of the educational needs of students, only 23 percent of the central office administrators, 24 percent of the principals and 13 percent of the teachers rate it as *good* or *excellent*. Twenty-eight (28) percent of principals rate the Board's work in policy-making *good* or *excellent*, but fewer central administrators (18 percent) and teachers (13 percent) give the same rating. More administrators and principals give the Board's knowledge of school district operations *good* or *excellent* assessment (31 percent and 35 percent, respectively), while considerably less teachers (18 percent) give the same rating; 70 percent of teachers rate their knowledge of operations *fair* or *poor*.

Evaluations of the Superintendent are more positive for administrators and principals than the teachers. Over half of the principals (60 percent) rate his work as the educational leader of the school district as *good* or *excellent*, while 42 percent of central office administrators and 34 percent of teachers indicate the same. Ratings for the Superintendent's work as the chief administrator of the school district are very similar to these ratings by each group.*

Opinions are positive when the administrators and principals considers the cleanliness and maintenance of school facilities. Seventy-one (71) percent of central office administrators and 69 percent of principals state that the cleanliness and maintenance of the facilities are *good* or *excellent*; only 44 percent of teachers indicate the same. With regard to the school district's job of providing adequate instructional technology, 66 percent of central office administrators, 64 percent of principals and 57 percent of teachers rate this as *good* or *excellent*. The school district's use of administrative technology is viewed as *good* or *excellent* by 50 percent of teachers, 66 percent of central office administrators, and by 71 percent of principals.

All groups of respondents have neutral opinions of staff development opportunities offered by the Pittsburgh School District. Fifty-six (56) percent of principals, 57 percent of central office administrators, and 58 percent of teachers consider the opportunities provided to teachers to be *good* or *excellent*. With regards to opportunities provided to improve the skills of school administrators, 53 percent of central administrators and 52 percent of principals *agree* or *strongly agree*, while only 25 percent of teachers believe these opportunities exist.

All three groups are fairly positive when rating teachers' work in meeting student individual learning needs; 57 percent of central administrators, 65 percent of principals, and 83 percent of teachers rate this item as *good* or *excellent*. A rating of *good* or *excellent* for the teachers' work in communicating with parents received lower percentages. Forty (40) percent of central office administrators and 44 percent of principals rate it *good* or *excellent*; however, the teachers (76 percent) believe they are good at communicating with parents. Concerning how well students' test results are explained to parents, central office administrators (43 percent), principals (56 percent), and teachers (55 percent) believe this is *fair* or *poor*.

*It is critical to this study that the response to this item not be considered because of the change in Superintendents that occurred during the study.

**EXHIBIT 3-3
COMPARISON SURVEY RESPONSES
WITHIN THE PITTSBURGH SCHOOL DISTRICT**

PART C	(%G + E) / (%F + P) ¹		
	ADMINISTRATORS	PRINCIPALS	TEACHERS
1. Board of Education members' knowledge of the educational needs of students in the Pittsburgh School District.	23/66	24/67	13/78
2. Board of Education members' knowledge of operations in the Pittsburgh School District.	31/63	35/58	18/70
3. Board of Education members' work at setting or revising policies for the Pittsburgh School District.	18/67	28/68	13/76
4. The School District Superintendent's work as the educational leader of the Pittsburgh School District.	42/41	60/33	34/51
5. The School District Superintendent's work as the chief administrator (manager) of the Pittsburgh School District.	48/37	60/34	35/50
6. Principals' work as the instructional leaders of their schools.	60/34	80/20	57/41
7. Principals' work as the managers of the staff and teachers.	66/28	87/13	57/40
8. Teachers' work in meeting students' individual learning needs.	57/33	65/35	83/17
9. Teachers' work in communicating with parents.	40/45	44/56	76/22
10. Teachers' attitudes about their jobs.	37/54	58/42	52/46
11. Students' ability to learn.	54/39	71/30	57/42
12. The amount of time students spend on task learning in the classroom.	39/43	62/38	58/40
13. Parents' efforts in helping their children to do better in school.	11/80	8/88	13/84
14. Parents' participation in school activities and organizations.	12/80	11/88	13/84
15. How well students' test results are explained to parents.	39/43	42/56	33/55
16. The cleanliness and maintenance of facilities in the Pittsburgh School District.	71/27	69/31	44/55
17. How well relations are maintained with various groups in the community.	40/49	44/53	35/50
18. Staff development opportunities provided by the Pittsburgh School District for teachers.	57/37	56/42	58/41
19. Staff development opportunities provided by the Pittsburgh School District for school administrators.	53/31	52/48	25/17
20. The school district's job of providing adequate instructional technology.	66/26	64/37	57/41
21. The school district's use of technology for administrative purposes.	66/30	71/30	50/29

¹Percent responding *Good* or *Excellent* / Percent responding *Fair* or *Poor*.

Principals' work as instructional leaders in their schools and principals' work as managers of the staff and teachers are given similar assessments among administrators and teachers, while principals have higher opinions of themselves. Eighty-seven (87 percent) of principals rate themselves as *good* or *excellent* as managers of staff and teachers; 66 percent of central administrators and 57 percent of teachers believe the same. As instructional leaders, 80 percent of principals, 60 central office administrators and 57 percent of teachers rate their work *good* or *excellent*. Principals have more positive perceptions of students' ability to learn (71 percent agreeing), compared to central administrators (54 percent) and teachers (57 percent).

The impression relating to parental involvement in school activities and organizations is highly negative among the three groups. Eighty (80) percent of central office administrators, 84 percent of teachers, and 88 percent of principals rate this as *fair* or *poor*. The responses were the same with regard to parents' efforts to help their children do better in school. The three groups are somewhat divided in their opinions of how well relations are maintained with various groups in the community. The central office administrators (40 percent) and principals (44 percent) are more satisfied than teachers (35 percent).

Exhibit 3-4 presents the survey responses for each group to Part D. In this section, opinions pertaining to the work environment are sought. Generally, the majority within each group finds the school district to be an exciting and challenging place to work (72 percent of central office administrators, 75 percent of principals, and 70 percent of teachers). Principals feel the same about work standards and expectations in the school district (78 percent), but central office administrators and teachers are somewhat less favorable toward the standards and expectations (61 percent). Principals are more affirmative than central office administrators and teachers that teachers and administrators have excellent working relationships; 68 percent of principals, 45 percent of central office administrators, and 35 percent of teachers *agree* or *strongly agree* with this statement.

Central office administrators and teachers are less likely to feel that staff members who do not meet expected work standards are disciplined (25 percent and 22 percent, respectively), while 45 percent of principals believe staff are disciplined. Regarding teachers who do not meet expected work standards, 20 percent of central office administrators and 27 percent of teachers *agree* or *strongly agree* that they are disciplined, while 44 percent of principals *agree* they are.

Central office administrators and principals are the most satisfied with their levels of equipment and computer support; 85 percent of both administrators and principals *agree* that it is adequate. Noticeably fewer teachers (69 percent) feel they have adequate equipment and computer support to conduct their work. When asked if workload distribution between teachers and staff members is equitably distributed, only 32 percent of central office administrators and 34 percent of teachers agree, but 52 percent of principals think it is equitably distributed. As to the workload being evenly distributed, 27 percent of central office administrators, 36 percent of principals, and 31 percent of teachers agree the workload is evenly distributed.

**EXHIBIT 3-4
COMPARISON SURVEY RESPONSES
WITHIN THE PITTSBURGH SCHOOL DISTRICT**

PART D: WORK ENVIRONMENT	(% A + SA) / (% D + SD) ¹		
	ADMINISTRATORS	PRINCIPALS	TEACHERS
1. I find the Pittsburgh School District to be an exciting, challenging place to work.	72/18	75/11	70/14
2. The work standards and expectations in the Pittsburgh School District are equal to or above those of most other school districts.	61/20	78/7	61/16
3. The Pittsburgh School District officials enforce high work standards.	62/29	71/12	62/17
4. Most Pittsburgh School District teachers enforce high student learning standards.	54/20	67/18	78/7
5. The Pittsburgh School District teachers and administrators have excellent working relationships.	45/28	68/7	35/34
6. <u>Teachers</u> who do not meet expected work standards are disciplined.	20/42	44/32	27/37
7. <u>Staff</u> who do not meet expected work standards are disciplined.	25/38	45/31	22/39
8. I feel that I have the authority to adequately perform my job responsibilities.	71/22	71/14	78/13
9. I have adequate facilities in which to conduct my work.	79/9	77/14	74/19
10. I have adequate equipment and computer support to conduct my work.	85/10	85/8	69/23
11. The workloads are equitably distributed among teachers and among staff members.	32/31	52/29	34/47
12. No one knows or cares about the amount or quality of work that I perform.	16/62	34/55	25/54
13. Workload is evenly distributed.	27/41	36/37	31/47
14. If there were an emergency in the schools, I would know how to respond appropriately.	80/6	98/1	78/10
15. I often observe other teachers and/or staff socializing rather than working while on the job.	21/57	10/77	13/68

¹Percent responding Agree or Strongly Agree/Percent responding Disagree or Strongly Disagree.

Exhibit 3-5 details the various survey responses to Part E. All three groups express high satisfaction with their jobs (68 to 74 percent), and most respondents plan to continue their career in the Pittsburgh School District (75 to 82 percent). Central office administrators are more likely than principals and teachers to say they feel their work is appreciated by their supervisors (77 percent, 61 percent, and 60 percent, respectively). As for feeling they are an integral part of the Pittsburgh School District team, 69 percent of central office administrators *agree*, while slightly fewer principals and teachers feel this way (61 percent).

**EXHIBIT 3-5
COMPARISON SURVEY RESPONSES
WITHIN THE PITTSBURGH SCHOOL DISTRICT**

PART E: JOB SATISFACTION	(%A + SA) / (%D + SD) ¹		
	ADMINISTRATORS	PRINCIPALS	TEACHERS
1. I am very satisfied with my job in the Pittsburgh School District.	71/20	74/11	68/17
2. I plan to continue my career in the Pittsburgh School District.	75/13	76/10	82/7
3. I am actively looking for a job outside of the Pittsburgh School District.	15/68	13/69	10/74
4. Salary levels in the Pittsburgh School District are competitive.	62/32	78/16	52/40
5. I feel that my work is appreciated by my supervisor(s).	77/12	61/25	60/26
6. I feel that I am an integral part of the Pittsburgh School District team.	69/13	61/14	61/21
7. I feel that there is no future for me in the Pittsburgh School District.	14/70	10/72	9/75
8. My salary level is adequate for my level of work and experience.	53/35	59/31	40/49

¹Percent responding *Agree* or *Strongly Agree*/Percent responding *Disagree* or *Strongly Disagree*.

The survey respondents were somewhat satisfied with school district salaries. Seventy-eight (78) percent of principals *agree* that salary levels in the school district are competitive, while 62 percent of central office administrators *agree*. Teachers, however, are more closely divided in their opinions; 52 percent *agree* that salary levels are competitive and 40 percent *disagree*. Central administrators and principals are more satisfied than teachers when asked if they feel their salaries are adequate for their level of work and experience. Fifty-three (53) percent of central office administrators and 59 percent of principals find their salaries adequate. On the contrary, more teachers are

dissatisfied with their salaries; 49 percent of teachers find their salaries not adequate for their level of work and experience.

Exhibit 3-6 provides the survey responses given by each group to Part F. This section concerns the administrative structures and practices of the Pittsburgh School District. Responses are mixed for the various groups.

Noticeably more principals (60 percent) than central office administrators (39 percent) and teachers (28 percent) indicate that most administrative practices are highly effective and efficient. Similarly, more principals (58 percent) than central administrators (45 percent) and teachers (31 percent) indicate that administrators are easily accessible and open to input. While 42 percent of central office administrators and 45 percent of school administrators *agree* that most administrative processes are highly efficient and responsive, only 24 percent of teachers *agree*. More principals (55 percent) believe that administrative decisions are made quickly and decisively, while only 34 percent of the central administrators and 28 percent of teachers *agree*.

When asked if the school district has too many layers of administration, more than three-fifths (61 percent) of the teachers *agree*, while only 35 percent of central office administrators and 38 percent of principals *agree* or *strongly agree*. The majority of central office administrators and principals *agree* that central office administrators are responsive to school needs and that they provide quality service to schools (51 percent to 56 percent). Teachers, however, are much less satisfied with central office administrators. Only 15 percent *agree* they are responsive to school needs and 17 percent say they provide quality service to schools.

With regard to whether the school district has too many committees, more teachers (45 percent) *agree* or *strongly agree* with this statement. Central office administrators and principals are more divided in their opinion—34 percent of administrators *agree*, while 26 percent *disagree*; 29 percent of principals *agree*, while 30 percent *disagree* that there are too many committees. With regards to the committee structure ensuring adequate input from teachers and staff on most important decisions, 38 percent of principals and 31 percent of central office administrators, while only 19 percent of teachers *agree* with this statement.

Exhibit 3-7 lists the survey responses given to Part G. This section involves the school district's programs and functions. Responses are quite diverse among the survey groups as to which areas are in need of improvement. Over half of the principals (60 percent) feel *budgeting* is *adequate* or *outstanding*. However, many of the central office administrators (51 percent) and teachers (67 percent) indicate this program is in need of improvement. A majority of central administrators (52 percent) and principals (64 percent) feel the *financial management and accounting* are *adequate* or *outstanding*, while less than one-fifth (14 percent) of the teachers *agree*; 57 percent of teachers believe these areas *need improvement*. More central office administrators (56 percent) and principals (64 percent) feel that *safety and security* are *adequate* or *outstanding*, while 54 percent of teachers indicate *safety and security* need improvement.

Principals are very pleased with *transportation*, with 71 percent giving it an *adequate* or *outstanding* response. Fifty-seven (57) percent of central office administrators are also pleased. The teachers, however, are more divided in their opinion; 39 percent rate it *adequate* or *outstanding*, and 31 percent indicate it *needs improvement*.

**EXHIBIT 3-6
COMPARISON SURVEY RESPONSES
WITHIN THE PITTSBURGH SCHOOL DISTRICT**

PART F: ADMINISTRATIVE STRUCTURE/PRACTICES	(% A + SA) / (% D + SD) ¹		
	ADMINISTRATORS	PRINCIPALS	TEACHERS
1. Most administrative practices in the Pittsburgh School District are highly effective and efficient.	39/32	60/25	28/44
2. Administrative decisions are made promptly and decisively.	34/43	55/28	28/46
3. The Pittsburgh School District administrators are easily accessible and open to input.	45/32	58/26	31/42
4. Authority for administrative decisions is delegated to the lowest possible level.	20/41	23/45	12/29
5. Teachers and staff are empowered with sufficient authority to effectively perform their responsibilities.	49/33	71/17	45/34
6. Major bottlenecks exist in many administrative processes which cause unnecessary time delays.	50/16	44/31	49/15
7. The extensive committee structure in the Pittsburgh School District ensures adequate input from teachers and staff on most important decisions.	31/33	38/42	19/46
8. The Pittsburgh School District has too many committees.	34/26	29/30	45/9
9. The Pittsburgh School District has too many layers of administrators.	35/38	38/34	61/7
10. Most of the Pittsburgh School District administrative processes (e.g., purchasing, travel requests, leave applications, personnel, etc.) are highly efficient and responsive.	42/35	45/33	24/34
11. Central office administrators are responsive to school needs.	54/15	55/27	15/40
12. Central office administrators provide quality service to schools.	56/14	51/27	17/36

¹Percent responding *Agree* or *Strongly Agree*/Percent responding *Disagree* or *Strongly Disagree*.

**EXHIBIT 3-7
COMPARISON SURVEY RESPONSES
WITHIN THE PITTSBURGH SCHOOL DISTRICT**

PART G: SCHOOL DISTRICT PROGRAM/ FUNCTION	% NEEDS SOME IMPROVEMENT + NEEDS MAJOR IMPROVEMENT / % ADEQUATE ¹ + OUTSTANDING		
	ADMINISTRATORS	PRINCIPALS	TEACHERS
a. Budgeting	51/37	38/60	67/12
b. Strategic planning	53/28	47/46	59/17
c. Curriculum planning	42/34	56/42	58/35
d. Financial management and accounting	29/52	32/64	57/14
e. Community relations	52/33	42/52	61/26
f. Program evaluation, research, and assessment	57/28	68/28	49/32
g. Instructional technology	38/53	49/48	45/47
h. Pupil accounting	43/36	35/53	36/30
i. Instructional coordination/supervision	37/49	59/38	40/44
j. Instructional support	34/52	64/34	47/44
k. Federal Programs (e.g., Title I, Special Education) coordination	31/43	38/56	40/38
l. Personnel recruitment	68/10	72/22	47/23
m. Personnel selection	69/14	72/26	51/26
n. Personnel evaluation	62/28	65/33	43/41
o. Staff development	51/42	65/33	49/45
p. Data processing	39/43	48/42	29/34
q. Purchasing	38/47	54/39	36/25
r. Safety and security	36/56	34/64	54/36
s. Plant maintenance	28/60	38/53	35/36
t. Facilities planning	36/43	42/46	36/26
u. Transportation	23/57	25/71	31/39
v. Food service	28/52	47/51	47/38
w. Custodial services	26/64	35/61	45/46
x. Risk management	23/35	33/39	26/24
y. Administrative technology	31/62	44/51	25/29
z. Grants administration	26/46	36/47	25/23

¹Percent responding *Needs Some Improvement* or *Needs Major Improvement* / Percent responding *Adequate* or *Outstanding*.

Seven of the school district's programs received a combined *adequate* or *outstanding* rating of at least 50 percent from at least two of the three of the survey groups:

- Financial management and accounting;
- Safety and security;
- Plant maintenance;
- Transportation;
- Food service;
- Custodial services; and
- Administrative technology.

Exhibit 3-8 details the various survey responses to Part H. More central office administrators (32 percent) and principals (50 percent) think that the operational efficiency of the Pittsburgh School District is at least above average, whereas 19 percent of teachers think the same. Opinions are quite similar as to how the operational efficiency of the school district could be improved. The option with the greatest support among principals (68 percent) and teachers (79 percent) is *increasing the number of teachers*; 43 percent of administrators agree. *Increasing the number of support staff* receives the next greatest support: 68 percent of principals, 64 percent of teachers, and 51 percent of central office administrators. Fifty-nine (59) percent of the central office administrators and 49 percent of principals believe reducing the number of facilities would improve operational efficiency in the school district.

3.5 Comparison of the Pittsburgh School District Responses to Other School Districts

This section analyzes a comparison of responses of the Pittsburgh School District central office administrators, school administrators, and teachers to groups in school districts around the country where MGT has conducted similar studies. In several previous studies, school administrators were not analyzed separately from central office administrators. Therefore, in order to make meaningful comparisons, responses from Pittsburgh administrators and principals have been combined. Pittsburgh teacher responses are compared separately to teacher responses from the previous studies.

The responses compare the administrator and teacher responses to responses from the other school districts in which surveys were conducted in the last ten years. These other districts include, but not limited to Alachua County, Brevard County, Broward County, Clay County, Escambia County, Hamilton County, Lee County, and Hillsborough County, Florida; Austin, Brownsville, Calhoun, Dallas, Edgewood, Edinburg, El Paso, Grand Prairie, La Joya, McAllen, Pharr-San Juan-Alamo, Port Arthur, San Angelo, United, Waco, Sherman, and Midland, Texas; Fairfax County and Richmond, Virginia; Henderson County and Wake County, North Carolina; Jefferson County and Poudre, Colorado; Allegany County, Baltimore County, Prince George's County, St. Mary's County, Harford County, and Somerset County, Maryland; San Diego, California; Nashville and Memphis, Tennessee; Jackson, Mississippi; Little Rock, Arkansas; and Stevens Point, Wisconsin.

Part H of the survey is not compared to the other school districts as that portion of the survey is modified periodically to fit unique situations in each school district and meaningful comparison data do not exist.

**EXHIBIT 3-8
COMPARISON SURVEY RESPONSES
WITHIN THE PITTSBURGH SCHOOL DISTRICT**

PART H: OPERATIONS	ADMINISTRATORS (%)	PRINCIPALS (%)	TEACHERS (%)
1. The overall operation of the Pittsburgh School District is:			
Highly efficient	3	3	2
Above average in efficiency	29	47	17
Average in efficiency	40	38	51
Less efficient than most other school districts	23	11	24
Don't know	5	1	5
2. The operational efficiency of the Pittsburgh School District could be improved by:			
Outsourcing some support services	17	20	18
Offering more programs	14	27	30
Offering fewer programs	28	17	13
Increasing the number of administrators	19	24	7
Reducing the number of administrators	29	17	49
Increasing the number of teachers	43	68	79
Reducing the number of teachers	6	1	0
Increasing the number of support staff	51	68	64
Reducing the number of support staff	11	9	10
Increasing the number of facilities	9	10	20
Reducing the number of facilities	59	49	25
Rezoning schools	52	49	32
Other	22	13	11

Exhibits 3-9 through 3-15 present comparisons between administrators in the Pittsburgh School District and administrators in those school districts noted above. Exhibits 3-16 through 3-22 present comparisons between the Pittsburgh School District teachers and teachers in the other school districts.

3.5.1 Administrator Comparisons of the Pittsburgh School District Responses to Other School Districts

Exhibit 3-9 compares the Pittsburgh School District administrator (central office administrators and principals) responses with administrator responses in all other school districts for Part A of the surveys. The Pittsburgh School District administrators respond less positively in their opinions of the overall quality of education in their school district than do their counterparts in other school districts.

**EXHIBIT 3-9
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS AND
ADMINISTRATORS IN OTHER SCHOOL DISTRICTS**

PART A OF SURVEY	PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS (%)	OTHER SCHOOL DISTRICT ADMINISTRATORS (%)
1. Overall quality of public education in the school district is: Good or Excellent Fair or Poor	 65 21	 87 12
2. Overall quality of education in the school district is: Improving Staying the Same Getting Worse Don't Know	 53 26 15 5	 72 19 7 2
3. Grade given to teachers: Above Average (A or B) Below Average (D or F)	 66 3	 84 1
4. Grade given to school administrators: Above Average (A or B) Below Average (D or F)	 71 5	 85 2
5. Grade given to school district administrators: Above Average (A or B) Below Average (D or F)	 55 18	 70 8

¹ For comparison purposes, administrators and principals in other school districts were combined in order to benchmark against a similar grouping in the Pittsburgh School District.

Sixty-five (65) percent of the administrators in the Pittsburgh School District state that the overall quality of education in the school district is *good* or *excellent*, compared to 87 percent of administrators in other school districts. Also, 53 percent of Pittsburgh administrators indicate that the overall quality of education in their school district is *improving*, while 72 percent of administrators in other school districts feel the same.

Less administrators in the Pittsburgh School District give teachers, school administrators, and district administrators a grade of *A* or *B* (66 percent, 71 percent, and 55 percent, respectively) than do administrators in other school districts (84 percent, 85 percent, and 70 percent, respectively).

As shown in Exhibit 3-10, the attitudes of Pittsburgh administrators are fairly similar to many items compared to the attitudes of administrators in other school districts. Many administrators in Pittsburgh (63 percent) feel that their schools are safe and secure from crime, while 71 percent of administrators in other school districts feel the same. Half of Pittsburgh administrators (50 percent) think the schools effectively handle misbehavior problems, compared to 68 percent of other administrators. Sixty-four (64) percent of Pittsburgh administrators *agree* that there is administrative support for controlling student behavior in the schools, while 83 percent of administrators in other school districts feel the same.

Seventy-one (71) percent of administrators in Pittsburgh believe their schools have the materials and supplies necessary for instruction in basic skills programs, and 70 percent of administrators in other school districts feel the same. With regard to student services being provided in the school district, 61 percent of Pittsburgh administrators *agree* compared to 57 percent of other district administrators. Sixty-five (65) percent of Pittsburgh administrators feel their schools have sufficient space and facilities to support instructional programs, while less than one-third (30 percent) of administrators in other districts *agree*.

Regarding parents in the school districts, administrators in the Pittsburgh School District are less likely to believe parents know what goes on than other school district administrators; only 24 percent of Pittsburgh administrators *agree*, while 40 percent of other district administrators *agree*. More administrators in Pittsburgh (52 percent) *disagree* with the statement; *in general, parents take responsibility for their children's behavior in our schools*, compared to only 30 percent of other district administrators. Administrators in Pittsburgh express more concern than other districts with regard to parents playing an active role in decision making; less than one-third (25 percent) of Pittsburgh administrators *agree* or *strongly agree* with this statement, compared to 47 percent of administrators in other districts.

Exhibit 3-11 details the survey responses given by Pittsburgh administrators and those in other school districts for Part C. Pittsburgh administrators express less positive opinions in their views of the Board of Education and the Superintendent.* Less often than administrators in other school districts, they rate as *good* or *excellent* the school district Superintendent's work as the educational leader of the school district (51 percent

*It is critical to this study that the response to this item not be considered because of the change in Superintendents that occurred during the study.

**EXHIBIT 3-10
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS¹ AND
ADMINISTRATORS IN OTHER SCHOOL DISTRICTS**

PART B	(% A + SA) / (% D + SD) ²	
	PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS	OTHER SCHOOL DISTRICT ADMINISTRATORS
1. The emphasis on learning in the school district has increased in recent years.	77/10	86/6
2. Our schools are safe and secure from crime.	63/18	71/13
3. Our schools effectively handle misbehavior problems.	50/28	68/18
4. Our schools have sufficient space and facilities to support the instructional programs.	65/24	30/59
5. Our schools have the materials and supplies necessary for instruction in basic skills programs such as writing and mathematics.	71/15	70/18
6. Our schools can be described as "good places to learn."	72/13	89/3
7. There is administrative support for controlling student behavior in our schools.	64/17	83/8
8. Most students in our schools are motivated to learn.	44/27	73/13
9. Lessons are organized to meet students' needs.	63/14	72/10
10. The curriculum is broad and challenging for most students.	66/13	74/11
11. There is little a teacher can do to overcome education problems due to a student's home life.	25/52	16/71
12. Teachers in our schools know the material they teach.	69/9	83/4
13. Teachers in our schools care about students' needs.	73/11	89/3
14. Teachers expect students to do their very best.	68/10	83/6
15. Principals and assistant principals in our schools care about students' needs.	84/5	93/2
16. In general, parents take responsibility for their children's behavior in our schools.	21/52	52/30
17. Parents in this school district are satisfied with the education their children are receiving.	41/20	66/11
18. Most parents seem to know what goes on in our schools.	24/44	40/39
19. Parents play an active role in decision-making in our schools.	25/42	47/23
20. This community really cares about its children's education.	45/30	72/12
21. Funds are managed wisely to support education in school district.	46/29	68/17
22. Sufficient student services are provided in the school district (e.g., counseling, speech therapy, health).	61/27	57/33
23. School-based personnel play an important role in making decisions that affect schools in the school district.	49/28	N/A
24. Students are often late arriving to and/or departing from school because the buses do not arrive to school on time.	15/54	N/A
25. The food services department provides nutritious and appealing meals and snacks.	42/31	N/A

¹ For comparison purposes, administrators and principals in other school districts were combined in order to benchmark against a similar grouping in the Pittsburgh School District.

² Percent responding *Agree* or *Strongly Agree*/Percent responding *Disagree* or *Strongly Disagree*.

**EXHIBIT 3-11
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS¹ AND
ADMINISTRATORS IN OTHER SCHOOL DISTRICTS**

PART C	(% G + E) / (% F + P) ²	
	PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS	OTHER SCHOOL DISTRICT ADMINISTRATORS
1. Board of Education members' knowledge of the educational needs of students in the school district.	24/67	37/59
2. Board of Education members' knowledge of operations in the Pittsburgh School District.	33/60	37/59
3. Board of Education members' work at setting or revising policies for the school district.	23/68	45/50
4. The school district Superintendent's work as the educational leader of the school district. ³	51/37	71/26
5. The school district Superintendent's work as the chief administrator (manager) of the school district. ³	54/35	73/26
6. Principals' work as the instructional leaders of their schools.	70/27	82/15
7. Principals' work as the managers of the staff and teachers.	77/20	86/11
8. Teachers' work in meeting students' individual learning needs.	61/34	73/23
9. Teachers' work in communicating with parents.	42/51	60/35
10. Teachers' attitudes about their jobs.	48/48	58/39
11. Students' ability to learn.	63/34	80/16
12. The amount of time students spend on task learning in the classroom.	51/40	66/25
13. Parents' efforts in helping their children to do better in school.	9/84	34/59
14. Parents' participation in school activities and organizations.	11/84	31/63
15. How well students' test results are explained to parents.	41/50	44/48
16. The cleanliness and maintenance of facilities in the school district.	70/29	64/35
17. How well relations are maintained with various groups in the community.	42/51	59/37
18. Staff development opportunities provided by the school district for teachers.	56/40	64/33
19. Staff development opportunities provided by the school district for school administrators.	52/40	57/40
20. The school district's job of providing adequate instructional technology.	65/32	49/49
21. The school district's use of technology for administrative purposes.	69/30	51/47

¹For comparison purposes, administrators and principals in other school districts were combined in order to benchmark against a similar grouping in the Pittsburgh School District.

²Percent responding *Good* or *Excellent* / Percent responding *Fair* or *Poor*.

³It is critical to this study that the response to this item not be considered because of the change in Superintendents that occurred during the study.

compared to 71 percent) and the Superintendent's work as chief administrator of the school district (54 percent versus 73 percent). Also, Pittsburgh administrators are less likely to approve of Board members' knowledge of the educational needs of students in the school district; 24 percent rate this item as *excellent* or *good*, compared to 37 percent of other school district administrators. Additionally, fewer Pittsburgh administrators than administrators in other school districts think that the Board's work at setting or revising policies is *good* or *excellent* (23 percent versus 45 percent), as well as the Board's knowledge of operations in the school district (33 percent compared to 37 percent).

Slightly more than half of Pittsburgh administrators are satisfied with the opportunities provided by the school district to improve the skills of teachers. Fifty-six (56) percent view these opportunities as *excellent* or *good*, compared to 64 percent of other school district administrators. Approximately half of Pittsburgh administrators (52 percent) express a positive opinion of existing opportunities to improve the skills of school administrators, compared to 57 percent of other district administrators. The majority of Pittsburgh administrators (69 percent) feel the district's use of technology for administrative purposes are *excellent* or *good*, while only 51 percent of other district administrators give *excellent* or *good* ratings.

Administrators in Pittsburgh have more negative opinions of the parents than other district administrators when rating parents. With regard to parents' efforts in helping their children do better in school, more administrators in Pittsburgh (84 percent) than administrators in other districts (59 percent) rate them *fair* or *poor*. Similarly, Pittsburgh administrators (84 percent) rate parents' participation in school activities and organizations as *fair* or *poor*, while 63 percent of other district administrators feel the same.

Exhibit 3-12 shows the comparison of survey responses to Part D, which addresses the work environment. Generally, Pittsburgh administrators are slightly less positive in their opinions of the work environment at the Pittsburgh School District when compared to administrators in the comparison school districts.

Pittsburgh administrators are less likely than administrators in other school districts to feel that their school districts are exciting, challenging places to work (74 percent compared to 84 percent of other district administrators). Administrators in Pittsburgh are also more positive in their perceptions of the interest of other employees in the administrators' work. Fifty-eight (58) percent of Pittsburgh administrators compared to 67 percent of administrators in comparison school districts *disagree* or *strongly disagree* with the statement that *no one knows or cares about the amount or quality of work that I perform*.

About half of Pittsburgh administrators (57 percent) *agree* that relationships between teachers and administrators are excellent compared to 64 percent of administrators in other school districts. Sixty-seven (67) percent of Pittsburgh administrators *agree* or *strongly agree* that school district officials enforce high work standards, compared to 75 percent of other school district administrators. Most of Pittsburgh administrators (70 percent) believe that work standards in the school district are equal to or better than those in most school districts; 79 percent of other administrators *agree*. Sixty-one (61) percent of Pittsburgh administrators and 74 percent of the comparison group of administrators *agree* that school district teachers enforce high learning standards.

**EXHIBIT 3-12
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS¹ AND
ADMINISTRATORS IN OTHER SCHOOL DISTRICTS**

PART D: WORK ENVIRONMENT	(% A + SA) / (% D + SD) ²	
	PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS	OTHER SCHOOL DISTRICT ADMINISTRATORS
1. I find the school district to be an exciting, challenging place to work.	74/14	84/6
2. The work standards and expectations in the school district are equal to or above those of most other school districts.	70/13	79/8
3. School district officials enforce high work standards.	67/20	75/11
4. Most school district teachers enforce high student learning standards. ³	61/19	74/7
5. School district teachers and administrators have excellent working relationships. ³	57/17	64/14
6. Teachers who do not meet expected work standards are disciplined.	33/37	33/36
7. Staff who do not meet expected work standards are disciplined.	35/34	45/30
8. I feel that I have the authority to adequately perform my job responsibilities.	71/18	80/13
9. I have adequate facilities in which to do my work.	78/12	71/22
10. I have adequate equipment and computer support to do my work.	85/9	66/26
11. The workloads are equitably distributed among teachers and among staff members.	42/30	50/25
12. No one knows or cares about the amount or quality of work that I perform.	25/58	19/67
13. Workload is evenly distributed.	32/39	39/40
14. If there were an emergency in the schools, I would know how to respond appropriately.	89/3	N/A
15. I often observe other teachers and/or staff socializing rather than working while on the job.	15/67	15/67

¹For comparison purposes, administrators and principals in other school districts were combined in order to benchmark against a similar grouping in the Pittsburgh School District.

²Percent responding *Agree* or *Strongly Agree* / Percent responding *Disagree* or *Strongly Disagree*.

Pittsburgh administrators and administrators in other school districts share similar opinions of how workloads are distributed. Thirty-two (32) percent of Pittsburgh administrators *agree* that the workload is evenly distributed, and 39 percent of administrators in other districts *agree*. When asked whether they agree or disagree with the statement, *the workloads are equitably distributed among teachers and among staff members*, fewer administrators in Pittsburgh (42 percent) *agree* or *strongly agree*, while half (50 percent) of administrators in other districts state the same.

Exhibit 3-13 compares the responses concerning job satisfaction, which are found in Part E of the survey. Again, the responses of the Pittsburgh administrators are less positive than the responses of administrators in comparison school districts. Sixty-nine (69) percent of Pittsburgh administrators feel that their supervisors appreciate their work compared to 70 percent of administrators in other school districts. Sixty-five (65) percent of Pittsburgh administrators feel like an integral part of the school district, while 72 percent of administrators in other districts feel the same. The majority of each group (76 percent of Pittsburgh and 82 percent of other administrators) plans to continue their careers in the school district.

**EXHIBIT 3-13
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS¹ AND
ADMINISTRATORS IN OTHER SCHOOL DISTRICTS**

PART E: JOB SATISFACTION	(% A + SA) / (% D + SD) ²	
	PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS	OTHER SCHOOL DISTRICT ADMINISTRATORS
1. I am very satisfied with my job in the school district.	73/15	80/10
2. I plan to continue my career in the school district.	76/11	82/5
3. I am actively looking for a job outside of the school district.	14/69	9/78
4. Salary levels in the school district are competitive (with other school districts).	70/24	41/46
5. I feel that my work is appreciated by my supervisor(s).	69/19	70/16
6. I feel that I am an integral part of the school district.	65/14	72/13
7. I feel that there is no future for me in the school district.	12/71	9/79
8. My salary level is adequate for my level of work and experience.	56/33	34/56

¹ For comparison purposes, administrators and principals in other school districts were combined in order to benchmark against a similar grouping in the Pittsburgh School District Administrators.

² Percent responding *Agree* or *Strongly Agree* / Percent responding *Disagree* or *Strongly Disagree*.

Pittsburgh administrators are much more likely to feel that school district salaries are competitive (70 percent versus 41 percent in comparison school districts) and that their individual salaries are adequate for their level of work and experience (56 percent compared to 34 percent).

The survey responses to Part F, which addresses the administrative structures and practices of the school district, are found in Exhibit 3-14. Overall, Pittsburgh administrators' responses are less positive than the responses given by administrators in the comparison school districts.

**EXHIBIT 3-14
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS¹ AND
ADMINISTRATORS IN OTHER SCHOOL DISTRICTS**

PART F: ADMINISTRATIVE STRUCTURE/PRACTICES	(% A + SA) / (% D + SD)²	
	PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS	OTHER SCHOOL DISTRICT ADMINISTRATORS
1. Most administrative practices in the school district are highly effective and efficient.	50/28	62/20
2. Administrative decisions are made promptly and decisively.	45/35	50/30
3. School district administrators are easily accessible and open to input.	52/29	70/16
4. Authority for administrative decisions is delegated to the lowest possible level.	22/43	36/39
5. Teachers and staff are empowered with sufficient authority to effectively perform their responsibilities.	60/25	69/13
6. Major bottlenecks exist in many administrative processes which cause unnecessary time delays.	47/24	40/37
7. The extensive committee structure in the school district ensures adequate input from teachers and staff on most important decisions.	35/38	58/20
8. The school district has too many committees.	31/28	37/33
9. The school district has too many layers of administrators.	37/36	19/64
10. Most administrative processes (e.g., purchasing, travel requests, leave applications, personnel, etc.) are highly efficient and responsive.	44/34	59/24
11. Central office administrators are responsive to school needs.	55/21	69/15
12. Central office administrators provide quality service to schools.	53/21	70/13

¹ For comparison purposes, administrators and principals in other school districts were combined in order to benchmark against a similar grouping in the Pittsburgh School District.

² Percent responding *Agree* or *Strongly Agree* / Percent responding *Disagree* or *Strongly Disagree*.

Pittsburgh administrators respond less positively with respect to the accessibility of school district administrators (52 percent of Pittsburgh administrators agree compared to 70 percent of other district administrators), and Pittsburgh administrators are less likely to believe administrative decisions are made promptly and decisively (45 percent compared to 50 percent of other district administrators). About half (53 percent) of the administrators in Pittsburgh believe that central office administrators provide quality service to schools, while 70 percent of other administrators feel the same.

More administrators in other districts (69 percent) than Pittsburgh administrators (60 percent) indicate that teachers and staff are empowered with sufficient authority to effectively perform their responsibilities. Approximately one-third (35 percent) of Pittsburgh administrators *agree* or *strongly agree* that the committee structure ensures adequate input from teachers and staff, whereas 58 percent of administrators in other school districts *agree*. Half (50 percent) of administrators in Pittsburgh and 62 percent of other district administrators *agree* that administrative practices in the district are highly effective and efficient.

Thirty-one (31) percent of Pittsburgh administrators *agree* with the statement *the school district has too many committees*, and 37 percent of other administrators *agree*. Regarding the statement, *the school district has too many layers of administrators*; more administrators in Pittsburgh than other district administrators *agree* (37 percent of Pittsburgh administrators compared to only 19 percent of administrators in other districts).

Exhibit 3-15 shows the comparisons between the two groups concerning the 26 programs and functions which are found in Part G of the survey. Overall, the responding administrators in Pittsburgh were split in their opinions of each program showing more responses in the *needs some* or *major improvement* categories.

Five programs stand out with a higher percentage of the Pittsburgh School District administrators responding with *adequate* or *outstanding* ratings than administrators in other school districts.

- Transportation (64 percent of Pittsburgh administrators indicate *adequate* or *outstanding* compared to 60 percent in other school districts);
- Custodial Services (62 percent compared to 54 percent);
- Plant Maintenance (56 percent compared to 47 percent);
- Administrative Technology (56 percent compared to 47 percent); and
- Instructional Technology (50 percent compared to 39 percent).

The areas in which the majority of the Pittsburgh School District administrators indicate a need for improvement compared to how administrators in other school districts feel are:

- Personnel Selection (71 percent of administrators in Pittsburgh indicate *needs some* or *major improvement* compared to 40 percent in other school districts);
- Personnel Recruitment (70 percent compared to 44 percent);

**EXHIBIT 3-15
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS¹ AND
ADMINISTRATORS IN OTHER SCHOOL DISTRICTS**

PART G: SCHOOL DISTRICT PROGRAM/ FUNCTION	% NEEDS SOME IMPROVEMENT + NEEDS MAJOR IMPROVEMENT / % ADEQUATE ² + OUTSTANDING	
	PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS	OTHER SCHOOL DISTRICTS ADMINISTRATORS
a. Budgeting	44/49	45/51
b. Strategic planning	50/37	46/43
c. Curriculum planning	49/38	43/50
d. Financial management and accounting	31/58	36/58
e. Community relations	47/43	43/52
f. Program evaluation, research, and assessment	63/28	41/51
g. Instructional technology	44/50	56/39
h. Pupil accounting	39/45	28/58
i. Instructional coordination/supervision	48/43	36/55
j. Instructional support	50/43	40/51
k. Federal Programs (e.g., Title I, Special Education) coordination	35/50	32/52
l. Personnel recruitment	70/16	44/46
m. Personnel selection	71/20	40/53
n. Personnel evaluation	64/31	46/50
o. Staff development	58/37	44/53
p. Data processing	44/42	39/49
q. Purchasing	46/43	34/58
r. Safety and security	35/60	30/62
s. Plant maintenance	33/56	50/47
t. Facilities planning	39/45	47/46
u. Transportation	24/64	33/60
v. Food service	38/51	29/66
w. Custodial services	31/62	42/54
x. Risk management	28/37	26/58
y. Administrative technology	38/56	49/47
z. Grants administration	31/47	N/A

¹ For comparison purposes, administrators and principals in other school districts were combined in order to benchmark against a similar grouping in the Pittsburgh School District Administrators.

² Percent responding *Needs Some Improvement* or *Needs Major Improvement* / Percent responding *Adequate* or *Outstanding*.

- Program Evaluation, Research, and Assessment (63 percent compared to 41 percent); and
- Personnel Evaluation (64 percent compared to 46 percent).

3.5.2 Teacher Comparisons of the Pittsburgh School District Responses to Other School Districts

Exhibit 3-16 lists the survey responses the Pittsburgh School District teachers and teachers in other school districts give to items in Part A. Responses from the Pittsburgh School District teachers are slightly less positive than those of teachers in other school districts. For example, 66 percent of Pittsburgh teachers indicate that overall quality of education in their school district is either *good* or *excellent*, while 71 percent of teachers in other school districts believe the same. Not as many Pittsburgh teachers give themselves high grades compared to what teachers in other school districts give themselves; 82 percent awarding themselves an *A* or *B* compared to 84 percent of other teachers. Pittsburgh teachers give lower grades to principals and central office administrators than teachers in other school districts give their administrators. Slightly fewer teachers say that the overall quality of education in the school district is *improving* (50 percent compared to 52 percent of teachers in other school districts) and more say that the quality is *getting worse* (20 percent versus 17 percent).

Exhibit 3-17 lists the survey responses to and comparisons of items found in Part B. Pittsburgh teachers are somewhat similar in their opinions when compared to teachers in other school districts. Forty-three (43) percent of the Pittsburgh teachers indicate that their schools are safe and secure from crime; and 44 percent of teachers in other school districts feel the same. A few more Pittsburgh teachers than their peers in other school districts *disagree* that their schools effectively handle misbehavior problems (56 percent versus 51 percent, respectively). Pittsburgh teachers have similar opinions with their peers about teachers in their district. Eighty-nine (89) percent of both groups agree that teachers care about students' needs. Eighty-seven (87) percent of Pittsburgh teachers and 86 percent of teachers in other districts believe teachers expect students to do their very best. Most of the teachers in Pittsburgh and other districts believe they know the material they teach (89 percent and 87 percent, respectively).

Pittsburgh teachers are more positive than teachers in other school districts in their responses on some items. Almost three-fourths (72 percent) of Pittsburgh teachers feel the emphasis on learning has increased in recent years, while 68 percent of teachers in other districts indicate the same. Forty-five (45) percent of Pittsburgh teachers *agree* or *strongly agree* they have sufficient space and facilities to support instructional programs while only 28 percent of their peers feel the same. Fifty-eight (58) percent of Pittsburgh teachers agree they have the materials and supplies necessary for instruction compared to 52 percent of other school district teachers. More teachers in Pittsburgh (43 percent *disagree* or *strongly disagree*) believe their schools are lacking administrative support for controlling student behavior; 34 percent of teachers in other districts feel the same.

**EXHIBIT 3-16
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT TEACHERS AND
TEACHERS IN OTHER SCHOOL DISTRICTS**

PART A OF SURVEY	PITTSBURGH SCHOOL DISTRICT (%)	OTHER SCHOOL DISTRICTS (%)
1. Overall quality of public education in the school district is: Good or Excellent Fair or Poor	 66 34	 71 26
2. Overall quality of education in the school district is: Improving Staying the Same Getting Worse Don't Know	 50 28 20 3	 52 26 17 4
3. Grade given to teachers: Above Average (A or B) Below Average (D or F)	 82 0	 84 1
4. Grade given to school administrators: Above Average (A or B) Below Average (D or F)	 45 20	 59 12
5. Grade given to school district administrators: Above Average (A or B) Below Average (D or F)	 22 35	 39 24

**EXHIBIT 3-17
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT TEACHERS AND
TEACHERS IN OTHER SCHOOL DISTRICTS**

PART B	(% A + SA) / (% D + SD) ¹	
	PITTSBURGH SCHOOL DISTRICT	OTHER SCHOOL DISTRICTS
1. The emphasis on learning in the school district has increased in recent years.	72/14	68/14
2. Our schools are safe and secure from crime.	43/39	44/35
3. Our schools effectively handle misbehavior problems.	26/56	35/51
4. Our schools have sufficient space and facilities to support the instructional programs.	45/43	28/62
5. Our schools have the materials and supplies necessary for instruction in basic skills programs such as writing and mathematics.	58/29	52/32
6. Our schools can be described as "good places to learn."	64/18	71/12
7. There is administrative support for controlling student behavior in our schools.	39/43	51/34
8. Most students in our schools are motivated to learn.	39/42	54/31
9. Lessons are organized to meet students' needs.	79/8	78/9
10. The curriculum is broad and challenging for most students.	76/11	73/14
11. There is little a teacher can do to overcome education problems due to a student's home life.	39/38	35/47
12. Teachers in our schools know the material they teach.	89/3	87/4
13. Teachers in our schools care about students' needs.	89/3	89/4
14. Teachers expect students to do their very best.	87/3	86/6
15. Principals and assistant principals in our schools care about students' needs.	77/8	81/8
16. In general, parents take responsibility for their children's behavior in our schools.	15/66	25/56
17. Parents in this school district are satisfied with the education their children are receiving.	42/15	50/16
18. Most parents seem to know what goes on in our schools.	24/52	25/57
19. Parents play an active role in decision-making in our schools.	22/50	37/38
20. This community really cares about its children's education.	36/38	51/25
21. Funds are managed wisely to support education in school district.	18/55	34/43
22. Sufficient student services are provided in the school district (e.g., counseling, speech therapy, health).	58/26	55/34
23. School-based personnel play an important role in making decisions that affect schools in the school district.	31/40	N/A
24. Students are often late arriving to and/or departing from school because the buses do not arrive to school on time.	18/51	N/A
25. The food services department provides nutritious and appealing meals and snacks.	35/39	N/A

¹Percent responding *Agree* or *Strongly Agree* / Percent responding *Disagree* or *Strongly Disagree*.

Exhibit 3-18 lists the comparisons in Part C of the teacher surveys. For the majority of items, Pittsburgh teachers have less favorable opinions than teachers in other school districts. Pittsburgh teachers answer less favorably with respect to the work of the Superintendent in their school district than do their peers in other districts.* Pittsburgh teachers also have less favorable opinions of the principals but more favorable opinions of the teachers than do teachers in other school districts.

Only 13 percent of Pittsburgh teachers highly rate the Board's knowledge of the educational needs of students, while 25 percent of teachers in other school districts say the Board's work is *excellent* or *good*. Likewise, 13 percent of Pittsburgh teachers give *good* or *excellent* ratings to the Board's work at setting or revising policies for the school district, while 28 percent of other teachers award similar ratings. As for the Board's knowledge of school district operations, only 18 percent of Pittsburgh teachers give the Board a *good* or *excellent* rating, compared to 30 percent of teachers in other school districts.

Over half of both groups give lower ratings to the parents in the school districts. Eighty-four (84) percent of Pittsburgh teachers believe parents' efforts in helping their children do better in school are *fair* or *poor*, and 77 percent of other district teachers feel the same. The same ratings are given to parents' participation in school activities and organizations.

Pittsburgh teachers are more satisfied with the performance of their teachers. More than four-fifths (83 percent) of Pittsburgh teachers rate the teacher's work in meeting students' individual needs as either *good* or *excellent*. Seventy-seven (77) percent of teachers in other school districts indicate *good* or *excellent* ratings for their teacher's performance. More Pittsburgh teachers feel their work in communicating with parents is *good* or *excellent* than teachers in other school districts (76 percent compared to 72 percent). Again, more Pittsburgh teachers give high ratings to their attitudes about their jobs than do their peers (52 percent compared to 49 percent).

Pittsburgh teachers are more satisfied than their peers with the school district's use of administrative technology; 50 percent say it is *good* or *excellent*, compared to 44 percent of teachers in other school districts. Regarding adequate instructional technology, Pittsburgh teachers give their district a 57 percent *good* or *excellent* rating, but only 43 percent of other teachers feel this way about their districts.

Exhibit 3-19 contains the survey comparisons in Part D. As can be seen, Pittsburgh teachers are more satisfied than teachers in the comparison school districts on many of the items. Seventy (70) percent of teachers in the Pittsburgh School District find the *school district to be an exciting, challenging place to work*; 67 percent of teachers in other school districts *agree*. The majority of teachers in each group (61 percent) *agree* that work standards and expectations are equal to or above other school districts. Teachers in Pittsburgh believe that most school district officials enforce high work standards (62 percent), while a smaller percentage of teachers in other school districts feel the same (60 percent).

*It is critical to this study that the response to this item not be considered because of the change in Superintendents that occurred during the study.

**EXHIBIT 3-18
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT TEACHERS AND
TEACHERS IN OTHER SCHOOL DISTRICTS**

PART C	(%G+ E) / (%F + P) ¹	
	PITTSBURGH SCHOOL DISTRICT	OTHER SCHOOL DISTRICTS
1. Board of Education members' knowledge of the educational needs of students in the school district.	13/78	25/65
2. Board of Education members' knowledge of operations in the school district.	18/70	30/57
3. Board of Education members' work at setting or revising policies for the school district.	13/76	28/59
4. The school district Superintendent's work as the educational leader of the school district. ²	34/51	43/47
5. The school district Superintendent's work as the chief administrator (manager) of the school district. ²	35/50	46/44
6. Principals' work as the instructional leaders of their schools.	57/41	61/38
7. Principals' work as the managers of the staff and teachers.	57/40	64/34
8. Teachers' work in meeting students' individual learning needs.	83/17	77/22
9. Teachers' work in communicating with parents.	76/22	72/27
10. Teachers' attitudes about their jobs.	52/46	49/50
11. Students' ability to learn.	57/42	62/37
12. The amount of time students spend on task learning in the classroom.	58/40	61/37
13. Parents' efforts in helping their children to do better in school.	13/84	20/77
14. Parents' participation in school activities and organizations.	13/84	22/77
15. How well students' test results are explained to parents.	33/55	36/54
16. The cleanliness and maintenance of facilities in the school district.	44/55	51/48
17. How well relations are maintained with various groups in the community.	35/50	44/44
18. Staff development opportunities provided by the school district for teachers.	58/41	57/42
19. Staff development opportunities provided by the school district for school administrators.	25/17	33/27
20. The school district's job of providing adequate instructional technology.	57/41	43/53
21. The school district's use of technology for administrative purposes.	50/29	44/29

¹ Percent responding *Good* or *Excellent* / Percent responding *Fair* or *Poor*.

²It is critical to this study that the response to this item not be considered because of the change in Superintendents that occurred during the study.

**EXHIBIT 3-19
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT TEACHERS AND
TEACHERS IN OTHER SCHOOL DISTRICTS**

PART D: WORK ENVIRONMENT	(% A + SA) / (% D + SD) ¹	
	PITTSBURGH SCHOOL DISTRICT	OTHER SCHOOL DISTRICTS
1. I find the school district to be an exciting, challenging place to work.	70/14	67/13
2. The work standards and expectations in the school district are equal to or above those of most other school districts.	61/16	61/15
3. School district officials enforce high work standards.	62/17	60/19
4. Most school district teachers enforce high student learning standards.	78/7	76/9
5. School district teachers and administrators have excellent working relationships.	35/34	40/31
6. Teachers who do not meet expected work standards are disciplined.	27/37	23/41
7. Staff who do not meet expected work standards are disciplined.	22/39	23/38
8. I feel that I have the authority to adequately perform my job responsibilities.	78/13	79/14
9. I have adequate facilities in which to do my work.	74/19	65/27
10. I have adequate equipment and computer support to do my work.	69/23	49/40
11. The workloads are equitably distributed among teachers and among staff members.	34/47	39/46
12. No one knows or cares about the amount or quality of work that I perform.	25/54	25/55
13. Workload is evenly distributed.	31/47	34/45
14. If there were an emergency in the schools, I would know how to respond appropriately.	78/10	33/38
15. I often observe other teachers and/or staff socializing rather than working while on the job.	13/68	20/63

¹ Percent responding *Agree* or *Strongly Agree* / Percent responding *Disagree* or *Strongly Disagree*.

A higher percentage of Pittsburgh teachers (69 percent) feel they have adequate equipment and computer support to perform their work, whereas only 49 percent of teachers in other school districts feel the same. Almost three-fourths (74 percent) of Pittsburgh teachers feel they have adequate facilities in which to do their work, 65 percent of their peers agree. More teachers in Pittsburgh believe their teachers enforce high student learning standard—78 percent compared to 76 percent of teachers in other school districts.

If there were an emergency in the schools, 78 percent of Pittsburgh teachers *agree* they would know how to respond appropriately, but only 33 percent of teachers in other districts indicate that they do.

Exhibit 3-20 lists the responses and comparisons of Part E, the job satisfaction portion of the survey. Pittsburgh teachers have almost the same satisfaction with their jobs as teachers in other school districts; 68 percent of Pittsburgh teachers agree that they are very satisfied, and 69 percent of teachers in other school districts agree. More than one-half of the Pittsburgh teachers (52 percent) state that salary levels are competitive with other school districts, but only 31 percent of teachers in comparison school districts indicate the same. Fifty-four (54) percent of the latter group indicate that their salaries are not competitive.

**EXHIBIT 3-20
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT TEACHERS
AND TEACHERS IN OTHER SCHOOL DISTRICTS**

PART E: JOB SATISFACTION	(% A + SA) / (% D + SD) ¹	
	PITTSBURGH SCHOOL DISTRICT	OTHER SCHOOL DISTRICTS
1. I am very satisfied with my job in the school district.	68/17	69/16
2. I plan to continue my career in the school district.	82/7	71/10
3. I am actively looking for a job outside of the school district.	10/74	11/73
4. Salary levels in the school district are competitive (with other school districts).	52/40	31/54
5. I feel that my work is appreciated by my supervisor(s).	60/26	64/22
6. I feel that I am an integral part of the school district.	61/21	58/20
7. I feel that there is no future for me in the school district.	9/75	10/71
8. My salary level is adequate for my level of work and experience.	40/49	19/70

¹ Percent responding *Agree* or *Strongly Agree* / Percent responding *Disagree* or *Strongly Disagree*.

Two-fifths of Pittsburgh teachers (40 percent) but less than one-fifth of teachers in other school districts (19 percent) believe that their salaries are adequate for their level of work and experience. Very low percentages of teachers in both groups (nine percent in Pittsburgh and ten percent in the comparison group) agree with the statement *I feel there is no future for me in the school district*. Eighty-two (82) percent of Pittsburgh teachers indicate that they expect to continue their careers in the school district, whereas 71 percent of teachers in the comparison school districts indicate the same. Many teachers in Pittsburgh (61 percent) feel they are an integral part of the school district, and 58 percent of teachers in other districts state the same.

Exhibit 3-21 (Part F of the survey) details responses about administrative structure and practices. The opinions expressed in this section are very similar but slightly lower among Pittsburgh teachers than among teachers in other school districts.

**EXHIBIT 3-21
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT TEACHERS AND
TEACHERS IN OTHER SCHOOL DISTRICTS**

PART F: ADMINISTRATIVE STRUCTURE/PRACTICES	(% A + SA) / (% D + SD) ¹	
	PITTSBURGH SCHOOL DISTRICT	OTHER SCHOOL DISTRICTS
1. Most administrative practices in the school district are highly effective and efficient.	28/44	32/38
2. Administrative decisions are made promptly and decisively.	28/46	32/38
3. School district administrators are easily accessible and open to input.	31/42	38/37
4. Authority for administrative decisions is delegated to the lowest possible level.	12/29	16/31
5. Teachers and staff are empowered with sufficient authority to effectively perform their responsibilities.	45/34	52/30
6. Major bottlenecks exist in many administrative processes which cause unnecessary time delays.	49/15	48/18
7. The extensive committee structure in the school district ensures adequate input from teachers and staff on most important decisions.	19/46	29/41
8. The school district has too many committees.	45/9	47/15
9. The school district has too many layers of administrators.	61/7	59/16
10. Most administrative processes (e.g., purchasing, travel requests, leave applications, personnel, etc.) are highly efficient and responsive.	24/34	35/31
11. Central office administrators are responsive to school needs.	15/40	24/37
12. Central office administrators provide quality service to schools.	17/36	24/34

¹ Percent responding *Agree* or *Strongly Agree* / Percent responding *Disagree* or *Strongly Disagree*.

Pittsburgh teachers show slightly less favorable opinions than their peers in other school districts with regard to administrative processes, administrative practices, and administrative decisions. Twenty-four (24) percent of Pittsburgh teachers *agree* that administrative processes are highly efficient and responsive, while 35 percent of other district teachers share the same opinion. Only twenty-eight (28 percent) of teachers in Pittsburgh *agree* or *strongly agree* that administrative practices in their district are highly effective and efficient compared to 32 percent in the comparison group. Also, 28 percent of Pittsburgh teachers *agree* or *strongly agree* that administrative decisions are made promptly and decisively, and 32 percent of other teachers *agree*. Only 31 percent of Pittsburgh teachers believe that their administrators are accessible and open to input, and 38 percent of their peers indicate the same.

A higher percentage of Pittsburgh teachers (61 percent) indicate there are too many layers of administrators, whereas 59 percent of other teachers say there are in their respective districts. Forty-five (45) percent of teachers in Pittsburgh *agree* with the statement *the school district has too many committees*, and 47 percent of the teachers in other districts *agree*.

Exhibit 3-22 shows the comparisons between the two groups concerning 26 programs and functions, which are found in Part G of the survey. In general, the Pittsburgh School District teachers respond with a higher percentage of *adequate* or *outstanding* responses than do the teachers in the comparison school districts.

Five areas stand out in which the Pittsburgh School District teachers are less satisfied than teachers in other school districts:

- Safety and Security (54 percent of Pittsburgh teachers indicate *needs improvement* compared to 37 percent in other school districts);
- Strategic Planning (59 percent compared to 48 percent);
- Community Relations (61 percent compared to 50 percent);
- Financial Management and Accounting (57 percent compared to 47 percent); and
- Personnel Selection (51 percent compared to 41 percent).

3.6 Summary

3.6.1 Within the Pittsburgh School District

Central office administrators, principals, and teachers in the Pittsburgh School District are fairly positive about most aspects of the school district's operations. All three groups state that the quality of education is *improving* and that the schools can be called "good places to learn." Safety, security, and emergency response are regarded positively. Opinions among the three groups regarding parents' participation are generally less positive and the opinions regarding transportation are more negative. Overall, the adequacy of space and facilities is viewed positively, but several employee groups indicate that there is too much space.

All three groups give more negative reviews of the school board. Most respondents are very satisfied with their jobs and plan to continue their careers in the Pittsburgh School District.

**EXHIBIT 3-22
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT TEACHERS AND
TEACHERS IN OTHER SCHOOL DISTRICTS**

PART G: SCHOOL DISTRICT/PROGRAM FUNCTION	% NEEDS SOME IMPROVEMENT + NEEDS MAJOR IMPROVEMENT	% ADEQUATE ¹ + OUTSTANDING
	PITTSBURGH SCHOOL DISTRICT	OTHER SCHOOL DISTRICTS
a. Budgeting	67/12	64/18
b. Strategic planning	59/17	48/24
c. Curriculum planning	58/35	53/40
d. Financial management and accounting	57/14	47/42
e. Community relations	61/26	50/46
f. Program evaluation, research, and assessment	49/32	43/50
g. Instructional technology	45/47	55/36
h. Pupil accounting	36/30	30/41
i. Instructional coordination/supervision	40/44	39/46
j. Instructional support	47/44	49/45
k. Federal Programs (e.g., Title I, Special Education) coordination	40/38	36/40
l. Personnel recruitment	47/23	38/34
m. Personnel selection	51/26	41/39
n. Personnel evaluation	43/41	42/47
o. Staff development	49/45	43/50
p. Data processing	29/34	21/36
q. Purchasing	36/25	34/31
r. Safety and security	54/36	37/47
s. Plant maintenance	35/36	43/38
t. Facilities planning	36/26	44/29
u. Transportation	31/39	34/45
v. Food service	47/38	39/50
w. Custodial services	45/46	42/51
x. Risk management	26/24	24/35
y. Administrative technology	25/29	26/34
z. Grants administration	25/23	N/A

¹Percent responding *Needs Some Improvement* or *Needs Major Improvement* / Percent responding *Adequate* or *Outstanding*.

3.6.2 Between the Pittsburgh School District and Other School Districts

Responses from Pittsburgh administrators and teachers are less positive than are their peers in other school districts where MGT has used similar surveys. Pittsburgh teachers and administrators rate the school board lower when compared to respondents in other school districts. They are less likely to agree that principals and teachers adequately perform their job duties, and their responses about central office administrators are also less positive than the responses of other school administrators and teachers.

Pittsburgh administrators and other administrators agree that their school districts are exciting, challenging places to work and that they expect to continue their careers there. Both groups of administrators also indicate they feel that they are an integral part of their respective school districts.

Compared to teachers from other school districts, Pittsburgh teachers are slightly less positive about the overall quality of education; however, more Pittsburgh teachers find the school district to be an exciting and challenging place to work. Pittsburgh teachers are more likely than their peers in other districts to continue their careers in the school district and to agree that their salary levels are competitive. However, the majority of teachers in both groups disagree that their salary levels are adequate for their levels of work and experience.

4.0 DISTRICT ADMINISTRATION

4.0 DISTRICT ADMINISTRATION

This chapter present the findings and recommendations for the overall management and organization of the Pittsburgh School District. The major sections in this chapter are:

- 4.1 Governance
- 4.2 Policies and Procedures
- 4.3 Organization and Management
 - 4.3.1 District Organization
 - 4.3.2 Decision Making, Planning, and Accountability
 - 4.3.3 Public Relations and District Marketing
- 4.4 Legal Services

4.1 Governance

There are numerous school district governance configurations in the United States. Hawaii represents a highly centralized system with all public schools controlled by a single school Board with the state serving as a single school district. Florida has 67 county school districts each with elected school Boards of from five to nine members. Texas and Illinois each have approximately 1,000 school districts and school boards. Pennsylvania, with 501 school districts, presents yet another governance variation.

The Pittsburgh School District has a nine-member elected Board of Education. Each Board member, serves without pay and represents one of nine geographic areas with the City of Pittsburgh and the Borough of Mt. Oliver. Board members are elected by district to serve four-year terms. The Board also serves as the Board for the Pittsburgh-Mt. Oliver Intermediate Unit, one of 29 Regional Intermediate Units in Pennsylvania established to provide services, such as special education and programs for non-public students.

During the 2005-06 school year, the Board of Education has agreed to place major emphasis on four key areas:

- adoption of the 2005 General Fund Budget with careful monitoring to ensure fiscal responsibility.
- instill public confidence in the Pittsburgh School District;
- build accountability for student achievement; and
- align district faculties to meet current and projected student enrollment.

Exhibit 4-1 provides information related to each Pittsburgh School District's Board member including which district they represent and the year his or her term expires.

**EXHIBIT 4-1
THE PITTSBURGH SCHOOL DISTRICT
BOARD OF EDUCATION
2004-05 SCHOOL YEAR**

BOARD MEMBER	DISTRICT	TERM EXPIRES
Randall Taylor	District 1	2005
Patrick Dowd	District 2	2007
Alex Matthews	District 3	2005
William Isler	District 4	2007
Theresa Colaizzi	District 5	2005
Daniel Romaniello	District 6	2007
Jean Fink	District 7	2005
Mark Brentley	District 8	2007
Floyd McCrea	District 9	2005

Source: The Board of Education for the Pittsburgh School District, 2005.

In addition to one regular meeting per month, the Board of Education can hold executive (closed) meetings for certain purposes. These include:

- discussion of individual personnel;
- student matters;
- negotiations of material terms for purchase of property or a specific contract for employment;
- attorney-client privilege as relates to litigation preparation and execution; and
- other matters as permitted under Pennsylvania law.

The Board has four key standing committees including Business/Finance, Education, Personnel, and Negotiations Committees.

Preparation for the monthly Board meetings (in Pittsburgh School District, regular Board meetings are referred to as Legislative meetings) generally takes four to six weeks for planning in the following sequence:

- **Establish Agenda:** held four to six weeks before the legislative meeting; staff and Board recommendations are submitted and compiled.
- **Agenda Release:** This is a summary of business/finance and education reports available to the public during the week before a public hearing.
- **Public Hearing:** This hearing is held 10 days prior to the legislative meeting; citizens have the opportunity to testify on agenda or non-agenda items.

- **Agenda Review:** This review is where Board members review the Education and Business/Finance reports and any applicable testimony from the public hearings; this review is open to the public. (The Personnel Report is reviewed in closed session).

Exhibit 4-2 provides a summary of the Board meetings for January through December 2005. As shown, meeting dates, times, and locations are scheduled in advance and according to a regular set schedule.

The agenda reviews and regular Board meetings are televised.

FINDING

The agenda for Legislative Board meetings and accompanying Board packets are prepared for Board meetings in hard copy and hand delivered to Board members. District police officers hand-deliver the Board of Education packets to each Board member the Friday before the monthly Wednesday Legislative Board meeting. A review of the Board packets shows that the packets are organized, complete, and there is a cover page for each agenda item that provides an item summary. The Board members interviewed stated that overall they believe they have sufficient data in advance of Board meetings. The packets are generally three to four inches thick and staff report that it is a time-consuming monthly task to organize and deliver in a timely fashion to Board members.

The Pittsburgh School District provides each Board member with a free computer, printer, and fax machine. Seven of the nine members actively utilize this technology.

RECOMMENDATION

Recommendation 4-1:

Convert the Board meeting agenda and packet to an electronic format to the extent possible for transmission to Board members.

This recommendation should result in improved efficiency in the delivery and storage of Board meeting agendas and supporting information. This should eliminate the current physical delivery of the majority of the Board packets to Board members by an assigned district police officer. In as much as each Board member is provided the necessary technology, the receipt and printing of their respective Board meeting packet could be accomplished electronically. Training should be provided to any Board member who does not possess the necessary skills to ensure the successful implementation of this recommendation. This training can be provided by current technology staff. Thus, saving the district the time and materials necessary for printing and distribution of the initial nine packets.

In addition, the Pennsylvania School Boards Association (PSBA) provides assistance in establishing Board Intranet capabilities. This process allows the Board members to have a password to enter into the district's Intranet to download important documents. The PSBA will also provide the district with information on the Boards of Education that are successfully using this forum for communication to discuss the advantages of the electronic system.

**EXHIBIT 4-2
THE BOARD OF EDUCATION FOR THE PITTSBURGH SCHOOL DISTRICT
BOARD MEETING DATES
January through December 2005**

MONTH	PERSONNEL PLANNING* 12:00 NOON BOARD OFFICE	BUSINESS/ FINANCE COMMITTEE 5:30 P.M. BOARD COMMITTEE ROOM	EDUCATION COMMITTEE 5:30 P.M. BOARD COMMITTEE ROOM	INTERAGENCY SCHOOL COUNCIL 12:00 NOON CONFERENCE ROOM A	PERSONNEL* 5:30 P.M. BOARD OFFICE PUBLIC HEARING 7:00 P.M. CONF. ROOM A	AGENDA REVIEW 6:00 P.M. BOARD COMMITTEE ROOM	EXECUTIVE SESSION 5:30 P.M. BOARD COMMITTEE ROOM LEGISLATIVE SESSION 7:30 P.M. BOARD ROOM
JAN	3	3	4	12	10	19	26
FEB	7	7	8	9	14	16	23
MAR	7	7	8	9	14	16	22
APR	4	4	5	13	18	20	27
MAY	2	2	3	11	16	18	25
JUN	6	6	7	8	13	15	22
JUL	5	No Meeting	No Meeting	13	18	20	27
AUG	1	No Meeting	No Meeting	10	15	17	24
SEPT	12	12	13	14	19	21	28
OCT	3	3	4	12	17	19	26
NOV	7	7	8	9	14	16	23
DEC	5	5	6	13	12	14	20

Source: The Board of Education for the Pittsburgh School District, 2005.

*Executive Session

There will be no Business Affairs, Student Services or Public Hearings during the months of July and August.
The dates provided may change, in any given month, as a result of scheduling conflicts.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Board of Education should instruct the interim Superintendent to convert the Board meeting agenda and packet to an electronic format for transmission to Board members. July 2005

2. The Superintendent should instruct the Program Assistant to Chief Academic Officer to convert the Board meeting agenda and packet to an electronic format to the extent possible for transmission to Board members and begin using that format for transmission. August 2005

3. The Assistant to the Chief Academic Officer should convert the Board meeting agenda and packet to an electronic format and begin using that format for transmission to Board members. September 2005
and Ongoing

4. The Board of Education and the Superintendent should evaluate the new process and modify accordingly. November 2005

FISCAL IMPACT

This recommendation can result in eliminating the physical hand-delivery of individual Board members' meeting packets. While there is no estimated fiscal savings, this revised procedure should reduce deliveries and permit the more effective use of the assigned district police officers.

FINDING

The Board of Education meeting agendas are coordinated and completed under the direction of the Chief of Academics Office. This task is completed by the Program Assistant to the Chief Academic Officer who reports to the Chief Academic Officer. A review of peer district information shows that Board meeting agendas are prepared within the Superintendent's Office, and within the academic operation.

The Pittsburgh School District's Superintendent's Office is staffed with two full-time secretaries. One of the Superintendent's secretaries is assigned a coordination function with the Program Assistant to the Chief Academic Officer. Minutes of the Board meetings are outsourced to a company named Garrison. A stenographer records the minutes and provides them to the Superintendent's Office at a cost of approximately \$42,500 per year. This cost includes 72 meetings a year.

Other school districts prepare minutes internally. For example, Buffalo Public Schools' Board minutes are recorded by the Board secretary and, in Toledo Public Schools, the Board minutes are recorded by the Treasurer's Office personnel.

RECOMMENDATION

Recommendation 4-2:

Assign Board meeting agenda preparation and distribution, along with meeting minutes recording and preparation, to the Superintendent’s Office.

This recommendation should result in consolidation of agenda and minutes preparation within in the Superintendent’s Office. Additionally, this should result in eliminating the contracted stenographer by assigning those responsibilities to an existing Superintendent’s Office secretary. Interviews with personnel and observations by the consulting team indicate that the secretarial staff assigned to the Superintendent’s office should be able to assume these responsibilities. In districts of comparable size, one secretary serves the Superintendent while another is able to provide the necessary Board services including the development of the agenda and the taking and preparation of Board meeting minutes.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-------------------------|
| 1. The Board of Education should instruct the interim Superintendent to reassign Board meeting agenda preparation and distribution along with meeting minutes recording and preparation to the Superintendent’s office. | July 2005 |
| 2. The Superintendent should reassign Board of Education meeting agenda preparation and distribution along with meeting minutes recording and preparation to the Superintendent’s office. | August 2005 and Ongoing |

FISCAL IMPACT

The implementation of this recommendation can result in savings through the elimination of the outsourced clerk/stenographer services. These services cost the district approximately \$42,500 per year for a total of approximately 270 hours. However, some additional costs can be incurred through assignment of an existing secretary to handle the previously outsourced responsibilities associated with attending the meeting.

The Board Secretary makes approximately \$28.00 per hour times 270 hours equals a cost in overtime of \$7,600 per year. The cost of the stenographer (\$42,500) per year less the cost of overtime for a secretary (\$7,600) equals a savings of \$34,800.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Discontinue Use of Outsourced Board Minutes	\$34,800	\$34,800	\$34,800	\$34,800	\$34,800

FINDING

The Pittsburgh Board of Education does not conduct any type of new Board member training, does not regularly participate in Board training, Board members do not have to fulfill any requirements in order to be a Board member, nor does the Board evaluate its own progress.

Most Board members interviewed stated they “learn on the job” and learn by reading professional journals or periodically attending a National School Boards Association conference. The district does not offer a pre-election type of training to enlighten prospective Board candidates as to their responsibilities, tasks, or key skills or characteristics needed in order to become an effective Board member.

Regular Board training has been fragmented and infrequent. Some of the training over the last two years has included:

- two Board members attendance at the NSBA conferences;
- the Board chair is on the Board of the Council of Great City Schools;
- an outside mediator attends some of the retreats and provides some minor Board training; and
- Rand Corporation has provided some data analysis training.

Lastly, the Board of Education does not conduct any type of self-evaluation to ensure the Board is operating effectively.

MGT’s survey shows that 66 percent of the administration, 67 percent of the principals, and 78 percent of the teachers who responded to the survey believe that the Board of Education members’ knowledge of the educational needs of students in the district is either fair or poor. When asked to rate the Board’s knowledge of operations in the district, 63 percent of the administrators, 58 percent of the principals, and 70 percent of the teacher rated the Board’s knowledge as fair or poor.

When compared to other districts responding to MGT’s survey, the Pittsburgh School District’s responses to questions related to the Board are less positive. For example, 67 percent of the Pittsburgh School District rated the Board of Education members’ knowledge of the educational needs of the students in the school district as fair or poor compared to other district administrators who rated the same at 59 percent fair or poor. Pittsburgh School District’s administrators responding to the MGT survey shows that 68 percent of the respondents believe that the Board of Education members’ work at setting or revising policies for the school district is either fair or poor when compared to other district administrators response of 50 percent fair or poor.

RECOMMENDATION

Recommendation 4-3:

Provide information related to Board of Education responsibilities to prospective Board members, organize a new Board member orientation, participate in regular

Board training, and conduct yearly self-evaluations of the Pittsburgh Board of Education.

The implementation of this recommendation should provide an organized training and support system for Board members designed to enhance skills required to continuously focus on and work towards development of important goals. Fundamental school reform requires a unified and well-trained Board that is able to work in harmony with the school administration. It requires a Board with an biding commitment to improve the classroom performance of students.

Effective and inexpensive Board development opportunities are offered by Pittsburgh School Boards Association (PSBA). The Board determines the time, the place and the topic. PSBA provides an experienced facilitator to help the Board design a program or workshop that meets the needs of the Board-Superintendent team.

On-site customized PSBA workshops are also available to the district. Popular topics include:

- No Child Left Behind
- The Key Work of School Boards
- Act 24 and Act 50 Local Tax Reform
- Board Self-Assessment
- Board Planning and Goal Setting
- Board-Superintendent Roles and Relationships

Providing feedback, both formally and informally, is fundamental in any improvement process. Structured feedback, in the form of a Board self-evaluation instrument can supplement honest, ongoing dialogue and discussion. Governing boards in any organization can improve their performance through a formal self-evaluation in addition to an informal feedback process. Implementing this recommendation can be a significant “first-step” toward creating Board accountability and providing a medium for reporting governance activity constitutes.

Exhibit 4-3 provides one example of a meeting evaluation instrument which can be used by a school board to assess effectiveness.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|--|
| 1. The Board of Education should instruct the Superintendent to assist in developing the recommendation. | Upon
Appointment of
the New
Superintendent |
| 2. The Board of Education President and the Superintendent should contact the PSBA for technical assistance in implementation of the recommended actions. | In the Month
Following the
Appointment of
the New
Superintendent |

**EXHIBIT 4-3
SAMPLE BOARD SELF-ASSESSMENT INSTRUMENT**

Meeting Evaluation		
<i>DIRECTIONS: By evaluating our past meeting performance, we can discover ways to make future meetings shorter and more productive. Check each item "Adequate" or "Needs Improvement." If you check "Needs Improvement," include suggestions for improvement.</i>		
Adequate	Needs Improvement	
_____	_____	Our meeting was businesslike, results-oriented and we functioned like a team.
_____	_____	Our discussion was cordial and well balanced (not Dominated by just a few members).
_____	_____	We confined our discussion to agenda items only.
_____	_____	Our agenda included positive issues as well as problems.
_____	_____	We discussed policy issues rather than day-to-day management issues.
_____	_____	We followed parliamentary rules and consulted legal or professional counsel when needed.
_____	_____	The president or chairperson controlled and guided the meeting.
_____	_____	We dealt successfully with controversial items and attempted to develop solutions acceptable to all members.
_____	_____	Everyone contributed to the meeting.
_____	_____	All members were prepared to discuss material that was sent to them in advance.
_____	_____	Reports were clear, well prepared and provided adequate information for decision making.
_____	_____	Printed materials given to us were easy to understand and use.
_____	_____	Our meeting room was comfortable and conducive to discussion and decision making.
_____	_____	All members were in attendance and on-time - - and the meeting began and concluded on time.
_____	_____	For committees and ad hoc groups: There was adequate reason for us to meet.
My best suggestion for improving our next meeting is...		

Source: Created by MGT of America, 2004.

3. The Board of Education President and the Superintendent should use the services of the PSBA in accomplishing the recommended actions.

During the remainder of the 2005-06 school year

FISCAL IMPACT

PSBA training (which could include a new member orientation) costs approximately \$800 plus expenses for a half-day or evening workshop and \$1,350 plus expenses for a full-day workshop. MGT's review of peer districts shows that each Board invests approximately \$6,000 per year in providing the necessary Board training for effective operations.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Provide Training to Board of Education	\$0	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)

FINDING

The Pittsburgh Board of Education does not annually evaluate the Superintendent's performance. Interviews with the Superintendent, Board members, and staff and a review of documentation indicate that although the district has an instrument designed to evaluate the Superintendent, they have never formally used it for evaluating the Superintendent.

Exhibit 4-4 shows a copy of the evaluation instrument used in the Pittsburgh School District. As shown, the nine key categories (agenda for action implementation, student achievement, fiscal management, management of the district, public engagement, safety and security, school environment, political leadership, and personal qualities) and one general category for rating the Superintendent's performance.

Most school boards now use a performance-based evaluation system to evaluate the Superintendent.

RECOMMENDATION

Recommendation 4-4:

Revise the Superintendent's evaluation instrument and use it to conduct the annual evaluations of the Superintendent.

**EXHIBIT 4-4
PITTSBURGH PUBLIC SCHOOLS
SUPERINTENDENT OF SCHOOLS
PERFORMANCE RATING**

Performance Category	Rating
<p>Agenda for Action Implementation The extent to which the agenda for action is implemented.</p> <ul style="list-style-type: none"> - Accountability - 5 Rs - Technology - Governance - Professional Development <p>Comment:</p>	<p>1 2 3 4 5 6</p> <p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p>
<p>Student Achievement Improves system-wide student achievement as measured by the District's Student Assessment System.</p> <p>Comment:</p>	<p>1 2 3 4 5 6</p> <p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p>
<p>Fiscal Management Utilizes all available resources in the most effective and efficient manner. Develops a plan for a balanced budget. Seeks and obtains grants from local, regional, state, and national sources which support the District's Strategic Plan.</p> <p>Comment:</p>	<p>1 2 3 4 5 6</p> <p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p>
<p>Management of District Effectively manages the business and education operations of the District.</p> <ul style="list-style-type: none"> - Keeps all Board Members informed on issues, problems and needs related to the operation of the School System. - Works with the Board to plan the future direction of the School District. - Supports Board policy with the staff and public. - Holds senior staff accountable for managing their operations. - Works with the leadership of public and private agencies with which the District maintains partnerships. - Assures that District facilities are well maintained. <p>Comment:</p>	<p>1 2 3 4 5 6</p> <p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p>
<p>Public Engagement Regularly informs constituents on all aspects of the business and educational activities of the District.</p> <ul style="list-style-type: none"> - Builds an understanding of the issues facing the School District and the District's vision for improving the performance of student achievement. - Works effectively with public and private agency leadership. - Maintains and extends partnerships and collaborations with colleges and universities, business, civic, Nonprofit, faith-based and philanthropic groups which enhance the goals of the District. <p>Comment:</p>	<p>1 2 3 4 5 6</p> <p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p>

**EXHIBIT 4-4 (Continued)
PITTSBURGH PUBLIC SCHOOLS
SUPERINTENDENT OF SCHOOLS
PERFORMANCE RATING**

Performance Category	Rating												
<p>Safety and Security Maintains a high level of safety and security for all students and employees.</p> <p>Comment:</p>	<table border="0"> <tr> <td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td> </tr> <tr> <td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td> </tr> </table>	1	2	3	4	5	6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6								
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>								
<p>School Environment Ensures that educational programs optimize the use of all facilities within the system and that the school environment supports academic learning.</p> <p>Comment:</p>	<table border="0"> <tr> <td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td> </tr> <tr> <td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td> </tr> </table>	1	2	3	4	5	6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6								
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>								
<p>Political Leadership Actively engages with other community leaders in enhancing the community. Creates, maintains and extends local and regional partnerships, which further the mission of the District.</p> <p>Comment:</p>	<table border="0"> <tr> <td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td> </tr> <tr> <td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td> </tr> </table>	1	2	3	4	5	6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6								
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>								
<p>Personal Qualities Maintains high standards of ethics, honesty and integrity in professional matters. Defends principles and convictions in the face of pressure and partisan influence. Works and relates well with others.</p> <p>Comment:</p>	<table border="0"> <tr> <td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td> </tr> <tr> <td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td> </tr> </table>	1	2	3	4	5	6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6								
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>								
<p>Overall Evaluation</p> <p>Comment:</p>	<table border="0"> <tr> <td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td> </tr> <tr> <td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td> </tr> </table>	1	2	3	4	5	6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6								
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>								

1 – 2 = Does Not Meet Expectations
 3 – 4 = Meets Expectations
 5 – 6 = Exceeds Expectations

Source: The Pittsburgh School District Board Office, 2005.

The implementation of this recommendation should ensure the accountability of Superintendent and periodically assess his or her skills in key leadership functions.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|--|
| 1. The Board of Education President and the Superintendent should develop the recommended evaluation instrument and submit to the Board of Education for review, revision, and approval. | In the Month
Following the
Appointment of the
New
Superintendent |
| 2. The Board of Education should review, revise, and approve the evaluation instrument and proceed with implementation. | During
the 2005-06
school year |

FISCAL IMPACT

This recommendation can be accomplished with existing resources.

4.2 Policies and Procedures

The development of policy and procedures constitutes the means by which an organization can communicate expectations to its constituents. In addition, adopting policy and establishing related procedures provide the mechanism for:

- establishing the Board of Public Education' expectations and what may be expected from the Board;
- keeping the Board of Public Education and administration out of trouble;
- establishing an essential division between policy making and administration roles;
- creating guidelines within which people operate;
- providing reasonable assurances of consistency and continuity in decisions;
- providing legal basis for the allocation of funds, facilities and other resources;
- facilitating and guiding the orientation of the Board of Education members and employees; and
- acquainting the public with and encouraging citizen involvement within structured guidelines.

Policy and procedures, therefore, reveal the philosophy and position of the Board of Education and should be stated clearly enough to provide for executive or staff direction.

Board of Education policies in the Pittsburgh School District are maintained by the Program Assistant to the Chief Academic Officer within the Academic Division. The policy manual is comprised of ten (10) sections or chapters and a detailed table of contents. Individual policies are coded within numerical sections (chapters) of from 000 through 900. The manual contains an alphabetical subject index in the back of the document behind the Section 900 policy provisions.

Exhibit 4-5 presents Policy Manual sections (chapters), titles, and policy codes.

**EXHIBIT 4-5
PITTSBURGH SCHOOL DISTRICT BOARD OF EDUCATION
ORGANIZATION OF POLICY MANUAL**

SECTIONS	SECTION TITLES	POLICY CODES
000	Local Board Procedures	001 - 008
100	Programs	102 – 133
200	Pupils	201 - 248
300	Administrative Employees	301 - 352
400	Professional Employees	401 - 452
500	Classified Employees	501 - 552
600	Finances	602 - 620
700	Property	701 - 714
800	Operations	801 - 848
900	Community	901 - 914

Source: The Pittsburgh School District, Board of Education Policy Manual, April 2005.

FINDING

The Pittsburgh Board of Education Policy Manual contains approximately 203 policy provisions, and a small number of related procedures, exhibits, and forms. An examination of the document, and MGT interviews with Pittsburgh School District personnel, found that the manual is updated as specific requests arise; however, no systematic process is in place to update the manual. Furthermore, no procedures have been established to ensure compliance with controlling laws and regulations. MGT examined the entire document to determine the status of policy provisions, dates of adoption/revision of provisions, the appropriateness of the manual's organization, and currency status with regard to selected areas.

Exhibit 4-6 presents MGT's findings related to the dates of adoption or revision of 203 examined policies contained in the manual. Exhibit 4-6 shows the following:

- 154 policy provisions have no adoption or revision date;
- 21 policy provisions have been adopted or revised prior to 1995;
- 25 policy provisions have been adopted or revised during the period 1995 through 2000; and
- three policy provisions have been adopted or revised during the 2001-2005 school years.

**EXHIBIT 4-6
REVISION STATUS OF BOARD OF EDUCATION POLICIES
APRIL 2005**

SECTION	TITLE	NUMBER OF POLICIES EXAMINED	NUMBER OF POLICIES UPDATED IN:			
			NO DATE	PRIOR TO 1995	1995 - 2000	2001 - 2005
000	Local Board Procedures	9	6	3		
100	Programs	17	11	4	2	
200	Pupils	25	16	3	5	1
300	Administrative Employees	36	30	2	3	1
400	Professional Employees	34	28	4	2	
500	Classified Employees	35	28	3	3	1
600	Finances	13	10	1	2	
700	Property	9	6		3	
800	Operations	13	9	1	3	
900	Community	12	10		2	
Total		203	154	21	25	3

Source: The Pittsburgh School District Board of Education Policy Manual, April 2005.

Areas of policy reviewed by MGT consultants included sexual and other forms of harassment, employment practices, gender discrimination, Internet use, data protection, safe and secure schools, requirements for staffing plans, position control, site-based decision making, and other topics. Personnel policies are organized into in three sections each related to a different class of employees yet many provisions are identical and repeated in each section. For example, leave provisions and other benefits are repeated as are procedures related to equal opportunity, harassment, and others.

There is no mechanism to permit the user easy tracking of individual policy development and history. The index, while alphabetical in organization, is not comprehensive and some topics are difficult, if not impossible, to identify. Examples include such topics as possession of weapons and complaints.

The district's Web site does not contain the entire policy manual; rather, ten policies, including the following are presented:

- Acceptable Use of Technology, dated February 1998;
- Accident and Illness Prevention Program;
- American with Disabilities Act, Code of Student Conduct, and Human Relations, each without adoption or revision dates;
- Guidelines for Information Security, adopted October 12, 1993; and
- four polices without dates: Multicultural Education, Sexual Harassment, Student Dress Code, and Whistleblower Law.

MGT consultants reviewed an August 3, 2004 memorandum that conveyed to Board members and administrators, four policies which were revised on January 28, 2004; however, the manual examined did not contain these revisions. A time period of six or more months between policy approval and final distribution is questionable.

Exhibit 4-6 (previously shown) indicates that only three policies were found and examined for the 2001 through 2005 school years.

RECOMMENDATION

Recommendation 4-5:

Reorganize and update the Pittsburgh Board of Education Policy Manual and place the Policy Manual on the district's Web site.

The implementation of this recommendation should result in the revision and updating of the policy manual and provide, minimally, for the following:

- consideration should be given to the policy manual organization as proposed in Exhibit 4-7;
- creation of a section for the Pittsburgh Board of Education to express its philosophy and vision for the school district;
- creation of a new section called System and School Administration, to include administrative guidance policies related to the overall system and schools (such as harassment and nondiscrimination, site-based management, and other such matters);
- consolidation of personnel policies within one section;
- development of a comprehensive topical index;
- reorganization of individual policy pages to include tracking information and adoption and revision dates for all policies;
- provision for a tracking table to be placed in an appendix in order to facilitate tracking to determine the history of various policy provisions easier; and
- the development of a system to ensure the timely distribution of newly adopted and revised policies to all personnel including the placement of the entire manual on the district's Web site.

The overall review and updating process can be accomplished through a contract with the Pennsylvania School Boards Association (PSBA) policy services.

**EXHIBIT 4-7
PROPOSED ORGANIZATION OF THE
PITTSBURGH SCHOOL DISTRICT POLICY MANUAL**

SECTIONS (Chapters)	TITLE	CODES
	Table of Contents	
1.0	School System Philosophy or Vision	1.00 – 1.99
2.0	School Board Governance and Organization	2.00 – 2.99
3.0	System and School Administration	3.00 – 3.99
4.0	Programs	4.00 – 4.99
5.0	Pupils	5.00 – 5.99
6.0	Personnel	6.00 – 6.99
7.0	Business Services	7.00 – 7.99
8.0	Operations	8.00 – 8.99
9.0	School-Community Relations and Interlocal Agreements	9.00 – 9.99
Appendix A	Index	Alphabetical
Appendix B	Tracking Table	

Source: Created by MGT of America, May 2005.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|------------------------------|
| 1. The Pittsburgh Board of Education should instruct the Superintendent to prepare revision and update recommendations to the policy manual. | July 2005 |
| 2. The Superintendent should instruct the Program Assistant to the Chief Academic Officer to prepare a comprehensive plan for revision and updating the policy manual. | August 2005 |
| 3. The Program Assistant to the Chief Academic Officer should prepare a comprehensive plan for revision and updating the policy manual and present it to the Superintendent and Board of Public Education for review, revision, and approval. | August –
September 2005 |
| 4. The Board of Education and the Superintendent should review, revise, and approve recommended plan and instruct the Program Assistant to the Chief Academic Officer to initiate implementation. | October 2005 |
| 5. The Program Assistant to the Chief Academic Officer should implement the policy manual revisions and updating plan. | November 2005 –
June 2006 |

FISCAL IMPACT

The fiscal impact is based upon an assumption that the entire policy manual could be reorganized through a contract with the Pennsylvania School Boards Association service and a master copy placed on the district's Web site. Furthermore, legal counsel, schools and public library access could be through the Web site with a limited number of hard

copies prepared for the Board of Education, Superintendent's Office, and public information.

The Pennsylvania School Boards Association fee would be a one-time cost of \$8,000 and printing approximately 30 manuals composed of approximately 500 pages at 10 cents per page for a one-time expenditure of \$1,500 for a total one-time cost of approximately \$9,500. Existing binders could be used. No provision is included for word processing labor or other distribution costs since these services are already available in the school district.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Revise Policy Manual	(\$9,500)	\$0	\$0	\$0	\$0

FINDING

Various Board policies have been subject to review and revision from time to time. As previously shown in Exhibit 4-6, since 1995, 49 policies have been adopted or revised; however, no set policy or procedure governing or establishing a systematic updating of policies exists. Interviews with personnel and an examination of records confirm this finding.

The Program Assistant to the Chief Academic Officer, who depends upon recommendations from the various division and department administrators and the Board of Education, administratively coordinates policy activity.

Nonetheless, there is no systematic review by the Board and recommendations for changes or additions are typically in response to immediate concerns.

Typically, other school boards use one or two methods for ensuring the Board policy manual is kept up-to-date. Many Boards simply subscribe to an update service provided by the state school boards association or a private business. In some instances, the school board assigns administrative responsibility for maintaining an updated manual to a single division or department that then coordinates the updating process with other divisions in the school district.

RECOMMENDATION

Recommendation 4-6:

Establish and implement a policy and related procedures for the periodic and systematic review and update of Board policies.

The implementation of this recommendation should ensure that all policies and procedures are current and reflect best practices. Such a procedure should be developed by the administration and forwarded to the Board of Education for review and adoption. The PSBA offers a policy update service that provides for recommended policy revisions as they may be required by new or amended laws and controlling rules or regulations. This service could be purchased as a means to ensure that the policy document is kept current.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|---|
| 1. The Board of Education should instruct the Superintendent to develop the recommended policy and related procedures. | July 2005 |
| 2. The Superintendent should instruct Program Assistant to the Chief Academic Officer to develop the recommended policy and related procedures and submit to the Superintendent and Board of Education for review, revision, and approval. | August 2005 |
| 3. The Program Assistant to the Chief Academic Officer should develop the recommended policy and related procedures and submit to the Superintendent and Board of Education for review, revision, and approval. | As the Overall Policy Manual Is Revised and Updated |
| 4. The Superintendent and Board of Education should review, revise, and approve the policy and procedures and the Board of Education should schedule adoption. | June 2006 |
| 5. The Board of Education should adopt the policy and procedures and facilitate implementation. | June 2006 |
| 6. The Board of Education should continue updating the policy and procedures document. | Ongoing |

FISCAL IMPACT

This recommendation could be accomplished at an annual cost of \$900 through a subscription to the policy service of the PSBA.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Purchase Policy Updating Service	\$0	(\$900)	(\$900)	(\$900)	(\$900)

FINDING

In the Pittsburgh School District, the policy and procedures manual contains a reference to a number of procedural documents including the Student Code of Conduct, Student Dress Code, Accident and Illness Prevention Program, and exhibits related to policy implementation. Additionally, Transportation, Human Resources, Operations, Academic, and Safety. Other divisions and departments have various procedural documents.

While MGT consultants were able to review many of these documents, the consultants were unable to identify a complete listing of all such materials. A central listing of all such documents was unavailable. This situation suggests that neither the Board of Education nor the Superintendent could, if required, identify and review with minimum effort these documents.

RECOMMENDATION

Recommendation 4-7:

Create a list of existing procedural manuals, handbooks, and planning documents, and ensure that all appropriate procedural manuals exist.

The Pittsburgh School District should conduct an analysis to determine which procedural manuals exist and which manuals need to be created. The implementation of this recommendation should occur following the reorganization of the policy manual. Creating this document should provide the Pittsburgh School District with a compilation of important procedures and operation manuals, handbooks, and other documents. Also, this provision should serve as a valuable tool for the orientation of new Board of Education members as well as new school district personnel to the complexities of the district. Some school districts have included in their policy manual such a provision listing important documents.

Such a provision may be phrased as follows:

BOARD OF EDUCATION AND PUBLIC SCHOOLS PLANS AND PROCEDURES

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

Within this portion of the policy manual, the titles of various documents should be listed. This list should become an important resource for Board members and employees to understand the extent of activity and responsibilities involved in managing a complex organization. Additionally, this list can serve as a valuable resource in the orientation of new employees.

Exhibit 4-8 provides a partial listing of the types of documents often included in such a document.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Board of Education should instruct the Superintendent to develop the list of procedural documents and place in the policy manual. January 2006
2. The Superintendent should instruct the Leadership Team members to identify procedural documents and provide a list to the Program Assistant to the Chief Academic Officer. January 2006

**EXHIBIT 4-8
SAMPLE LIST OF PROCEDURAL, OPERATIONAL, PLANNING
AND OTHER DOCUMENTS**

Administration

Emergency Plan

Strategic Plan

Staff Development Plan

Safety Plan

General Outline of Revenue and Meal Accountability Procedures

Human Resources Management and Development (HRMD) Plan

Capital Project Priority List

Transportation Procedures Manual

Child Nutrition Procedures

Instructional & Student Services

After-School Child Care Program Manual

Code of Student Conduct

Testing Procedures Manual

Alternative Education Plan

Instructional Material Manual

Instructional Technology Plan

Limited-English Proficient (LEP) Plan

Manual for Admissions and Placement in Exceptional Student Programs

Student Graduation Requirements

School Manuals

School Health Procedures Manual

School Improvement Plan Template

Special Programs and Procedures Manual

Student Education Records Manual

Student Services Plan

Truancy Plan

Source: Created by MGT of America, May 2005.

- | | |
|--|-----------------------|
| 3. The Leadership Team members should develop the list and submit to the Superintendent and Program Assistant to the Chief Academic Officer for submission to the Board of Education for approval and subsequent inclusion in the policy manual. | February – April 2006 |
| 4. The Board of Education should review and approve the provision and authorize its inclusion in the policy manual. | May 2006 |
| 5. The Program Assistant to the Chief Academic Officer should place the list of documents in the policy manual, provide the list to the Web Manager, and notify the Board of Education, Superintendent, and staff of the action. | June 2006 |
| 6. The Web Manager should place the new provision on the Web site. | June 2006 |

FISCAL IMPACT

This recommendation could be accomplished with existing personnel and at no additional cost to the school system.

FINDING

Currently, the policy manual and numerous other procedural documents are maintained in loose leaf folders and are distributed to the schools, divisions, various departments of the school district, and the Carnegie libraries.

While the policy manual may reference selected procedural documents and other information there is no easy method for accessing these documents. As school staff and district office personnel are able to access the policy manual through the Web site, they would be unable to identify these documents with ease and efficiency of effort unless the physical document is readily at hand.

RECOMMENDATION

Recommendation 4-8:

Provide access to important procedural documents through a series of hotlinks in the policy manual.

The placement of hotlinks between policy provisions and lists of procedural documents contained in the policy manual on the school district's Web site with actual documents should make those documents more accessible to personnel. Additionally, this method of making documents available should ensure that the most up-to-date version is consistently available to all parties. Personnel responsible for various functions in the school district should have more efficient access to these documents.

The implementation of this recommendation should contribute to a more efficient use of personnel of the school district. All school personnel could have access to current

personnel manuals/handbooks and other matters. Providing this access should result in reducing expenses related to producing additional manuals and other procedural documents.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-----------------------------|
| 1. The Superintendent should instruct the Program Assistant to the Chief Academic Officer to coordinate with the Web Master in the placement of the appropriate documents on the Web site with hotlinks to the policy manual. | July 2006 |
| 2. The Program Assistant to the Chief Academic Officer and the Web Master should develop the plan for the placement of the documents on the system with hotlinks to the policy and procedures manual. | August 2006 |
| 3. The Superintendent and Leadership Team should review, revise, and approve the plan. | August 2006 |
| 4. The Program Assistant to the Chief Academic Officer and the Web Master should implement the plan. | August –
December 2006 |
| 5. The Executive Director of Institutional Research and Technology and the Web Master should evaluate the effectiveness of the new hotlinks and modify accordingly. | January 2007
and Ongoing |

FISCAL IMPACT

This recommendation could be accomplished with existing resources and, over time, should result in cost and labor savings to the school district by reducing the number of printed documents that must be updated and circulated. The calculation of additional, potential savings is not practical since the school district first needs to determine the various applicable documents that need to be placed on the Web and the need for only new documents.

4.3 Organization and Management

The effective organization and management of a large organization is typically composed of the executive and management functions incorporated into a system organization. Within this system a series of functional areas, determined as a response to its mission and related goals, are assembled. The successful, contemporary organization has, among its essential characteristics, the capacity to alter its structure to meet changing client requirements. The extent to which the existent culture of the organization restrict this response, the less likely is the organization going to meet client requirements and, as a result, experience successes.

4.3.1 District Organization

The effective organization and management of organizations is typically composed of the executive and management functions incorporated into a system designed to follow identified functions. Within this system, a series of functional areas, determined as a response to its mission and related goals, are assembled. The successful contemporary organization has, among its essential characteristics, the capacity to alter its structure to meet changing client requirements, data driven decisions, and an effective authority hierarchy. The extent to which the existent culture of the organization restricts this response, the less likely the organization is going to meet client requirements and, as a result, experience successes.

FINDING

Several areas of functional assignments in the current organizational structure of the Pittsburgh School District could be more effectively aligned. Moreover, the assignment of responsibilities shows an excessive assignment of specific functions occurring directly under the Superintendent.

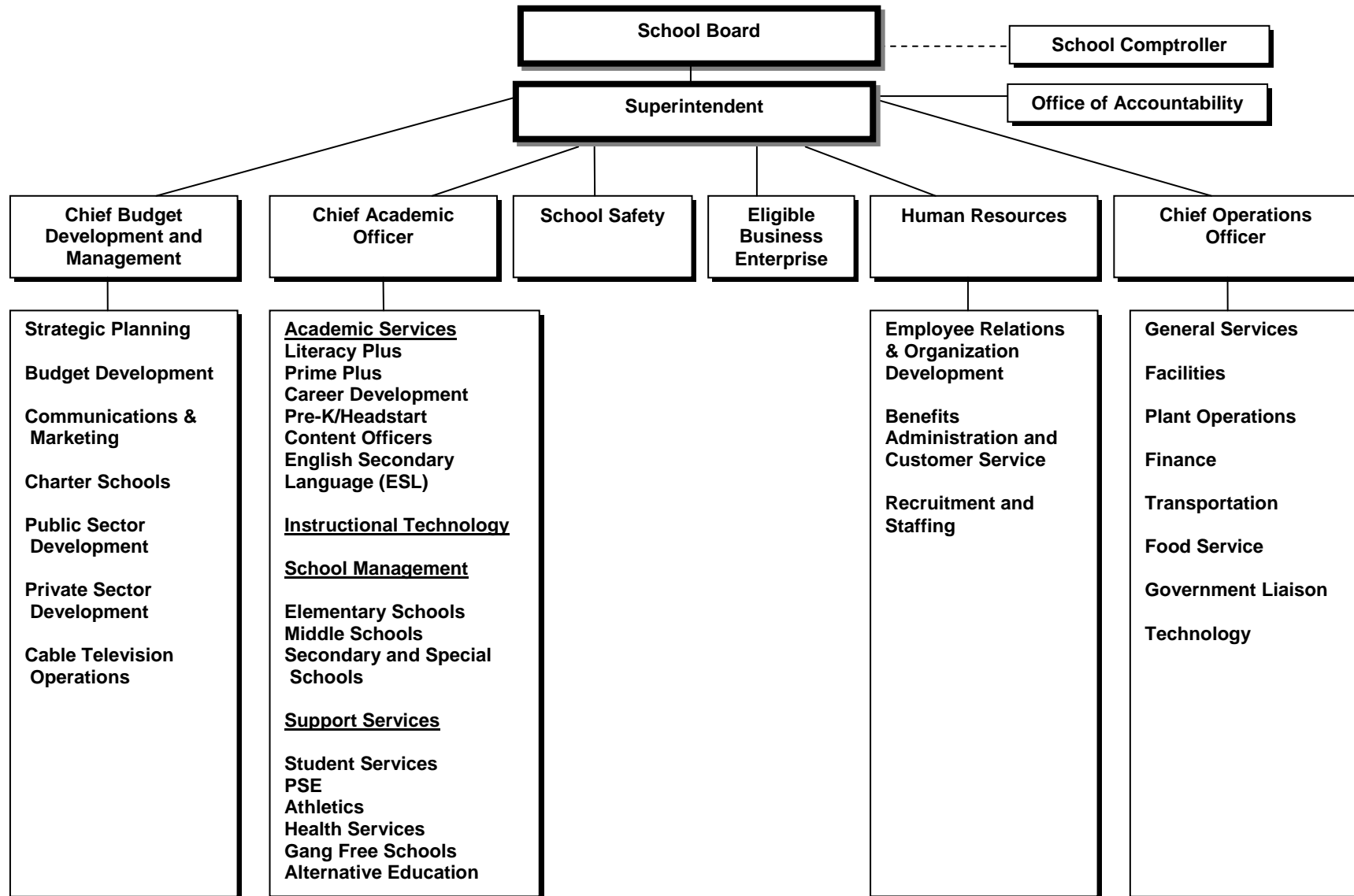
Less than a week after becoming the Interim Superintendent, the CEO eliminated three top administrator positions (Chief of Staff, the Chief of Human Resources Officer, and the Chief Information and Technology Officer). On February 23, 2005, at its Legislative meeting, the Board of Education approved the Interim Superintendent's reorganization proposal.

Currently, the Chief Academic Officer is responsible for all schools and educational programs in the district; the Chief Operations Officer is responsible for General Services, Facilities, Plant Operations, Finance, Transportation, Food Service, Government Liaison, Technology, and Workers' Compensation. The Chief of Budget Development and Management Services is responsible for budget development, public and private sector development, the district's strategic plan, charter schools, communications and marketing, and cable television operations.

Exhibit 4-9 shows the current assignment of functional responsibilities among the Pittsburgh School District executive staff which was operational during MGT's on-site visit in March 2005. Examples of problems in the current functional assignments include:

- The Communications and Marketing Office does not have a direct link to the Superintendent.
- Cable Television Operations reports to the Chief Budget, Development, and Management Services, an unrelated area of responsibility.
- Charter oversight for schools is under the direction of the Chief Budget Development and Management Services, a function of instructional or student services.

**EXHIBIT 4-9
CURRENT FUNCTIONAL RESPONSIBILITIES CHART
THE PITTSBURGH SCHOOL DISTRICT**



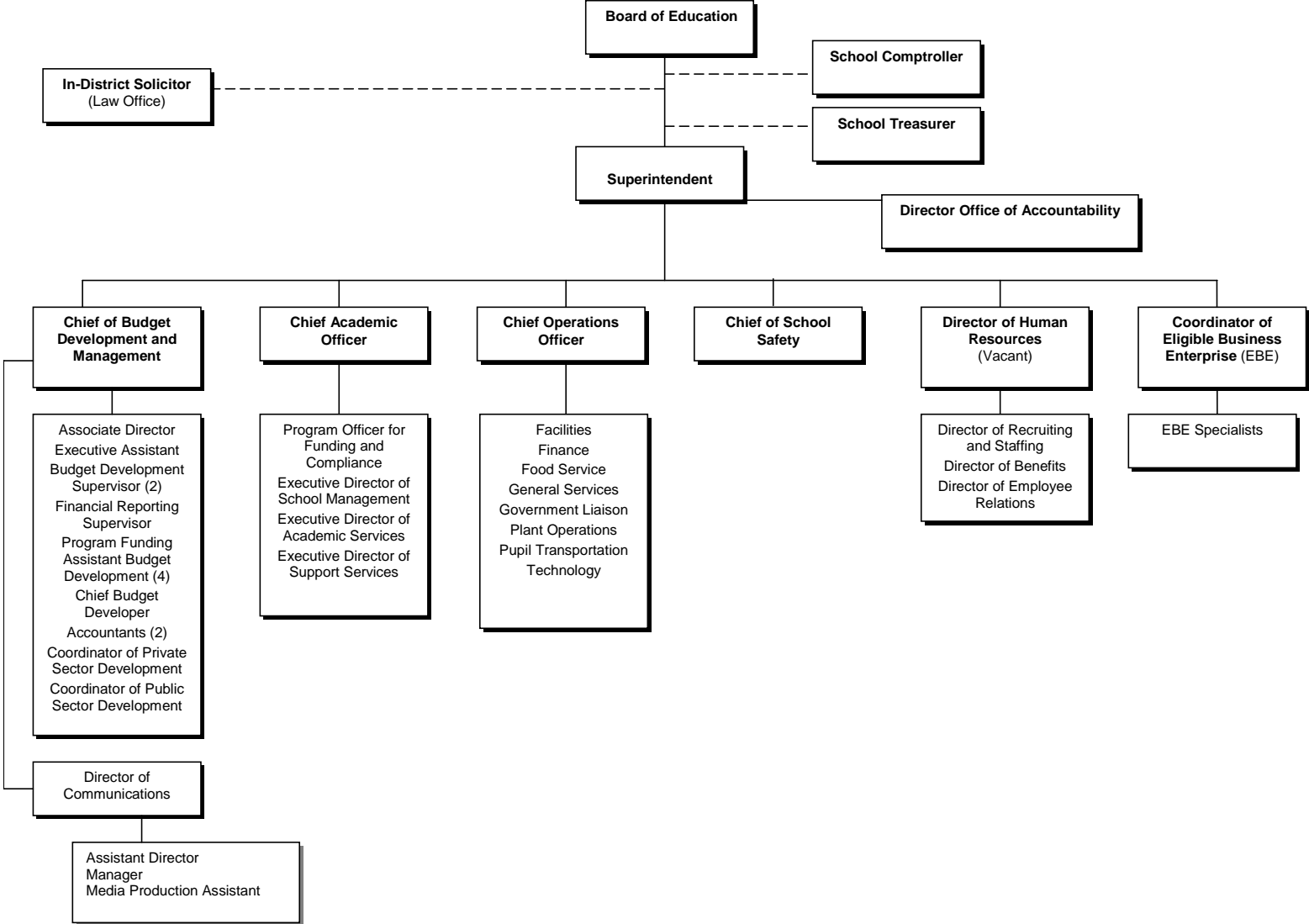
Source: The Pittsburgh School District, Office of the Superintendent, 2005.

- The Public Sector Development function which pursues public sector grant opportunities is under the direction of the Chief of Budget Development and Management Services, and primarily concerned with providing teaching and learning support.
- There is no unit with oversight of Research, Development, and Accountability (the director's position is vacant).
- Technology is split between the Chief Academic Officer and Chief Operating Officers.
- School Safety reports directly to the Superintendent.
- The Eligible Business Enterprise Program (EBE) reports directly to the Superintendent.

Exhibit 4-10 shows the current organizational chart. Note that this exhibit shows only the direct reports and does not reflect all layers of district administration. As shown:

- The Superintendent has seven direct reports including the Director of Accountability (vacant), the Chief of Budget Development and Management, the Chief Academic Officer, the Chief Operations Officer, the Chief of School Safety, the Chief of Human Resources (vacant), and the Coordinator of Eligible Business Enterprise (EBE).
- The Chief of Budget Development and Management has a total of 14 direct reports including the Associate Director, Executive Assistant, two Budget Development Supervisors, a Financial Reporting Supervisor, four Program Funding Assistants for Budget Development, two Accountants, a Coordinator of Private Sector Development, a Coordinator of Public Sector Development, and the Director of Communications.
- The Chief Academic Officer's direct reports include a Program Officer for Funding and Compliance, a Program Assistant to the Chief Academic Officer, a Project Manager, an Executive Director of School Management, an Executive Director of Academic Services, and an Executive Director of Support Services.
- The Chief Operations Officer has the following direct reports: Facilities, Finance, Food Service, General Services, Government Liaison, Plant Operations, Pupil Transportation, and Technology.
- The Chief of School Safety has 103 police officers as direct reports.
- The Chief of Human Resources was eliminated; there are three directors managing functions within the office (Director of Recruiting and Staffing, Director of Benefits, and the Director of Employee Relations).
- The Coordinator of Eligible Business Enterprise (EBE) has two EBE Specialists as direct reports.

EXHIBIT 4-10
CURRENT ORGANIZATIONAL CHART
THE PITTSBURGH SCHOOL DISTRICT
MARCH 2005



Source: The Pittsburgh School District, Office of the Superintendent, 2005.

Concerns with the current organizational structure (other than the functional misalignment mentioned previously) include:

- An In-District Solicitor and other attorneys fulfilling functions and responsibilities such that a full-time In-House Solicitation position is questionable. A review of responsibilities and interviews indicate the district could rely on outside counsel to represent the Board of Education at a reduced rate from that which the district is paying the in-house attorney (See Section 4-4 for more details). Outside counsel attends all Board meetings and provides many of the same services as performed by the in-house attorney. Several peer districts use only outside counsel.
- The Program Assistant for the Chief Academic Officer's responsibilities includes updating and distributing the Board policy manual, preparing the Board of Education Committee Reports for monthly legislative meetings, providing training and technical assistance to district staff on the preparation of Board Action Information Items, and coordinating the distribution of information requested by the Board at Agenda Review meetings. This position also includes providing some assistance to the Chief Academic Officer. The position is not logically placed within the Division of Chief Academics due to the many Board responsibilities. Many of the duties assisting the Chief Academic Officer are duplicative of duties performed by the Project Manager such as assisting the Chief Academic Officer with the general administration of the Academic Office Staff. Other duties assigned to this position include communicating school district initiatives to stakeholders, which should be a function of the Communications Department.
- The Chief of Human Resources was eliminated and the leadership has been divided among the three existing directors. Given the size of the district and the Human Resources challenges (See Chapter 5), the district is not adequately managing the Human Resource needs of the district.
- There is no research, development, and accountability function within the district. Many interviews indicate the lack of data-driven decision making. The position of the Director of Accountability remains vacant.
- The Communications and Marketing Department is operating in a reactive mode and is not proactively marketing the district. In fact, the Interim Superintendent is considering hiring an outside marketing firm to assist in this endeavor. Given the importance of positive marketing, the assignment of the Communications and Marketing Department within the Division of Chief Budget Development and Management Services does not provide for a direct link to the Superintendent.
- There is no Director of Technology (see Chapter 10 for additional details in technology).

A review of the peer district organizational charts shows that, overall, peer districts are similarly organized in staffing central offices when compared to the Pittsburgh School District; however, the peer districts do not appear to have functional misalignments comparable in number to the Pittsburgh School District. For example, in Buffalo Public Schools, the oversight of charter schools is housed with the Chief Academic Officer. Additionally, both instructional and administrative technology is housed in one Division of Technology. The primary organizational differences are that Milwaukee Public Schools provides for a separate division, an Office of Public Services, and Rochester City School District provides the Superintendent with a Chief of Staff.

RECOMMENDATION

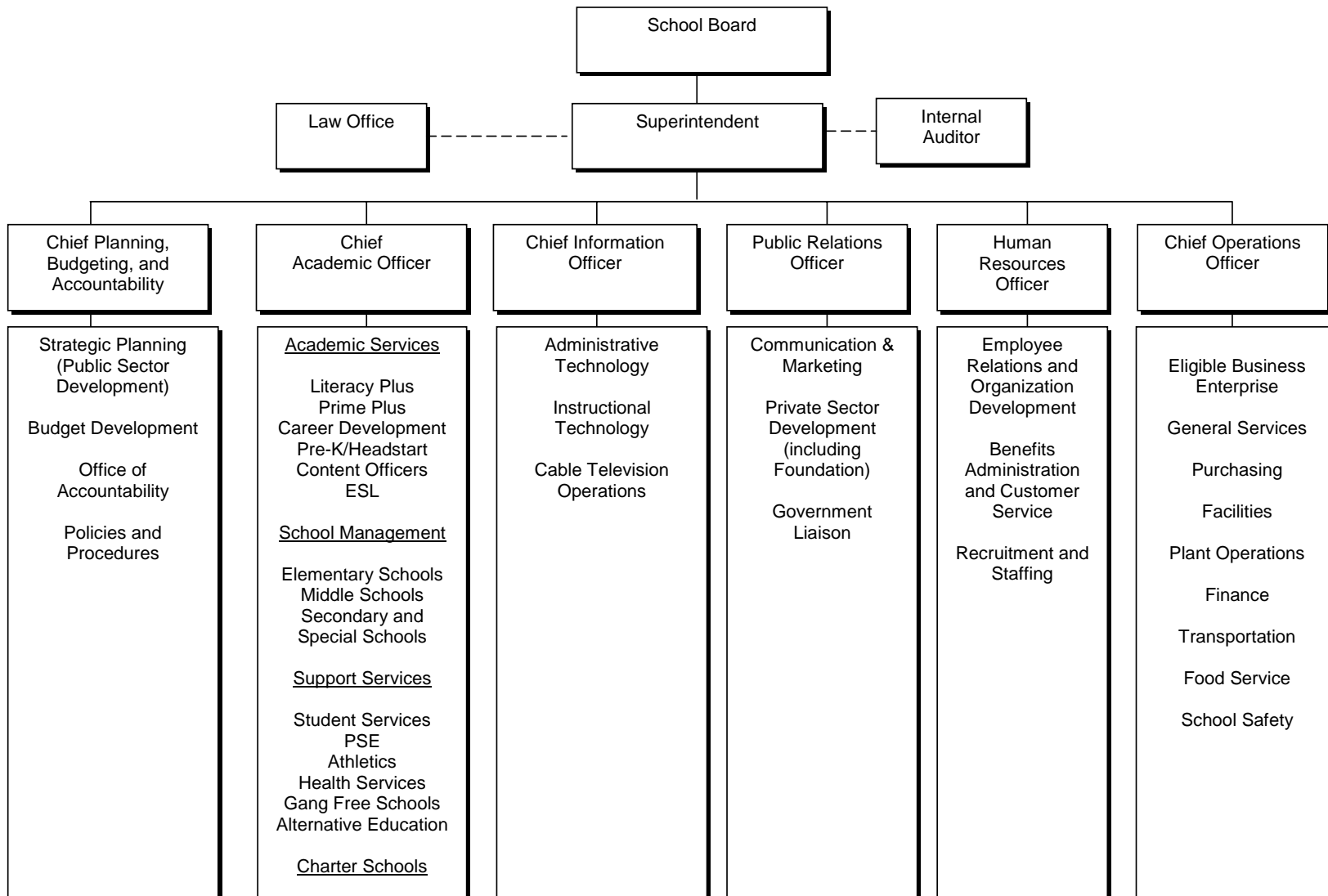
Recommendation 4-9:

Revise the Board-adopted organizational plan following the hiring of the new Superintendent.

MGT's recommendation should have the input of the new Superintendent. This recommendation can result in the realignment of functions as shown in Exhibit 4-11. As can be seen, the following changes could be made:

- reassign the Office of Accountability from the Superintendent to the proposed Division of Planning, Budgeting, and Accountability;
- transfer the Technology Department from reporting to the Chief Operations Officer to report directly to the Superintendent and lead by Chief Information Officer.
- rename the Division of Budget Development and Management Services to the Division of Planning, Budgeting, and Accountability;
- eliminate the Internal Solicitor position (See Section 4-4 for additional details and recommendations on legal services). Outside counsel should be continued to be used for both the Board and district legal needs;
- reassign the Program Assistant to Chief Academic Officer to the Office of Accountability to the Division of Planning, Budgeting, and Accountability;
- transfer the Communications and Marketing Department from the Division of Planning, Budgeting, and Accountability to directly report to the Superintendent and rename the office to Public Relations Office;
- transfer the oversight of Charter Schools to the Division of Chief Academics;
- transfer the oversight of School Safety to the Chief Operations Officer;

**EXHIBIT 4-11
PROPOSED ASSIGNMENT OF FUNCTIONS**



Source: Created by MGT of America, 2005.

- transfer the Cable Television operations from the Division of Chief Budget Development and Management Services. These positions should work collaboratively under the direction of the proposed Chief Information Officer.
- transfer the Eligible Business Enterprise (EBE) from reporting to the Superintendent to report to Chief Operations Officer;
- transfer Instructional Technology positions to the Technology Department. These positions should work collaboratively under the direction of the Technology Department; and
- transfer the Government Liaison position and the Coordinator of Public Sector Development to the Communications and Marketing Department. The Government Liaison should work collaboratively with the Director of Communications to ensure a joint effort in reaching out to public and non-public sectors.

Additionally, this recommendation should result in the following actions:

- employ a Human Resource Officer for Human Resources. Human Resources is currently being led by three directors which is inadequate (See Chapter 5 for further discussion of Human Resources);
- employ a Director for the Office of Accountability; and
- employ a Chief Information Officer to oversee technology (see Chapter 10).

The implementation of this recommendation should better realign functions and produce a more streamlined organization. The implementation of this recommendation should begin after the new Superintendent has been appointed (i.e., Fall 2005).

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|--|
| 1. The new Superintendent should review, revise, and approve the proposed plan and submit it to the Board for review, revision, and approval. | Following Assuming the Superintendent's Position |
| 2. The Board of Education should review, revise, and approve the plan and authorize the new Superintendent to proceed with implementation. | Upon Receipt of the Plan |
| 3. The new Superintendent should proceed with implementation. | Upon Approval |
| 4. The new Superintendent and the Leadership Team should assess the effectiveness of reorganization and prepare modifications as warranted. | One Year Following Implementation |

FISCAL IMPACT

The Executive Director for Human Resources position and the Director of the Office Accountability have already been budgeted for in the district's most recent budget. The cost of hiring a new Chief Technology Officer should be approximately \$95,000 plus benefits at \$28,500 (30 percent) for an annual total of \$123,500. The majority of this recommendation can be implemented with existing resources in that realignment of functions has no cost or cost savings involved. However, with the elimination of the Internal Solicitor, the district should save \$104,868 yearly salary plus 30 percent benefits of \$31,459 for a total savings of \$136,327 per year.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Eliminate the Internal Solicitor	\$0	\$136,327	\$136,327	\$136,327	\$136,327
Create a Position and Hire a Chief Information Officer	\$0	(\$123,500)	(\$123,500)	(\$123,500)	(\$123,500)
Total Savings	\$0	\$12,827	\$12,827	\$12,827	\$12,827

4.3.2 Decision Making, Planning, and Accountability

Within the heart of an organization resides its life providers --- the decision making and management processes. Richard Beckhard in *The Organization of the Future* profiles the healthy organization and notes, as was indicated in an earlier part of this chapter, that it:

- has a strong sensing system for receiving current information on all parts of the system and their interactions (system dynamics thinking);
- operates in a “form follows function” mode --- work determines the structures and mechanisms to do it and, consequently, it uses multiple structures (formal pyramidal structures, horizontal structures and teams, project structures, and temporary structures (as when managing a major change);
- has a management system that is information driven, and information is shared across functions and organization levels;
- encourages and allows decisions to be made at the level closest to the customer, where all the necessary information is available;
- communicates relatively openly throughout the system;
- operates in a learning mode and identifying learning points is part of the process of all decision making;
- makes explicit recognition for innovation and creativity, and has a high tolerance for different styles of thinking and for ambiguity; and

- is generally managed with and guided by a strong executive officer employing a variety of work groups composed of individuals possessing appropriate skills and complementary traits.

The current Interim Superintendent, Dr. Andrew King, signed a contract in March 2005 to serve as an acting Superintendent for a period not to exceed one year pursuant to Section 1079 of the School Code. Prior to becoming the interim Superintendent, Dr. King previously occupied the position of Chief Academic Officer. He has held a variety of positions in the district since 1974 including (but not limited to) teacher, assistant principal, principal, and executive director. The district has organized a search committee and plans to secure a new Superintendent by September 2005.

The interim Superintendent's Cabinet consists of the acting Superintendent, Chief of the Budget Development and Management Services, the Chief Operations Officer, and the Chief Academic Officer. The district also has an Academic Cabinet composed of the Executive Directors, Executive Directors of Instructional Support, Special Education, and Student Services, the Coordinator of Instructional Technology and Support, and Senior Program Officers. These two cabinets meet on a monthly basis and are the key decision-making bodies for the district. Both cabinets prepare meeting agendas and files meeting minutes for all scheduled meetings.

FINDING

The Pittsburgh School District's Strategic Planning process involves appropriate stakeholders, has research-based components of an effective plan, and serves as a map for the school district to guide business actions toward meeting educational goals. The function is housed under the Chief of Budget Development and Management.

The district has organized a Stakeholder Strategic Planning Steering Committee and has ensured that the Strategic Plan is organized based on the Baldrige criteria in conjunction with the mandatory requirements of Chapter 4 of the Public School code. According to Chapter 4, each Local Education Agency must develop a Strategic Plan once every six years and review the plan for revision at the mid-point according to a yearly schedule. In addition to the Baldrige and Chapter 4 constructs, the district also ensures that the input from parents, students, volunteers, higher education representatives, teachers, central office staff, and community is included as an integral part of the plan.

The Strategic Plan includes a mission, vision, process-oriented goals and objectives, well-defined action plans, person(s) responsible for oversight of the plans, specific timelines, a link to student performance, a link to individual staff development plans called the Employee Performance Appraisal System (EPAS), as well as central office department plans, a link to the budget, and a state-of-the art electronic planning and tracking process.

MGT consultants viewed an Intranet demonstration of how the electronic planning and tracking process is implemented. The electronic process links the Employee Performance Appraisal System (EPAS) to department goals, which then feed into the overall district Strategic Plan. For the EPAS process, employees use a form and plan with their manager the goals for the employee as relate to the department and organizational goals and record these on the form. All parties sign-off on the form and then the form is later used during an individual employee's performance appraisal.

Historically, this appraisal was typically held with only the employee and the manager present at the session.

Staff, such as but not limited to, executive directors, senior program officers, and program officers also construct a Strategic Plan for their department on a template as it relates to the organizational plan and goals. In 2004, staff wrote their individual departmental Strategic Plan and then attended several group sessions with the other managers to finalize the collective, collaborated Strategic Plan.

Concerning the link between the EPAS and the Strategic Plan, an individual staff member aligns their work to the goals as documented in the EPAS and/or Strategic Plan. This work produces either direct or indirect evidence that the goals were or were not accomplished. Evidence such as virtual and paper documents, student test scores, profession developments, etc. The "virtual" evidence of files is able to hyperlinked from the EPAS and/or Strategic Plan by using some of the functionality within Microsoft Office.

Training was conducted for the Academic Cabinet and also at a different session for the manager's administrative support staff. During the training, staff learned about a network disk space, creating a virtual structure of folders, files within folders, and hyperlinking to these folders and files that then would enable staff to click to evidence for demonstrating that the EPAS and/or Strategic Plan is being achieved.

As of April 2005, staff continues to build the structure and hyperlink to evidence for the Strategic Plan; however, more evidence is waiting to be linked. It is being decided if the EPAS document will be linked to the Strategic Plan, since the EPAS information is individual information and may have a degree of confidentiality. There may still be an evolution of the entire process based on feed-back from executive directors and other managers.

This is one of the most comprehensive planning and tracking systems MGT consultants have seen in the nation.

The district also has an Agenda in Action which is a document that is the Superintendent's annual implementation plan and represents the bridge between the district's last strategic plan (1995-01) and the present plan (2002-07). The Education Criteria for Performance Excellence are added as a local requirement and are also included in individual school improvement plans and the central office annual improvement plans as part of the vision shared by the Stakeholder Strategic Planning Committee to have the Pittsburgh School District achieve world-class status.

Due to the district's status on Adequate Yearly Progress, the state has designated the district as a Year 1 district which means that the district had to submit a District Improvement Plan (DIP) to the state. The DIP is in alignment with the district's strategic plan, but focuses primarily on those schools (or subgroups) not making Adequate Yearly Progress. In a letter from the state's Bureau of Assessment and Accountability sent to the Board President and Interim Superintendent dated April 14, 2005, the state congratulated the district staff for their high commitment to writing a quality District Improvement Plan.

COMMENDATION

The Pittsburgh School District has a well organized, research-based, and state-of-the art strategic planning process.

FINDING

There are two components that could further enhance the district's strategic planning process.

- First, the district does not produce an annual Progress Report for the public to view ongoing progress on the Strategic Plan.
- Second, when interviewed, the majority of the Board members were not familiar with the Strategic Plan's components, and did not appear to be up-to-date on the plan's progress. Although the Superintendent produces an Agenda in Action for the purpose of informing staff and the Board, there is a lack of understanding and knowledge on the status of the Strategic Plan.

RECOMMENDATION

Recommendation 4-10:

Produce an annual status report on strategic plan accomplishments and distribute to the community and other appropriate stakeholders.

More staff need to be trained in using the electronic planning and tracking system. This action should assist internal staff in understanding progress on the Strategic Plan. The implementation of this recommendation should provide the public and community with a clear status on the district's annual progress, in achieving the goals and objectives of the Strategic Plan.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|---------------|
| 1. The Superintendent should instruct the Chief of Planning, Budget, and Accountability to develop an annual report. | October 2005 |
| 2. The proposed Chief of Planning, Budget, and Accountability should develop and submit the annual report to the Superintendent's leadership team for review, revision, and approval. | November 2005 |
| 3. Upon approval, the proposed Public Relations Director should take the necessary steps to publish the report to the public. | December 2005 |

FISCAL IMPACT

This recommendation can be accomplished with existing resources.

4.3.3 Public Relations and District Marketing

Open, two-way communication with the public is essential for a school district to maintain and increase its support base in the community. A school district must find effective ways to communicate with the public and to receive input from different segments of the community. An informed public, and one which is heard, provides the added support needed to achieve and maintain school excellence.

The primary role of public relations in a school district is to work closely with the Superintendent to convey a message and image consistent with the policies and programs put forth by the Board and implemented by the Superintendent's office. A school district's public relations and community outreach efforts will significantly affect citizen perception of the system. A strong public relations program will manage to garner public support even when the district faces adversity or fails to achieve high goals. Conversely, a weak public relations program will fail to bring into the public eye achievements even when the district is performing quite well. The best public relations program will engender public support and public involvement, in the form of parent and community volunteers, participations in decision-making processes affecting the schools, and productive business and community alliances.

FINDING

The Pittsburgh School District has an outdated marketing plan and the Department of Communications and Marketing does not take a proactive approach to marketing the good news about the school district. The Department of Communications and Marketing is overseen by a Director with six direct reports and one Assistant Director for Public Engagement, one Public Communications Manager, one Media Assistant, one secretary, and two receptionists.

Interviews with many district staff and community members indicate that the district's Department of Communications and Marketing Department is reactive and not proactive in its marketing efforts.

A review of the district's marketing plan shows that the plan was last updated in April 2000. The plan has three key objectives which include:

- improve taxpayer, parental, and community perception of the Pittsburgh School District by 30 percentage points as measured by pre-post perception benchmarks;
- increase the district's percentage of market share of the number of school-age resident children who attend the Pittsburgh School District by three percentage points; and
- increase the number of district and school-business community partnerships by 10 partnerships per year.

The marketing plan has strategies, timelines, objectives, and evaluation components. Interviews indicate that much of the plan has not been implemented due to the lack of funding. However, several Board members and staff indicate that the district is contemplating hiring an outside marketing firm to assist them in their marketing efforts.

MGT survey results show that 47 percent of the respondents indicate that the community relations function needs some or major improvement.

RECOMMENDATION

Recommendation 4-11:

Update, publish, and implement an aggressive Pittsburgh School District Marketing Plan.

Since the district is experiencing a student population decline, is moving toward a standards-based system, facing budget shortages, and has a number of accomplishments to be proud of, the district should implement this recommendation to improve its marketing the good news to the public. Also, as stated in Recommendation 4-9, the Department of Communications and Marketing should be transferred to report directly to the Superintendent to ensure a direct link to the Superintendent and to improve communications.

The current staff of four professionals and four support staff should have the capability of updating, publishing, implementing, and monitoring the marketing plan.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|---------------|
| 1. The Director of the Department of Communications and Marketing should convene a Task Force to determine the key constructs of a marketing plan. | July 2005 |
| 2. The Director of the Department of Communications and Marketing should (based upon the Task Force input), create an updated marketing plan and present the plan to the Superintendent. | Fall 2005 |
| 3. The Superintendent and Board should approve the marketing plan and begin its implementation. | December 2005 |

FISCAL IMPACT

The fiscal impact cannot be determined until the marketing plan is updated.

4.3.4 School Organization and Management

All activity in a school district should be related, directly or indirectly, to the education of the students. The delivery of educational programs typically occurs at the school level through prescribed programs. The school curriculum and instructional programs, safety and security requirements, student management necessities, employment of personnel and other considerations are often school-level management decisions.

To meet the requirements of providing appropriate administrative and instructional support to schools, school district typically adopt standards to guide the determination of positions to be budgeted and assigned to each school.

FINDING

The Finance Division has recently published *The New Administrators' Toolkit for Leadership Development: Effective Practices and District Procedures Related to Financial Payment, Record Keeping, and Supply Procurement* document. This document is continuously updated to ensure new administrators are kept up-to-date on effective financial practices. The document is in its 18th version and was last updated on February 8, 2005.

The tool kit has information related to the roles and responsibilities of the administrator and includes specific information on policies and procedures related to the following:

- workers' compensation;
- payroll;
- Medicaid reimbursement;
- activity funds;
- fixed asset accounting;
- cell phones;
- travel;
- items requiring Board authority; and
- accounts payable.

On page five of the toolkit, it states the administrators' Golden Rule is "If you would not want to read about it in the morning paper, do not do it." In a principals' focus group, it was stated that the toolkit is not only helpful to new administrators, but also assists seasoned administrators who need a refresher course. The document also provides administrators with contact persons or a Web site at [http://www.pps.k12.pa.us/Operations office/Finance/default.asp](http://www.pps.k12.pa.us/Operations%20office/Finance/default.asp) to answer any other questions that may not be included in the toolkit.

COMMENDATION

The Finance Division is commended for providing administrators that tools related to financial payment, record keeping, and procurement.

FINDING

Some Pittsburgh School District schools are overstaffed with assistant principals.

Exhibit 4-12 shows the schools, and a list of the number of principals, assistant principals, and the difference in enrollment from 2003-04 and 2004-05. As shown, total student enrollment has declined in 21 schools.

The district does not have a school staffing formula; however, parameters for staffing are outlined in the district's Site-Based Budgeting document.

MGT has typically assessed the assignment of assistant principal positions based on industry standards driven by the regional accrediting agencies. Best practice standards as provided in regional accreditation standards and consultant corporate experience typically dictate that elementary schools staff at a ratio of one assistant principal for every 500 to 600 students; and secondary schools are assigned one assistant principal for every 400 students. This best practice formula is based on the assumption that dean's positions are not allocated to other schools for administrative/support purposes.

**EXHIBIT 4-12
THE PITTSBURGH SCHOOL DISTRICT
SCHOOL ADMINISTRATIVE STAFFING BY SCHOOL
2004-05 SCHOOL YEAR**

SCHOOL	PRINCIPALS	ASSISTANT PRINCIPALS	2003-04 SCHOOL ENROLLMENT	2004-05 SCHOOL ENROLLMENT	DIFFERENCE IN ENROLLMENT*
Allegheny Elementary	1.00	-	392	415	-23
Arlington Elementary	1.00	-	232	309	-77
Banksville	1.00	-	234	208	26
Beechwood	1.00	-	299	272	27
Bon Air	0.50	-	85	88	-3
Brookline	1.00	-	410	372	38
Burgwin	1.00	-	235	218	17
Carmalt	1.00	2.00	606	626	-20
Chatham	1.00	-	196	178	18
Clayton	1.00	-	234	200	34
Colfax	1.00	-	335	326	9
Concord	1.00	-	305	296	9
Crescent	1.00	-	258	268	-10
Dilworth	1.00	-	325	317	8
East Hills	1.00	-	303	288	15
Fort Pitt	1.00	-	341	280	61
Friendship	1.00	-	255	243	12
Fulton	1.00	-	262	247	15
Grandview	1.00	-	297	308	-11
Greenfield	1.00	1.00	459	501	-42
Homewood Elementary	1.00	1.00	0	431	-431
Homewood Montessori	1.00	-	209	237	-28
King, Martin Luther	1.00	-	255	267	-12
Knoxville Elementary	1.00	-	270	312	-42
Lemington	1.00	-	260	217	43
Liberty	1.00	-	437	407	30
Lincoln	1.00	-	304	256	48
Linden	1.00	-	406	397	9
Madison	1.00	-	189	173	16
Manchester	1.00	-	341	281	60
Mann	1.00	-	227	241	-14
McCleary	1.00	-	145	142	3
Mifflin	1.00	-	365	342	23
Miller	1.00	-	274	261	13
Minadeo	1.00	1.00	491	430	61
Morningside	1.00	-	211	207	4
Morrow	1.00	-	306	301	5
Murray	1.00	-	275	290	-15
Northview Heights	1.00	-	311	291	20
Phillips	1.00	-	295	303	-8
Prospect Elementary	1.00	-	242	307	-65
Roosevelt	1.00	-	301	267	34
Schaeffer	1.00	-	175	187	-12
Sheraden	1.00	-	221	204	17
Spring Hill	1.00	-	266	282	-16
Stevens	1.00	-	306	312	-6
Sunnyside	1.00	-	318	319	-1
Vann	1.00	-	234	206	28
Weil	1.00	1.00	281	257	24
West Liberty	1.00	-	249	274	-25
Westwood	1.00	-	264	342	-78
Whittier	1.00	-	199	162	37
Woolslair	1.00	-	341	343	-2
Elementary Total	52.50	6.00	15,943	15,254	689

*This column is included to show the reader population shifts which might affect the number of assistant principals.

**EXHIBIT 4-12 (Continued)
THE PITTSBURGH SCHOOL DISTRICT
SCHOOL ADMINISTRATIVE STAFFING BY SCHOOL
2004-05 SCHOOL YEAR**

SCHOOL	PRINCIPALS	ASSISTANT PRINCIPALS	2003-04 SCHOOL ENROLLMENT	2004-05 SCHOOL ENROLLMENT	DIFFERENCE IN ENROLLMENT*
Allegheny Middle	1.00	1.00	329	303	26
Arsenal	1.00	2.00	461	424	37
Columbus	1.00	3.00	484	369	115
Frick	1.00	2.00	676	656	20
Greenway	1.00	2.00	441	369	72
Knoxville Middle	1.00	2.00	352	325	27
Milliones	1.00	2.00	582	442	140
Pittsburgh Classical	1.00	1.00	329	333	-4
Prospect Middle	1.00	-	269	274	-5
Reizenstein	1.00	4.00	940	720	220
Rogers CAPA	1.00	-	292	292	0
Rooney	1.00	1.00	374	319	55
Schiller	1.00	1.00	328	333	-5
South Brook	1.00	1.00	440	437	3
South Hills Middle	1.00	1.00	447	418	29
Sterrett	1.00	1.00	367	365	2
Washington	1.00	1.00	257	251	6
Middle Total	17.00	25.00	7,539	6,655	884
					0
Allderdice	1.00	4.00	1,533	1,544	-11
Brashear	1.00	3.00	1,303	1,384	-81
Carrick	1.00	4.00	1,364	1,340	24
Langley	1.00	3.00	666	753	-87
Oliver	1.00	4.00	1,030	998	32
Peabody	1.00	3.00	748	664	84
Perry	1.00	3.00	1,033	1,053	-20
Pittsburgh High School	1.00	1.00	429	498	-69
Schenley	1.00	4.00	1,384	1,372	12
Westinghouse	1.00	3.00	611	614	-3
Secondary Total	10.00	32.00	10,729	10,381	348
GRAND TOTAL	79.50	63.00	34,619	32,661	1,958

Source: Pittsburgh School District, Budget, Development and Management Services Office, 2005.

*This column is included to show the reader population shifts which might affect the number of assistant principals.

Given this ratio, Exhibit 4-13 shows the schools with the number of assistant principals that are over the best practice ratio.

**EXHIBIT 4-13
RECOMMENDED NUMBER OF ASSISTANT PRINCIPALS TO BE ELIMINATED**

SCHOOL	CURRENT NUMBER OF ASSISTANT PRINCIPALS	NUMBER OF RECOMMENDED ASSISTANT PRINCIPAL POSITIONS TO BE ELIMINATED	10/01/2004 SCHOOL ENROLLMENT
Carmalt	2	1	626
Homewood Elementary	1	1	431
Minadeo	1	1	430
Weil	1	1	257
Elementary School Total	6	4	15,254
Arsenal Middle School	2	1	424
Columbus	3	2	369
Frick	2	1	656
Greenway	2	1	369
Knoxville Middle	2	1	325
Milliones	2	1	442
Reizenstein	4	2	720
Washington	1	1	251
Middle School Total	25	10	6,655
Carrick	4	1	1,340
Langley	3	1	753
Oliver	4	2	998
Peabody	3	1	664
Pittsburgh H. S. Capa	1	1	498
Schenley	4	1	1,372
Westinghouse	3	1	614
High School Total	32	7	10,381
GRAND TOTAL	63	21	32,661

Source: Pittsburgh School District, Superintendent's Office, 2005.

RECOMMENDATION

Recommendation 4-12:

Adopt and implement a staffing formula for determining the administrative staffing of schools, and assign assistant principals based on this formula.

The implementation of this recommendation should reduce the number of assistant principal positions by 21.

MGT consultants examined the data reporting the percentage and numbers of high needs, special education, and English as a second language (ESL) students in each school to determine if the industry standard should be adjusted or modified to accommodate the schools in the Pittsburgh School District. MGT was unable to establish a relationship between existing assistant principal staffing among all schools and the data. Exhibit 4-14 shows the data upon which this conclusion is based. As can be seen, the schools with assistant principal staffing exceeding the industry standards (in bold print in Exhibit 4-14) have percentages of high needs students that are fairly

**EXHIBIT 4-14
HIGH NEEDS, SPECIAL EDUCATION, AND ENGLISH AS A SECOND LANGUAGE (ESL) STUDENTS
OCTOBER 2004**

SCHOOL	OFFICIAL 10/1/2004 ENROLLMENT	HIGH NEEDS ENROLLMENT	HIGH NEEDS PERCENTAGE (INCLUDES SINGLE GUARDIANSHIP HOUSEHOLDS AND FREE AND REDUCED PRICE LUNCH STUDENTS)	SPECIAL EDUCATION ENROLLMENT	PERCENTAGE OF SPECIAL EDUCATION STUDENTS	ENGLISH AS A SECOND LANGUAGE ENROLLMENT	PERCENTAGE OF ENGLISH AS A SECOND LANGUAGE STUDENTS
Allegheny Elementary	415	279	67.31%	71	17.11%	5	1.20%
Arlington	309	239	77.39%	87	28.16%	-	-
Banksville	208	99	47.76%	36	17.31%	9	4.33%
Beechwood	272	155	56.91%	46	16.91%	12	4.41%
Bon Air	88	48	54.35%	14	15.91%	-	-
Brookline	372	207	55.64%	118	31.72%	-	-
Burgwin	218	179	81.89%	38	17.43%	-	-
Carmalt	626	383	61.16%	146	23.32%	5	0.80%
Chatham	178	165	92.42%	34	19.10%	-	-
Clayton	200	181	90.33%	36	18.00%	-	-
Colfax	326	236	72.39%	47	14.42%	36	11.04%
Concord	296	143	48.25%	46	15.54%	-	-
Crescent	268	227	84.73%	37	13.81%	-	-
Dilworth	317	228	72.04%	101	31.86%	6	1.89%
East Hills	288	200	69.61%	61	21.18%	-	-
Fort Pitt	280	264	94.11%	78	27.86%	-	-
Friendship	243	197	81.18%	48	19.75%	-	-
Fulton	247	209	84.81%	48	19.43%	-	-
Grandview	308	241	78.16%	68	22.08%	-	-
Greenfield	501	294	58.70%	91	18.16%	58	11.58%
Homewood Elementary	431	374	86.83%	73	16.94%	-	-
Homewood Mont.	237	118	49.82%	45	18.99%	-	-
King	267	240	89.99%	102	38.20%	5	1.87%
Knoxville Elementary	312	284	91.06%	74	23.72%	-	-
Lemington	217	194	89.25%	40	18.43%	-	-
Liberty	407	221	54.25%	38	9.34%	26	6.39%
Lincoln	256	235	91.98%	47	18.36%	-	-
Linden	397	175	44.05%	25	6.30%	6	1.51%
Madison	173	150	86.43%	26	15.03%	-	-
Manchester	281	232	82.43%	55	19.57%	-	-
Mann	241	197	81.74%	36	14.94%	-	-
McCleary	142	127	89.36%	27	19.01%	1	0.70%

EXHIBIT 4-14 (Continued)
HIGH NEEDS, SPECIAL EDUCATION, AND ENGLISH AS A SECOND LANGUAGE (ESL) STUDENTS
OCTOBER 2004

SCHOOL	OFFICIAL 10/1/2004 ENROLLMENT	HIGH NEEDS ENROLLMENT	HIGH NEEDS PERCENTAGE (INCLUDES SINGLE GUARDIANSHIP HOUSEHOLDS AND FREE AND REDUCED PRICE LUNCH STUDENTS)	SPECIAL EDUCATION ENROLLMENT	PERCENTAGE OF SPECIAL EDUCATION STUDENTS	ENGLISH AS A SECOND LANGUAGE ENROLLMENT	PERCENTAGE OF ENGLISH AS A SECOND LANGUAGE STUDENTS
Mifflin	342	149	43.48%	73	21.35%	-	-
Miller	261	220	84.41%	18	6.90%	25	9.58%
Minadeo	430	210	48.75%	60	13.95%	32	7.44%
Morningside	207	140	67.73%	33	15.94%	-	-
Morrow	301	218	72.47%	86	28.57%	-	-
Murray	290	254	87.61%	60	20.69%	-	-
Northview	291	270	92.84%	66	22.68%	-	-
Phillips	303	187	61.69%	45	14.85%	2	0.66%
Prospect Elementary	307	230	75.07%	43	14.01%	-	-
Roosevelt	313	193	61.65%	47	15.02%	-	-
Schaeffer	187	125	66.93%	38	20.32%	-	-
Sheraden	204	161	79.08%	47	23.04%	1	0.49%
Spring Hill	282	221	78.44%	37	13.12%	-	-
Stevens	312	247	79.25%	81	25.96%	3	0.96%
Sunnyside	319	210	65.86%	81	25.39%	4	1.25%
Vann	206	165	80.07%	36	17.48%	-	-
Weil	257	242	94.11%	68	26.46%	-	-
West Liberty	274	136	49.51%	50	18.25%	9	3.28%
Westwood	342	222	64.95%	96	28.07%	4	1.17%
Whittier	162	86	53.34%	105	64.81%	-	-
Woolslair	343	270	78.65%	57	16.62%	18	5.25%
Total Elementary Schools	15,254	10,877	71.31%	3,066	20.10%	267	1.75%
Allegheny	303	214	70.78%	48	15.84%	-	-
Arsenal	424	375	88.46%	113	26.65%	4	0.94%
Columbus	369	328	88.87%	99	26.83%	-	-
Frick	656	312	47.57%	43	6.55%	39	5.95%
Greenway	369	285	77.22%	118	31.98%	-	-
Knoxville	325	305	93.74%	110	33.85%	-	-
Middle Alternative Center	25	25	100.00%	25	100.00%	-	-
Milliones	442	374	84.62%	100	22.62%	-	-
Pittsburgh Classical	333	195	58.50%	55	16.52%	-	-
Prospect	274	201	73.27%	66	24.09%	-	-

EXHIBIT 4-14 (Continued)
HIGH NEEDS, SPECIAL EDUCATION, AND ENGLISH AS A SECOND LANGUAGE (ESL) STUDENTS
OCTOBER 2004

SCHOOL	OFFICIAL 10/1/2004 ENROLLMENT	HIGH NEEDS ENROLLMENT	HIGH NEEDS PERCENTAGE (INCLUDES SINGLE GUARDIANSHIP HOUSEHOLDS AND FREE AND REDUCED PRICE LUNCH STUDENTS)	SPECIAL EDUCATION ENROLLMENT	PERCENTAGE OF SPECIAL EDUCATION STUDENTS	ENGLISH AS A SECOND LANGUAGE ENROLLMENT	PERCENTAGE OF ENGLISH AS A SECOND LANGUAGE STUDENTS
Reizenstein	720	613	85.14%	172	23.89%	-	-
Rogers	292	135	46.30%	19	6.51%	-	-
Rooney	319	246	77.14%	59	18.50%	-	-
Schiller	333	215	64.59%	45	13.51%	-	-
South Brook	437	234	53.64%	73	16.70%	-	-
South Hills	418	200	47.87%	86	20.57%	9	2.15%
Sterrett	365	176	48.27%	37	10.14%	2	0.55%
Washington	251	193	76.99%	60	23.90%	-	-
Total Middle Schools	6,655	4,626	69.51%	1,328	19.95%	54	0.81%
Allderdice	1,544	542	35.09%	675	43.72%	13	0.84%
Brashear	1,384	709	51.25%	306	22.11%	11	0.79%
CAPA	498	185	37.22%	156	31.33%	-	-
Carrick	1,340	733	54.67%	350	26.12%	-	-
Letsche	161	130	80.98%	161	100.00%	-	-
Langley	753	494	65.64%	241	32.01%	2	0.27%
Oliver	998	740	74.18%	242	24.25%	-	-
Peabody	664	502	75.57%	147	22.14%	-	-
Perry	1,053	542	51.43%	221	20.99%	-	-
Schenley	1,372	730	53.21%	389	28.35%	39	2.84%
Westinghouse	614	469	76.39%	119	19.38%	-	-
Total High Schools	10,381	5,776	55.64%	3,007	28.97%	65	0.63%
Conroy	174	153	87.71%	174	100.00%	-	-
McNaugher	96	81	84.00%	96	100.00%	-	-
Mecry Behavioral Health	34	-	-	34	100.00%	-	-
Pioneer	67	24	36.23%	67	100.00%	-	-
Total Other Schools	371	258	76.39%	371	100.00%	-	-
GRAND TOTAL	32,661	21,537	65.94%	7,772	23.80%	386	1.18%

Source: Pittsburgh School District, Chief Academic Office, 2005.

BOLD: Recommended for reduction in assistant principal positions.

consistent with districtwide averages and similar to many other schools meeting the standards.

This action should result in a fair and equitable distribution of assistant principal positions among the schools. In addition, this should release funds that can be used in critical classroom need areas.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|----------------|
| 1. The new Superintendent should instruct the Lead Director who oversees Personnel to develop a best practices school-level administrative staffing formula for review, revision, and approval by the Lead Director who oversees Personnel. | September 2005 |
| 2. The Lead Director who oversees Personnel should review, revise and approve the best practices school-level administrative staffing formula for submission to the Board of Education’s review, revision, and approval. | Fall 2005 |
| 3. The Board of Education should review, revise, and approve the best practices school-level administrative staffing formula and instruct the Superintendent to proceed with implementation in the 2006-07 school year. | January 2005 |

FISCAL IMPACT

The average assistant principal’s salary is \$89,973 plus 30 percent benefits (\$26,991) equals a savings of \$116,964 per assistant principal times 21 equals a savings of \$2,456,244 The elimination of 21 assistant principals should result in an approximate annual savings of \$2,456,000. Although some of these assistant principals may need to return to the classroom to fill vacant teaching positions, most can be absorbed through attrition (retirements, promotion to principal, etc.) with one half of the reduction estimated in the 2006-07 school year.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Eliminate 21 Assistant Principal Positions	\$0	\$1,228,000	\$2,456,000	\$2,456,000	\$2,456,000

FINDING

The new organizational structure that is scheduled to take place in July 2005 includes the addition of a new position called an Executive Director for School Management and also includes the new positions of four Lead Principals. These new positions were created to ensure that the tasks that were assigned previously to four Executive Directors (whose positions will be eliminated in July 2005) are carried out by an Executive Director for School Management and four Lead Principals. However, there is

no provision in the job descriptions for the Executive Director of School Management and the Lead Principals positions for the evaluation of principals.

Exhibits 4-15 and 4-16 shows the job description of these two positions. As can be seen, no provision is included to assign responsibility for performance review of principals.

EXHIBIT 4-15
JOB DESCRIPTION OF THE EXECUTIVE DIRECTOR FOR SCHOOL MANAGEMENT

The Executive Director of School Management is responsible for performing the duties that will assist the Chief Academic Officer in facilitating the efficient operations and supervision of schools.

General Responsibilities:

- Coordinate all District's equity initiatives in order to provide equal educational opportunities irrespective of race, color, religious creed, ancestry, disability, sex, or national origin.
- Ensure that established policies and procedures are in place, widely disseminated, and equitably enforced.
- Provide both professional and staff development and community engagement regarding new laws and/or new interpretations of existing laws and policies.
- Use fiscal resources efficiently and effectively to provide the resources (human and materials) needed to ensure increased student achievement.
- Provide effective service, support, supervision, and evaluation to school staff.
- Ensure that people who require information to perform effectively receive it in a timely manner.
- Articulate and implement the District's vision of learning that guides and defines decisions.
- Address the complexity of moving the district's curricula, instruction, assessment, and technology programs from traditional to that of integrated, performance-based practices.
- Link all decisions to vision, mission, and strategic priorities.
- Evaluate decisions for effectiveness and revision when necessary.
- Plan and set goals for student achievement.
- Articulate student requirements and academic standards.
- Use present levels of student performance based on consistent assessment that reflects local and state academic standards.
- Use student achievement data to make decisions including specific references to internal and external data on curricula, teaching practices, and leadership practices.
- Implement a strategic and tactical plan for achieving academic excellence that involves all stakeholders.
- Utilize objective, applied, creative, and mindful learning strategies that accelerate rate of achievement for all African American students.
- Implement a strategic and tactical plan for making professional and staff development integral parts of the District and school improvement efforts.

Source: Pittsburgh School District, Human Resources Office, 2005.

**EXHIBIT 4-16
JOB DESCRIPTION OF THE LEAD PRINCIPALS**

Lead Principals (4)

Under the direction of the Chief Academic Officer, the Lead Principals (4) will be responsible for assisting the Executive Director of School Management in facilitating the efficient operation and supervision of schools.

General Responsibilities:

- Assist schools with comprehensive education improvement planning.
- Provide professional development, coaching, and technical assistance to administrators and teachers to move all staff towards high performance that result in higher levels of student achievement.
- Assist schools in building professional communities of learners between and among all stakeholders.
- Assist school staffs in using student achievement data to make decisions including specific references to internal and external data on curricula, teaching practices, and leadership practices.
- Assist schools in the implementation of strategic and tactical plans for achieving academic excellence that involves all stakeholders.
- Provide effective services, support, supervision, and evaluation to school staffs.
- Assist in the utilization of objectives, applied, creative and mindful learning strategies that accelerate rate of achievement for all African American students.
- Assist schools in implementing curricula, instruction, assessment and technology programs that are integrated and performance based.
- Assist in planning and setting goals for student achievement and articulate student requirements and academic standards.
- Assist schools in the use of present levels of student performance based on consistent assessment that reflects local and state academic standards.
- Promote the integration of technology as an integral component of the district's educational infrastructure by utilizing available web-based programming to augment teaching and learning.
- Assist schools in creating a collaborative school culture by promoting joint work and collegial relationships among all members of the school community.
- Work cooperatively and collaboratively with the Executive Directors of Academic Service and Support Services.

Source: Pittsburgh School District, Human Resources Office, 2005.

During interviews, district staff were unclear as to whose responsibility it will be to evaluate principals under the new organizational structure. Some administrators stated that it will solely be the Executive Director for School Management's responsibility; others stated the four Lead Principals would assist the Executive Director for School Management; however, the Lead Principals would require a certification to do so from the Superintendent. As seen in the job descriptions, the responsibility of the evaluation of principals is not clearly defined.

RECOMMENDATION

Recommendation 4-13:

Assign responsibility for the performance review of principals into job responsibilities.

This recommendation should result in the specific assignment of responsibilities for the performance review of principals to the Executive Director of School Management and other executive leadership of the school district. The new Superintendent may wish to develop and submit to the Board for approval specific protocol to govern this assignment. This should result in the including of these responsibilities in the appropriate positions' job descriptions.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|--------------------------|
| 1. The Superintendent should instruct the Lead Director who oversees Personnel to coordinate the implementation of the recommended action. | September 2005 |
| 2. The Lead Director who oversees Personnel should coordinate with the Lead Principals and the Executive Director for School Management to develop a plan and implement the recommendation action. | October 2005 |
| 3. The Lead Director who oversees Personnel and the Lead Principals and the Executive Director for School Management should evaluate the effectiveness of the implementation of the recommendation and make appropriate modifications. | July 2006
and Ongoing |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

4.4 Legal Services

Throughout the United States, school districts procure legal services either through in-house counsel, with the use of outside counsel for situations for which additional expertise is required, or exclusively with outside firms or attorneys. In the latter situation, some school districts, particularly those in urban areas, can secure the services of a

single, large, diversified firm while other districts must depend on more than one firm. Fees for services vary greatly, depending on the locale and the specialization required.

Costs for legal work has increased dramatically over the last three decades due to a number of circumstances. These include due process activity associated with disciplinary proceedings, complicated issues related to special education students, risk management matters, and a variety of other issues. Areas of special education and student disciplinary activity are particularly troublesome and require special legal expertise. These areas are typically complicated by the complexities of federal requirements and the relationship to local and state regulations coupled with the school system's need to maintain an orderly educational environment.

Legal services for the Pittsburgh School District staff and the Board of Education are provided through two mechanisms. First, by a district-employed Solicitor working in the Law Services Office and reporting directly to the Board. One full-time Solicitor and three full-time secretary/clerical staff this office. One of the clerical positions is a legal assistant. One clerk is responsible for district contracts, one clerk is responsible for paying invoices, and the third clerk oversees the certification of insurance. The In-House Solicitor reports that a yearly average of 450 contracts flow through the In-House Legal Services Department. If the contracts require special legal attention, the In-District Solicitor is responsible for assigning Legal Services Office overload to a contracted outside counsel and reviews all billing invoices for payment by the district. It should be noted that all contracts, including those that require special legal attention are reviewed by the Solicitor, and not assigned to outside counsel. The District Counsel rarely attends Board of Public Education meetings; however, one contracted attorney (Law Offices of Ira Weiss) attends all Board meetings.

Second, the Board of Public Education has a Professional and Consulting Services Agreement with the firms listed below.

The first three firms consist of:

- Campbell, Durant, and Beatty—primarily assigned labor and employee relations cases.
- Law Office of Ira Weiss—Special counsel to the district—provides consultation for general matters of litigation and also provides special education and real estate counsel for the district.
- Pietragallo, Bosnick, and Gordon—primarily assigned workers' compensation cases.

In 2002, the district hired additional minority firms to provide periodic general consultation. Those firms include:

- Ford and Council; and
- Andrews and Price.

The following firms are used on an as-needed basis:

- King, Spry, Herman, Freund & Faul;
- Merchant Moorhead & Kay; and
- Smith, Cohen, and Mock.

Additionally, bond counsel for the district includes:

- Wayne D. Gerhold, Esquire
- R. Darryl Ponton, Esquire

FINDING

The Pittsburgh School District Law Office is responsible for providing legal advice and representation to the Board of Education, school directors, the Superintendent of Schools, the School District of Pittsburgh as a corporate entity, and all of its employees in all legal matters relating to the administration of the schools, as well as to the Pittsburgh-Mt. Oliver Intermediate Unit on a contractual basis. The Law Office functions in essentially two directions to accomplish these responsibilities. The first is to practice corporate law and the second is to prosecute and defend matters in litigation. The Law Office accomplishes these tasks by using in-house staff as well as outside counsel.

With regard to corporate law, the Law Office:

- prepares and monitors performance of all contracts including, by way of illustration but not by way of limitation, contracts with architects and various contractors involving the construction and renovation of various school buildings, contracts governing the purchase of supplies, and contracts governing the retention of outside consultants;
- processes claims from the Pennsylvania Higher Education Assistance Agency (PHEAA) against those employees who have failed to pay the loans obtained through PHEAA;
- obtains insurance including errors and omissions, fleet and garagekeepers liability, boiler and machinery, JROTC Bonds for Westinghouse and Oliver High Schools, travel insurance for school employees, public officials bond, licensed practical nurses insurance, and football and all sports coverage;
- acquires and disposes of real property;
- enforces the various taxes levied by the Board of Education and provides legal advice to the City-School Treasurer; and
- develops or reviews proposed state and federal legislation that may affect the operation of the school district, if requested, and in cooperation with the Government Liaison, drafts legislation, as needed.

The duties of the In-House Solicitor include the following tasks:

- oversees the management of the daily operations of the law department;
- reviews and refers litigation to outside counsel and monitoring of same in the areas of general litigation, workers' compensation and labor relations;
- participates in settlement negotiations with outside counsel and serves as liaison to the Board;
- handles litigation not referred outside;
- serves as Hearing Officer in cases of student and employee discipline under the Pennsylvania School Code;
- prepares resolutions for legislative action and occasionally acts as Parliamentarian;
- provides legal advice to the Board, the Superintendent, Management and Staff of the Board of Education;
- presents inservice programs within the school district and, at times, outside the school district, to update the staff and others on the various changes in state and federal law that may affect their respective responsibilities.
- handles contract review/revision claims under the Political Subdivision Tort Claims Act, interpretation of the Sunshine Act, transportation matters, procurement/construction bid contests, facilities issues, requests for information under the PA Right to Know Act, and the review of Criminal Clearances;
- drafts and revises Board policies; and
- coordinates dissemination of annual statements of financial interests to employees covered by the Pennsylvania Ethics Act, reviews Ethics Statements and recommends action, if necessary.

With regard to litigation, the Law Office does the following with the assistance of outside counsel, if necessary:

- handles all matters filed against the school district, the Board of Education, and employees in federal or state courts and various agencies, such as the Equal Employment Opportunity Commission, the Office for Civil Rights, the Pennsylvania Human Relations Commission, and the Pittsburgh Commission on Human Relations;
- defends the school district, its Board, and employees for claims of negligent injury to persons or damage to property under the Political Subdivision Tort Claims Act and related statutes for which the Board is self-insured;

- contests claims for workers' compensation before workers' compensation judges, the Workers' Compensation Appeal Board and the appellate courts, since the Board is self-insured for workers' compensation purposes; and
- with the City, represents the school district in any appeal that may be taken by a taxpayer from a decision of the City-School Treasurer.

There has never been an evaluation of the costs of the district's outside legal services. Board members stated in interviews that an evaluation of legal services has been discussed; however, has never been acted upon.

Exhibit 4-17 shows the district's outside legal fees for the 2001-02 through 2003-04 school years. As shown, up to nine law firms have been used in the course of the year (2003) and fees vary greatly from 2003 to 2004.

The district often enters into legal contracts with no expiration dates. Such was the case when the Board approved a resolution for the contracting of services with the firm of Smith, Cohen, & Mork in the Legislative Meeting held on March 23, 2005.

RECOMMENDATION

Recommendation 4-14:

Evaluate all legal services and existing legal contracts, and provide only time-certain legal contracts to firms and individual attorneys.

The implementation of this recommendation should result in a comprehensive evaluation of all legal services providing information necessary to the issuance of RFPs as proposed in Recommendation 4-16 which follows. The evaluation of services should include a careful analysis of all case activity, cost of services, and other agreed upon criteria. Upon final implementation of this recommendation only time-certain contracts for legal services should be issued. MGT consultants believe that contracts for such services should not be more than three years in duration and should contain automatic annual review provisions.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Board of Education should instruct the Superintendent to initiate implementation of the recommended actions. July 2005
2. The Superintendent should instruct the proposed Chief of the Division of Planning, Budgeting, and Accountability to initiate implementation of the recommended actions. Upon the Chief of the Division of Planning, Budgeting, and Accountability Assuming Duties

**EXHIBIT 4-17
PITTSBURGH SCHOOL DISTRICT
OUTSIDE COUNSEL LEGAL FEES
2001-02 THROUGH 2003-04 SCHOOL YEARS**

FEES FOR 2001-02			FEES FOR 2002-03			FEES FOR 2003-04		
FIRM	DEPARTMENT	TOTAL	FIRM	DEPARTMENT	TOTAL	FIRM	DEPARTMENT	TOTAL
Andrews & Price	Law	\$47,066.29	Andrews & Price	Law	\$33,840.40	Andrews & Price	Law	\$16,176.34
Ira Weiss, Esquire	Law	\$89,574.65	Ford & Council	Law	\$8,685.00	Ford & Council	Law	\$13,845.00
Tucker Arensberg	Law	\$2,344.85	Gleason Group	Law	\$3,900.00	Ira Weiss, Esquire	Law	\$112,808.78
Campbell, Durrant & Beatty	HR	\$169,781.78	Ira Weiss, Esquire	Law	\$107,034.73	Smith, Cohen, & Mork	Law	\$154,885.46
Meyer, Darragh, Buckler, Bebenek, & Eck	HR	\$6,277.93	Leven, Surloff, Smith & Cohen	Law	\$9,862.96	Campbell, Durrant & Beatty	HR	\$140,159.09
Ira Weiss, Esquire	Operations	\$114,084.68	Ira Weiss, Esquire	Law	\$239.11	Ira Weiss, Esquire	Operations	\$149,857.30
			Smith, Cohen, & Mork*	Law	\$73,236.10			
			Campbell, Durrant & Beatty*	HR	\$210,132.11			
			Meyer, Darragh, Buckler, Bebenek, & Eck*	HR	\$362.07			
			Ira Weiss, Esquire	Operations	\$206,471.18			
TOTAL		\$429,130.18			\$653,763.66			\$587,731.97

Source: Office of Budget Development and Management Services, 2005.

* This firm was only used in 2003.

- | | |
|--|---|
| 3. The proposed Chief of the Division of Planning, Budgeting, and Accountability should develop the plan to initiate implementation of the recommended actions and present it to the Board of Education and Superintendent for review, revision, and approval. | Within Two Months
of Assuming
Assigned Duties |
| 4. The Board of Education and Superintendent should review, revise, and approve the plan and instruct the proposed Chief of the Division of Planning, Budgeting, and Accountability to proceed with implementation. | Upon Board
Approval |

FISCAL IMPACT

This recommendation could be implemented with existing resources and at no additional cost.

FINDING

In 2001, an audit was conducted by Feldstein, Grinberg, Stein, and McKee of the district's In-House Legal Department. Key findings in this audit include that the In-House Legal Department has:

- a poorly defined role with respect to the duties and responsibilities to administration and to outside legal counsel;
- an absence of ongoing representation by the legal department during the course of Board/administration policy and decision making;
- an absence of centralization of all legal matters;
- an ill-defined reporting requirement with responses to the law department and the Superintendent and Board;
- no policy in place for hiring outside legal counsel;
- a fragmented legal advice, strategy and expertise resulting in contradictory legal positions taken by the district; and
- inadequate methods for tracking legal matters handled by outside legal counsel.

The audit led to 14 major recommendations. MGT consultants found that many of the recommendations have not been implemented. Based on a review of data and interview information, five of the recommendations are still in critical need of implementation. These include:

- appoint a long-term “can do” general counsel for legal services, either as an in-house employee or law firm.
- include the general counsel in the core groups that are used by the Superintendent and Board for policy development and decision making.
- explore with Peoplesoft the availability of computer software to aid in tracking litigation;
- assess the present work load of the Solicitor and paralegals to determine whether if it should be handled on an outside basis; and
- develop a procedure for an annual assessment of the legal services provided by In-House general counsel and outside counsel.

RECOMMENDATION

Recommendation 4-15:

Outsource general counsel responsibilities and eliminate two legal secretaries.

In Section 4.3.1, MGT recommends that the district eliminate the Internal Solicitor’s position, and draft and disseminate a Request for Proposals (RFP) for Legal Counsel. Outside counsel should continue to be used for both the Board and district legal needs. MGT recommends that the district outsource all of the school district’s legal services to an outside law firm.

Upon implementation, this recommendation should result in the elimination of two of the three clerical positions. The remaining clerk, a legal assistant position, should be assigned to report to the proposed Division of Planning, Budgeting, and Accountability and provide liaison services to the firms under contract.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|---|
| 1. The Board of Education should instruct the Superintendent to initiate implementation of the recommended actions. | July 2005 |
| 2. The Superintendent should instruct the proposed Chief of the Division of Planning, Budgeting, and Accountability and Solicitor to initiate implementation of the recommended actions. | Upon the Chief of the Division of Planning, Budgeting, and Accountability Assuming Duties |
| 3. The proposed Chief of the Division of Planning, Budgeting, and Accountability and Solicitor should develop the plan to initiate implementation of the recommended actions and present it to the Board of Education and Superintendent for review, revision, and approval. | Within Two Months of Assuming Assigned Duties |

4. The Board of Education and Superintendent should review, revise, and approve the plan and instruct the proposed Chief of the Division of Planning, Budgeting, and Accountability and Solicitor to proceed with implementation.

Upon Board
Approval

FISCAL IMPACT

MGT estimates this fiscal impact based upon one law firm’s proposal to take over in-house counsel (with the exception of tax work which is currently outsourced) for a cost to the district of \$5,000 per month. This amount times 12 months is a cost to the district of \$60,000. The elimination of one Legal Secretary III will give the district a total of \$48,052 (salary of \$36,964 plus 30 percent fringe benefits of \$11,089) and one Legal Secretary IV for a savings of \$59,770 (salary of \$45,978 and 30 percent fringe benefits of \$13,793).

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Outsource General Counsel Responsibilities	(\$60,000)	(\$60,000)	(\$60,000)	(\$60,000)	(\$60,000)
Eliminate Legal Secretary III	\$48,052	\$48,052	\$48,052	\$48,052	\$48,052
Eliminate Legal Secretary IV	\$59,770	\$59,770	\$59,770	\$59,770	\$59,770
TOTAL SAVINGS	\$47,822	\$47,822	\$47,822	\$47,822	\$47,822

FINDING

The Pittsburgh School District does not have a policy requiring the issuance of RFPs for legal and legal-related services. As a consequence, specific criteria for the selection of legal services have not been included in Board policy or other procedural documents.

The result is that the Board of Education has approved resolutions for services as noted below:

*RESOLVED, That the appropriate officers of the Board be authorized to enter into an agreement with the law firm of **Smith Cohen & Mork** to represent the District in insurance related matters, with a yearly not to exceed figure of \$75,000, plus expenses, beginning March 1, 2005, which will renew annually beginning January 1, 2006, until such time as the Board no longer needs this representation, payable from account line 0200-010-2350-330.*

The minutes of the meeting do not provide information establishing the criteria used in the selection of the firm or if other firms were considered for the agreement.

It is noted, however, that the Board adopted a debt policy which requires competitive selection of the bond counsel (February 26, 2003 Board meeting). Additionally, in January 2003, the Law Department issued RFPs for legal services in the areas of

general and civil rights litigation, labor relations/collective bargaining, and workers' compensation counsel. However, the latter RFPs, while acceptable, were not guided by policy.

RECOMMENDATION

Recommendation 4-16:

Develop criteria for selection of outside counsel, and create an RFP for services to be provided by one or more firms in areas of identified specialization.

The implementation of this recommendation should result in the establishment of Board policy and procedures for the selection of legal services. Additionally, implementation of this recommendation should result in the creation of an RFP that minimally includes legal and other services for the following areas or specializations:

- general counsel to the Board and administration (by a single firm);
- human resources management including EEO, nondiscrimination, harassment, and other personnel related matters requiring legal counsel;
- student hearings officer;
- special education issues including IDEA and 504;
- contract review;
- risk management; and
- other identified areas of specialization needed.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Board of Education should instruct the interim Superintendent to initiate implementation of the recommended actions. July 2005
2. The Program Assistant to the Chief Academic Officer and the Solicitor should develop the RFP to initiate implementation of the recommended action and present it to the Board of Education and Superintendent for review, revision, and approval. August 2005
3. The Board of Education and Superintendent should review, revise, and approve the RFP and instruct the Program Assistant to the Chief Academic Officer and the Solicitor to proceed with implementation. September 2005

4. The Program Assistant to the Chief Academic Officer and the Solicitor should proceed with implementation.

October 2005
and Ongoing

FISCAL IMPACT

This recommendation could be implemented with existing resources and at no additional cost.

5.0 PERSONNEL AND HUMAN RESOURCES MANAGEMENT

5.0 PERSONNEL AND HUMAN RESOURCES MANAGEMENT

The Office of Human Resources of the Pittsburgh School District is responsible for recruiting, employing, and retaining over 5,500 full-time employees. The purpose of this chapter is to review the practices and activities in maintaining the work force for one of the largest school districts in the Commonwealth of Pennsylvania. The services delivered to school district employees; the management of human resources; and the policies, procedures, and practices guiding these functions are examined and analyzed. This chapter explores ways in which personnel services can be delivered more effectively and efficiently.

MGT conducted several different activities in order to determine the major issues which face the school district. A diagnostic review was completed prior to an in-depth, on-site review, which included interviews with employees, Board members, and other interested stakeholders. Several concerns were expressed over the reorganization of the Human Resources Department, qualifications of staff, high turnover rates, job descriptions, hiring policies and procedures, and cross-training in the Office of Human Resources.

According to a survey of administrators, principals, and teachers in the Pittsburgh School District conducted by MGT, three personnel functions did not receive high marks. About 70 percent of administrators and principals, and approximately 50 percent of teachers, stated that personnel recruitment, selection, and evaluation needed some or major improvements. Survey results of Pittsburgh administrators and teachers were compared to the results from administrators and teachers in other school districts around the country within MGT's benchmark database. Only about 40 percent of administrators in other school districts as compared to about 70 percent of administrators in Pittsburgh indicated that improvements needed to be made in the personnel functions. With regard to teachers, a slightly higher percentage of Pittsburgh teachers over teachers in other school districts indicated improvement needs to be made in these three areas.

This chapter examines these and other human resource issues and offers recommendations and commendations. The chapter is divided into the following seven sections:

- 5.1 Organization and Management
- 5.2 Personnel Policies and Procedures
- 5.3 Position Descriptions
- 5.4 Employment
- 5.5 Recruitment, Certification, and Retention of Teachers
- 5.6 Staff Development
- 5.7 Personnel Evaluation

5.1 Organization and Management

The effectiveness of personnel services is significantly influenced by the manner in which a human resources department is organized and managed. The organizational structure of a human resources department should be driven by the functions that it performs, and these functions should be periodically reviewed to ensure that the needs of the organization are being effectively served.

The primary responsibilities of the Office of Human Resources involve planning, implementing, and maintaining a sound system of personnel services that complies with local, state, and federal regulations. Currently, 23 positions in the Office of Human Resources for the Pittsburgh School District manage the responsibilities assigned to personnel through Board policies and procedures. The major functions of this team include:

- conducting recruitment and initial screening of applications;
- maintaining job applicant tracking;
- posting notices of vacancies;
- processing new employees;
- monitoring licensure for certified positions;
- maintaining personnel records;
- handling employee relations; and
- being the liaison to the vendors of the benefits programs for employees.

After a recent reorganization, personnel functions designated to the Office of Human Resources were assigned to three directors who report directly to the Superintendent. These positions are:

- Director of Recruiting and Staffing;
- Director of Employee Relations and Organization Development; and
- Director of Benefits Administration and Customer Service.

In addition to the directors, there are a total of 20 Human Resources staff positions. Of these 20 positions, three are vacant, and two are filled as “acting” positions at the time of the on-site visit. Another position in this department is the Human Resources Information Systems Analyst. This position reports directly to the Superintendent and is currently vacant.

The staff in the Office of Human Resources provides personnel services to a workforce of over 5,500 employees. Each human resource staff member serves an average of 232 active employees in addition to employees on leave and numerous retired employees who are enrolled in benefit plans.

The primary duties of the three units in the Human Resources Department are listed below.

- Major functions of the Recruiting and Staffing Section include:
 - recruiting and retaining highly qualified instructional and support personnel;
 - coordinating activities of pre-service teachers;

- handling transfer requests;
 - implementing workforce adjustments;
 - staffing special programs (e.g., summer school); and
 - ensuring compliance with the requirements for *No Child Left Behind* relating to workforce obligations.
- The principal duties of Employee Relations and Organization Section include functions associated with:
 - employee contracts;
 - grievance procedures;
 - job descriptions; and
 - critical incident investigations.
 - The primary duties of the Benefits Administration and Customer Service Section are to:
 - direct the administration of all benefit programs; and
 - provide customer service to all employees with regard to these programs.

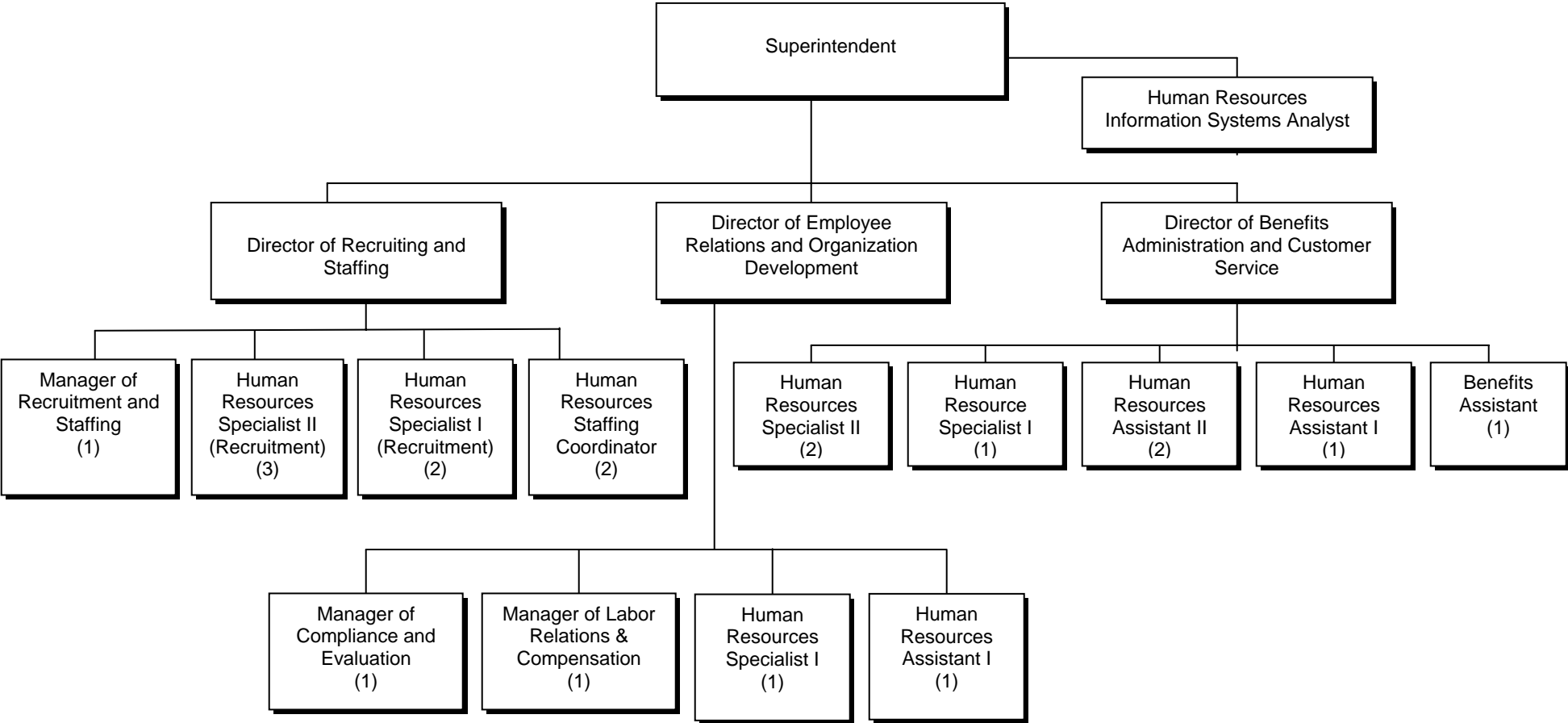
FINDING

The current organizational structure of the Office of Human Resources is shown in Exhibit 5-1. Upon examination of the structure shown, it is noted that there is no director or chief officer of the operations of the Office of Human Resources. In Chapter 4, the reorganization of the school district management is addressed, and it is recommended that the school district reinstate this position.

Currently, the Office of Human Resources in the Pittsburgh School District consists of three directors, three managers, a systems analyst, and 16 support staff positions. The Director of Recruiting and Staffing supervises and evaluates eight staff members, one of whom is the Manager of Recruiting and Staffing. All of the positions under the supervision of this director are filled. The Director of Employee Relations and Organization Development supervises four human resource staff members: Manager of Compliance and Evaluation, Manager of Labor Relations and Compensation (which is vacant), and two additional human resource staff members. The Director of Benefits Administration and Customer Service directs and evaluates seven staff members; one position is vacant.

Exhibit 5-2 shows a comparison of the ratio of human resource staff to the number of employees in several school districts which MGT has audited. As noted in the exhibit, the staff of the Office of Human Resource in the Pittsburgh School District serves about the average ratio in terms of employees to HR staff when compared to other districts. At 24 positions, the Human Resource staff to employee ratio included the position of Chief of Office of Human Resources.

**EXHIBIT 5-1
OFFICE OF HUMAN RESOURCES
PITTSBURGH SCHOOL DISTRICT
ORGANIZATIONAL CHART (APRIL 2005)**



Source: Pittsburgh School District, Office of Human Resources, 2005.

**EXHIBIT 5-2
COMPARISON OF HUMAN RESOURCES STAFF RATIOS
NUMBER OF EMPLOYEES PER HR STAFF MEMBER
IN OTHER DISTRICTS MGT HAS STUDIED***

SCHOOL DISTRICT	STUDENT ENROLLMENT (AT TIME STUDY WAS CONDUCTED)	FTE DISTRICT EMPLOYEES	HR STAFF*	RATIO EMPLOYEES TO HR STAFF
Pittsburgh School District	32,505	5,561	24	232
Metropolitan Nashville Public Schools (TN)	69,100	8,522	39	219
Austin Independent School District (TX)	77,738	10,233	38	269
Columbus Public Schools (OH)	64,929	10,216	33	310
Brevard County School District (FL)	68,638	6,389	35	183
San Antonio Independent School District (TX)	61,112	7,836	38	206
AVERAGE NUMBER OF EMPLOYEES PER HR STAFF MEMBER NOT INCLUDING PITTSBURGH				237

Sources: Figures from the Metropolitan Nashville Public Schools, Austin Independent School District, Columbus Public Schools, and Pittsburgh School District provided by the school districts. Figures for Brevard County School District from Profiles of Florida School Districts and San Antonio Independent School District from the Texas Education Agency, Academic/Excellence Indicator System.
*at the time the audit was conducted

RECOMMENDATION

Recommendation 5-1:

Reinstate the position of Chief of Human Resources.

As can be seen in Exhibit 5-2, the Office of Human Resources is not overstaffed (see Recommendation 4-9 in Chapter 4 for the complete recommendation).

FINDING

MGT was able to obtain the resumes of three of the five people in managerial positions in the Office of Human Resources, each of whom have exemplary credentials and experience in areas of personnel management. Their combined human resource experience totals more than 57 years and has been achieved in a variety of areas, including the private sector, school districts, and government agencies. One of the directors has a Master's degree. The other director and manager have Bachelor's degrees in addition to their experience and supplementary human resource certifications. Membership in professional associations such as the Society of Human Resource Management (SHRM) was noted on the resumes.

COMMENDATION

The Pittsburgh School District is commended for employing highly-qualified and experienced Human Resource professionals in leadership positions.

FINDING

Each service area in the Human Resource Office has specific, and generally exclusive, responsibilities from the other areas. The Office of Human Resources does not have an effective cross-training program, nor does the office have procedures that require this activity. However, in the last 90 days, the district reported that they have started to plan cross-training initiatives. Several staff members identified the need for a greater familiarity with their colleagues' responsibilities as they sometimes must assume some of those tasks when an individual is absent or unavailable. In the event of an untimely or extended absence, having staff members who were proficient in the responsibilities of other Human Resource personnel would enable the department to continue to operate with efficiency.

Recently, there have been many organizational changes in this office. MGT consultants were provided a letter sent to individual staff members addressing the responsibilities of their position and the transition timeline for reorganization. In the letter, it was stated that one of the long-term goals established by the directors in the Human Resources department is to cross-train team members, and in order for that to be accomplished, each team member must be knowledgeable about his/her own position; however, at the time of the on-site visit, this activity has not been implemented.

RECOMMENDATION

Recommendation 5-2:

Provide for comprehensive and systematic cross-training of personnel.

Through cross-training, the Office of Human Resources for the Pittsburgh School District should be able to both maximize efficiency and ensure that essential responsibilities can be appropriately assumed in the event of untimely or extended absences.

The cross-training should be completed by the end of the 2005-06 school year.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|----------------------|
| 1. The Director of Recruiting and Staffing, the Director of Employee Relations and Organization Development, and the Director of Benefits Administration and Customer Service should review all job descriptions for accuracy with each employee in their unit of the department. | July 2005 |
| 2. The Director of Recruiting and Staffing, the Director of Employee Relations and Organization Development, and the Director of Benefits Administration and Customer Service should develop a plan for cross-training employees in their unit. | 2005-06 school year |
| 3. The Director of Recruiting and Staffing, the Director of Employee Relations and Organization Development, and the Director of Benefits Administration and Customer Service should continue the cross-training of employees | May 2006 and Ongoing |

until all cross-training is complete.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

5.2 Personnel Policies and Procedures

The preface of the Pittsburgh School District School Board Policy Manual states that the document “is a codified compilation of the policies adopted by the Board of Public Education of the School District of Pittsburgh, Pennsylvania since November 25, 1975.” It addresses policies and procedures governing the “School District of Pittsburgh,” but cautions that the manual does not include every policy ever adopted by the Board. In order to make certain that each new policy adopted by the Board is included in the Board Policy Manual, the preface states that the policy manual will be updated regularly.

FINDING

The personnel policies are found in the Board’s policy manual in three different sections: administrative employees (Section 300); professional employees (Section 400); and classified employees (Section 500). Of the 34 subsections of policies for administrative employees, only one (Policy 352) has the date of adoption (October 21, 1992) listed, and only three list dates of revision (Policy 314A on March 22, 1995; Policy 323 on April 26, 1995; Policy 348 on January 28, 2004). In the Professional and Classified Employees Sections, the policy corresponding to Policy 352 in the Administrative Employees Section (Policy 452 in professional and Policy 552 in the classified section) was the only one with a date of adoption (October 21, 1992). Four policies in the Professional Employees Section indicated revised dates, three of which correspond to the same policies and dates in the Administrative Employees Section. The Classified Employees Section has three policies with revised dates that also correspond to the same policies and dates of revision found in both the Administrative and Professional Employees Sections.

Of the policies that list dates of adoption or revision, one occurred over 14 years ago and two occurred about 10 years ago. During that time, there have been at least two subsequent collective bargaining agreements reached with each of the employee groups in the professional and classified categories in addition to new state and federal legislation affecting education that has been enacted. MGT consultants noted that the policies for the professional and classified employee groups refer to the provisions of the collective bargaining agreement in force, and the policies for administrative personnel refer to the terms of the individual contracts under which the employees are bound.

RECOMMENDATION

Recommendation 5-3:

Update all personnel policies and procedures in the Board Policy Manual.

A review of the Board Policy Manual should be conducted to determine which personnel policies should be updated and ensure that policies relating to personnel functions are all

included in the manual. A complete update of the policy manual should occur at least once every 10 years (also see Recommendation 4-5 in Chapter 4).

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Director of Recruiting and Staffing, the Director of Employee Relations and Organization Development, and the Director of Benefits Administration and Customer Service should review the personnel sections of the Board Policy Manual to determine which policies, if any, should be updated. July 2005
2. The Director of Recruiting and Staffing, the Director of Employee Relations and Organization Development, and the Director of Benefits Administration and Customer Service should present the updates to the Board for final approval. December 2005

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MGT consultants were provided a packet of loose pages with a cover sheet that stated, "These procedures were compiled in March 2003." Each of the subsequent pages were titled "PITTSBURGH PUBLIC SCHOOLS Office of Human Resources Standard Procedure." Each page included a place for the following information:

- data created;
- date(s) revised;
- procedure;
- position responsible for procedure;
- purpose; and
- process.

The two areas that were complete on each page were "Procedure" and "Process." There was no information for date created, date(s) revised, position responsible, or purpose on any of the standard procedure pages.

There was no table of contents or index to identify information that was included in the document, and none of the pages were numbered. Also, there was no citation of the mission statement, purpose, responsibilities, values, or goals of the Office of Human Resources.

RECOMMENDATION

Recommendation 5-4:

Revise the Procedures Manual for the Office of Human Resources to include PeopleSoft implementation and other recent developments.

It is important that all personnel procedures such as recruitment, hiring, employment, classification, certification, and provision of benefits be carefully outlined and kept up-to-date in a format that is user-friendly and easily accessed by current, new, and prospective employees as well as all other interested stakeholders. The manual can be maintained on the school district Web site for the public in general and on the Intranet for current employees.

A manual for personnel operations should include specific actions for the proper execution of personnel policies and procedures such as:

- administration;
- recruitment;
- employment;
- certification;
- position control - wage and classification;
- employee assistance;
- employee relations; and
- employee benefits.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Chief Officer of Human Resources should instruct the Director of Recruitment and Staffing, the Director of Employee Relations and Organization Development, and the Director of Benefits Administration and Customer Service to identify and outline all procedures used in the administration of their duties. October 2005
2. The Director of Recruitment and Staffing, the Director of Employee Relations and Organization Development, and the Director of Benefits Administration and Customer Service should submit the details of the specific procedures in their section to the Chief Officer of Human Resources. January 2005
3. The Chief Officer of Human Resources should approve the procedures and compile the procedures into a comprehensive personnel procedures manual. February 2005
4. The Chief Officer of Human Resources should submit the revised manual to the Technology Office to be placed on the Pittsburgh School District Web site and on the Intranet. March 2006

FISCAL IMPACT

This recommendation can be accomplished with existing resources.

5.3 Position Descriptions

Employee positions are assigned to job classifications for the purpose of setting job standards and assigning a pay grade each employee. The kind and number of positions in the school district are subject to budget, legislative, and management requirements. Positions are established by the Board of Education.

All employee positions should be defined by a job description. Job descriptions usually provide information such as the name of the administrator to whom the employee reports, minimum and mandatory qualifications of the person holding that position, job goals, performance responsibilities, terms of employment, and the evaluation process. Job specifications provide the overall description for a position so that it can be classified on the appropriate salary schedule. Each job specification should list a general statement of duties; distinguishing features of the job classification; examples of work; required knowledge, skills and abilities; and acceptable experience and training. Exhibit 5-3 is a template for a comprehensive job description.

FINDING

In October 1999, Pittsburgh School District contracted with CorVel to write position descriptions for all jobs in the school district. MGT was provided a disk of the position descriptions. Most of the job descriptions were in folders labeled with the name of the department (e.g., Office of Technology), the operation (e.g., Facilities Maintenance), or facility (e.g., Carrick High School) in which the position was located. There were also other word documents not in folders. Some of these documents were job descriptions and others were a variety of items, including letters or memos related to the process of updating the position descriptions. In addition to the disk, MGT was provided hard copies of the vacancy announcements of positions in the Human Resources Office and various other positions in the Pittsburgh School District.

Upon examination of the job specifications, MGT consultants found duplicate entries of some positions (e.g., Assistant Director of Human Resources), and no descriptions for other positions (e.g., Director of General Services). There were also descriptions of jobs not found in the handbook of "Salary and Wage Schedule for All Employees" or in the list of current employees and their positions (e.g., Assistant Director of Human Resources). MGT consultants were told that consistent and routine updating of the job positions has not occurred since the descriptions were written, but that the task of updating the descriptions is currently underway.

Each of the job descriptions reviewed showed consistency in design and format. Each description featured the title, "Job Analysis" followed by "Department," "Job Title," and "Contact." Specifications of the position were stated in the following categories:

- job summary;
- essential functions;

**EXHIBIT 5-3
ELEMENTS OF AN EFFECTIVE JOB DESCRIPTION**

JOB DESCRIPTION CONTENT
<p>Header:</p> <ul style="list-style-type: none">■ Job Title:■ School/Department:■ Reports to:■ Supervisor's Superior:■ Supervises:■ Pay Grade:■ Job Code¹■ Overtime Status:
<p>Main Body:</p> <ul style="list-style-type: none">■ Job Goal:■ Qualifications:■ Knowledge, Skills, and Abilities:■ Performance Responsibilities: Essential Functions■ Performance Responsibilities: Other Duties & Responsibilities■ Physical Demands: (from supplement)²■ Work Environment: (from supplement)²■ Terms of Employment:■ Evaluation:
<p>Footer:</p> <ul style="list-style-type: none">■ Date (developed or revised):■ Board action if any:■ Prepared by:■ Approved by:■ Work Location■ Telephone Number:■ Personnel Department Review (with date):

Source: Created by MGT of America, 2005.

¹This is the same as job classification.

²A supplement to a job description describes the machines, tools, and equipment that will be used by the employee in the performance of the job. The physical requirements (sedentary, light, medium, heavy work) and activity (sitting, climbing, bending, twisting, and reaching) are also described in the supplement, as well as working conditions (outdoor, indoor, cold, heat, noise, and hazards).

- marginal functions;
- communication requirements;
- educational/vocational requirements;
- work aids;
- physical demands;
- environmental exposures; and
- general comments.

Following “General Comments,” a section labeled “Job Analysis Approval” includes space for the Director of Human Resources and the Superintendent to sign and the date the job description, indicating that they approve the job analysis. The last page of the job description is titled “Acknowledgement.” This form is completed after the candidate is offered the job, but before it is approved by the Board of Education. On this form, the applicant indicates that s/he has reviewed the job description and analysis, understands the requirements, and affirms that s/he can perform all essential functions stated in the job description. If the applicant believes that s/he will have difficulty with any part of the job, there is space for the applicant to enter the reasonable accommodations that the applicant believes will have to be made in order for him/her to perform essential functions of the job. The form is signed and dated by the applicant and the administrator or designee and then submitted to the Board. If the applicant is approved, the Director of Human Resources and the Superintendent also sign and date the acknowledgement form.

Three very important items of information were not found on the job analysis pages. Two items were the salary schedule and the salary level of the position; however, both of these were included on each notice of vacancy reviewed by MGT consultants. The other information not found involves dates of adoption, review, and revision of the job descriptions.

Recently, the Pittsburgh School District has undergone a change in school superintendents. The acting Superintendent has made some organizational changes in which some positions have been eliminated and some positions have been created. MGT consultants were told that job descriptions were currently being updated.

RECOMMENDATION

Recommendation 5-5:

Develop job descriptions for new positions and delete descriptions for jobs that have been eliminated.

Job descriptions should be formally written for each position category following the adopted format. The job description should include:

- the title of the position;
- administrator to whom the employee reports;
- qualifications;
- job goals;
- performance responsibilities;
- terms of employment;
- evaluation process; and
- equipment used (if applicable).

Once all descriptions are complete, they should be maintained by the Office of Human Resources on a regular schedule. Also, job descriptions should be maintained electronically and should be accessible to everyone in a read-only format. Appropriate Human Resource personnel should be able to access them in order to edit and update as necessary.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-------------|
| 1. The Superintendent should send a directive to Senior Managers to determine if there is a corresponding job description for every employee under their supervision as well as for all vacant positions in their departments. | July 2005 |
| 2. Senior Managers should return to the Superintendent a list of all employee positions for which there is no job description. | Fall 2005 |
| 3. The Superintendent should forward these lists to the Director of Employee Relations and Organization Development in the Office of Human Resources. | Spring 2006 |
| 4. The Director of Employee Relations and Organization Development should develop job descriptions for the missing positions, in collaboration with the appropriate Senior Manager, ensuring that each description is up-to-date, formatted correctly, and properly titled. | Summer 2006 |

FISCAL IMPACT

These recommendations can be accomplished with existing resources.

5.4 Employment

As stated in the Policy Manual section for administrative employees, “Administrative positions will be established by the Board in order to provide effective management and leadership for the operation of the School District.” Similar wording is found in the professional and classified employee sections of the Policy Manual.

The Office of Human Resources is responsible for ensuring that all positions in the Pittsburgh School District are filled. The department advertises and posts vacancies, accepts and processes applications, provides screening interviews, plans recruitment efforts, acts upon recommendations to hire, and processes new employees.

Prospective employees can view job openings and download the application from the Pittsburgh School District Web site. The two employee categories are professional and non-professional. Comprehensive instructions on the application process are included in each of these two employee sections.

To be considered for employment with the Pittsburgh School District, there are certain requirements that must be met by the candidates. All non-professional employees must live in the city of Pittsburgh or in the borough of Mt. Oliver, as is stated on the Pittsburgh School District Web site. Applications from all professional applicants will be assessed according to points ascribed to specific criteria from the Eligibility List.

The Eligibility List was created by state legislation in response to certain irregularities found in the hiring of school employees in Philadelphia and Pittsburgh. In the original law, the school districts were required to hire persons from the three highest names on the proper eligible list. In 1996, Pittsburgh requested that the wording of the law be changed to “the top five or 10 percent, whichever is highest.” The wording in the legislation was changed by an act of the Pennsylvania General Assembly.

In September 2000, a report from Office of Human Resources to the Superintendent of the Pittsburgh School District recommended changes to the Teacher Eligibility List criteria. The Board of Education approved the changes, effective for the 2001-02 school year. The specific changes were:

- Panel interviews will be eliminated.
- Bonus points will be given if a full-time substitute has worked a total of eight months within two consecutive years.
- Bonus points will given to Pittsburgh School District graduates, Quest Scholars, and Langley Teacher Academy graduates.
- The Office of Human Resources will only accept complete application packets. The application deadline will be April 11.
- If an applicant declines the offer of an interview or a position two consecutive years, they will be removed from eligibility list.
- If not in a position on the eligibility list to be hired, applicant may remain on the eligibility list for no more than five years. If still interested, applicant may reapply.

Exhibit 5-4 shows the apportionment of points in the Eligibility List Requirements. Under the first requirement, the Pennsylvania certification, 20 points are given for one of the following:

- passing NTE Scores;
- copy of certification; or
- both.

In the Credential Review, a maximum of 15 points can be received. The Credential Review has three subsections: Transcript; Extra-curricular and related activities; References. For Transcripts, points are awarded for the degree or for level of QPA if an undergraduate. The points are:

- Master's degree 7
- Undergraduate QPA 3.0 or greater 5

**EXHIBIT 5-4
PITTSBURGH PUBLIC SCHOOLS
ELIGIBILITY LIST REQUIREMENTS**

State law requires that professionals placed on an eligibility list in their certification are to be considered for employment in the Pittsburgh Public Schools. On September 27, 2000, the Pittsburgh Board of Education approved changes to the eligibility list requirements to be effective of the 2001-02 school year. The major change was the elimination of the panel interview. Also, if an applicant declines the offer of an interview or a position two consecutive years, they will be removed from the eligibility list for no more than five years. If still interested, applicant may reapply. An Act 151 Child Abuse Clearance, Act 34 Criminal history check, and a Medical Clearance are required if offered a position. The following are the revised requirements and maximum points for the eligibility list.

REQUIREMENTS		MAXIMUM POINTS
1.	PENNSYLVANIA CERTIFICATION	20
2.	CREDENTIAL REVIEW Evaluation of credential includes the yellow application, transcripts, professional references and/or placement file from college.	15
3.	PROFESSIONAL EXPERIENCE (Includes Student Teacher/Internship/Practicum/Professional Work)	
	Unsatisfactory	0
	Satisfactory	30
	Above Average	35
	Outstanding	40
4.	MUSIC, ART & FOREIGN LANGUAGE APPLICANTS <u>ONLY</u>: PERFORMANCE EVALUATION	10
BONUS POINTS		
A.	Satisfactory urban student teaching/internship OR	20
B.	Prior satisfactory teaching experience OR	30
C.	Prior satisfactory teaching experience in PPS (if an FTS, must have worked a total of 8 months within two consecutive years.)	40
D.	Candidates who are graduates of the PPS	5
E.	Candidates who are graduates of the Langley Teaching Academy	5
F.	Candidates who are PPS QUEST Scholars	5

SUCCESSFUL COMPLETION OF ITEMS 1-3 (ITEMS 1-4 FOR MUSIC, ART, AND FOREIGN LANGUAGE APPLICANTS) AND A MINIMUM OF 55 POINTS MUST BE ATTAINED BY A PROSPECTIVE CANDIDATE IN ORDER TO BE PLACED ON THE ELIGIBILITY LIST.

Source: Pittsburgh School District, Office of Human Resources, 2005.

- Undergraduate QPA 2.5 to 2.9 4
- Undergraduate QPA 2.0 to 2.4 2
- Undergraduate QPA less than 2.0 0
- (Postgraduate work will be calculated into undergraduate QPA to determine points allotted.)

In the extra-curricular and related activities, one or two points can be assigned to each item, but an applicant can only earn a maximum of three points overall. The items are:

- college work experience;
- community service;
- campus activities; and
- military or Peace Corps.

The third component in the Credential Review, references, allows prospective employees to accumulate up to five points for the quality of the references. The point distribution is as follows:

- outstanding (excellent) 5
- above Average 3
- average 2
- below average 1
- unsatisfactory 0

The final area in which all applicants for professional positions are rated is in professional experience. Professional experience includes student teaching, internship, practicum, and professional work. Experience is rated from outstanding to unsatisfactory with a maximum of 40 points from this appraisal. The categories and corresponding points are:

- outstanding 40
- above average 35
- satisfactory 30
- unsatisfactory/(below average) 0

A fourth section on the Eligibility List considers the performance evaluations of music, art, and foreign language applicants only. These particular applicants can earn 10 points in this area.

Hiring efforts are shared between the Office of Human Resources and the appropriate supervisor or principal to which the position is assigned. The Office of Human Resources processes the applications and provides supervisors and principals with the information on the qualified applicants. The administrator interviews each applicant and then notifies the Office of Human Resources with his/her selection. Then the Office of Human Resources contacts the selected applicant via letter with the position offer.

The initial packet of forms given to an applicant does not include the health forms. After the new employee submits the completed forms in the initial packet, and the "Pennsylvania Criminal History Record Information" and the "Child Abuse History Clearance" forms indicating that his/her record is clean, then s/he is issued the health forms that must be completed by a physician. When these forms are returned, the hiring process is complete.

According to records furnished by the Office of Human Resources, there are over 7,200 full-time and part-time employees in the Pittsburgh School District. Of this number, over half (3,832) are professional personnel (teachers, teacher aides, guidance counselors, librarians, and other instructional). Teachers alone comprise 62 percent (2,727) of the total.

FINDING

One of the most common problems facing school districts today is the turnover rate of employees. Some sources report that as many as one third of the nation's teachers leave the teaching profession within the first three years, and the percentage may increase to as high as 50 percent after five years.

According to the results of the survey conducted by MGT, 15 percent of administrators, 13 percent of principals, and 10 percent teachers are looking for jobs outside the Pittsburgh School District. If each of these teachers found positions elsewhere, the district would have to fill at least 270 teacher positions, which is 10 percent of the 2,727 teacher positions currently filled in the Pittsburgh School District. This number (270) does not include the number of teachers who will be eligible to retire.

Exhibit 5-5 provides the employee turnover rates for the Pittsburgh School District for the past three years. As shown, when comparing 2003-04 to 2004-05, the percent of employees who:

- resigned decreased from 4.5 to 3.2;
- Retired decreased from 4.1 to 2.6; and
- who terminated went from 0.4 to 0.6.

The category *termination* includes both voluntary and involuntary terminations.

In order for a school district to be able to improve services to its employees, the district must know why employees are leaving. One way to do this is through exit interviews. Properly designed exit interviews can reveal to an employer information regarding what is working and what needs improvement in their organization and in the services they provide.

RECOMMENDATION

Recommendation 5-6:

Develop and administer an exit interview to all employees leaving the Pittsburgh School District, combine all the data from the interviews, and present the findings annually to the Superintendent and the Board of Education.

**EXHIBIT 5-5
RESIGNATIONS, TERMINATIONS, AND RETIREMENTS
PITTSBURGH SCHOOL DISTRICT EMPLOYEES
2002-03 THROUGH 2004-05 SCHOOL YEARS**

EMPLOYEE CATEGORY	2002-03			2003-04			2004-05		
	RESIGNED	RETIRED	TERMINATED	RESIGNED	RETIRED	TERMINATED	RESIGNED	RETIRED	TERMINATED
Building Trades	1	3	2	0	5	2	0	0	7
Custodial	6	17	0	9	22	0	5	13	1
Fixed Salary Group	1	0	0	0	0	0	0	0	4
Non-represented Employees	94	5	1	131	1	5	109	0	5
Pittsburgh Administrators Association	3	3	0	4	12	3	2	22	4
Operations Employees	0	0	0	0	1	0	0	2	0
Paraprofessionals	33	21	7	9	19	5	16	11	0
Professionals	86	128	1	80	140	1	28	80	6
Secretary-Clerical Employees	4	13	1	5	15	4	3	11	0
Support Employees	3	4	1	6	6	2	7	1	5
Technical/Clerical Employees	1	1	1	0	1	0	1	0	0
TOTAL	232	195	14	244	222	22	171	140	32
PERCENTAGE OF ALL EMPLOYEES	4.3	3.6	0.3	4.5	4.1	0.4	3.2	2.6	0.6

Source: Pittsburgh School District, Office of Human Resources, 2005.

Exit interviews should provide information to school districts that will assist them in evaluating how effectively and efficiently they are operating as a school district. The information collected from the interviews should also provide suggestions for improvement in the provision of services.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|----------------|
| 1. The Superintendent should instruct the Director of Recruitment and Staffing, the Director of Employee Relations, and the Director of Benefits Administration and Customer Service to develop an exit interview to be administered to all employees who leave the employment of the Pittsburgh School District. | September 2005 |
| 2. The Director of Recruitment and Staffing, the Director of Employee Relations, and the Director of Benefits Administration and Customer Service should submit the exit interview to the Superintendent for approval. | October 2005 |
| 3. The Superintendent should approve the exit interview for implementation. | October 2005 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

5.5 Recruitment, Certification, and Retention of Teachers

Many school districts across the nation are facing a critical teacher shortage. Competition among school districts to recruit and retain teachers is intense. Thus, the recruitment and retention of highly qualified professional staff in the Pittsburgh School District are major issues likely to drive the operations of the Office of Human Resources in the foreseeable future.

The Board Policy Manual states that one of its principal statutory obligations is to appoint teachers. The Office of Human Resources is responsible for recruiting employees who meet the qualifications established by the Pittsburgh School District and maintaining a workforce adequate for the needs of the school district. To provide and sustain appropriate staffing levels, the department monitors the positions allocated to schools and departments, and ensures that personnel are recruited, hired, and processed to fill these positions.

Approximately 32,500 students attend the Pittsburgh Schools, and there are more than 5,100 administrators, teachers, and support personnel. In Chapter 2, there are comparisons of district staffing levels among peer school divisions for the 2002-03 school year. As is noted in Exhibit 2-9, the Pittsburgh School District staffing level for teachers (49.8) is almost equal to the peer district average (49.9). With respect to the level of other staffing, the same comparison is found—Pittsburgh (50.2) is virtually equal to the average of the peer school districts (50.1).

Administrators, principals, and teachers in Pittsburgh School District were invited to participate in MGT's on-line survey, conducted prior to the MGT on-site visit. About 70 percent of the participants in each group (central office administrators, principals and teachers) indicated that they were very satisfied with their job in Pittsburgh schools.

5.5.1 Recruitment of Teachers

The recruitment of teachers is an ongoing process in every school district. In order to attract and hire the best qualified instructional staff and to meet the provisions in the *No Child Left Behind* (NCLB) legislation, the recruitment and retention of highly qualified teachers must be a top priority for school districts.

The planning and oversight of recruitment strategies to attract and retain teachers is the responsibility of the Office of Human Resources. In the 2002-2007 Strategic Plan for the School District of Pittsburgh, Key Strategic Theme E4 outlines the approach for recruitment. The goal of the Pittsburgh School District is "to recruit, attract, and retain the best and the brightest staff to the Pittsburgh Public School District," and the goal of Human Resources is "to produce a teacher candidate pool that ensures a diverse workforce that reflects the diversity and composition of the school district's student population and the communities where our schools are located." In order to meet these goals, the Office of Human Resources has developed a recruitment plan which outlines key strategies with respective deadlines and designates the specific person responsible for ensuring the strategies are accomplished.

The Pittsburgh School District budget includes a section for funding the School District University Collaborative (SDUC). The operating budget for SDUC was originally budgeted at \$325,229, but had been adjusted to \$415, 943. As of May 17, 2005 the total expenditures were \$405,564.90.

The Pittsburgh School District is a member of the School District University Collaborative (SDUC). The vision of this program is to produce educators who "express a preference for the special challenges of educating diverse students in urban settings." The mission is to recruit and prepare students to become high quality, urban educators. There are several facets incorporated in the existing model:

- a support structure at the site level;
- an executive governing body;
- an operations committee;
- a professional development program for pre-service urban teachers;
and
- a professional development program for teachers and supervisors.

There are five area colleges and universities that are full members, three associate members, and six ad hoc members. This extensive collaborative program is featured on the Pittsburgh School District Web site, and includes the handbook, history of SDUC, the

MAT Intern program, roles and responsibilities, and all other pertinent information about the collaboration.

FINDING

One tool used by the Office of Human Resources in determining the staffing needs of the Pittsburgh School District is a projection analysis created by the Technology Department. Two documents are created, both of which give data over a three-year period of the number of employees who meet the eligibility requirement for retirement either by age or by years of service. The document labeled "Certification" gives the number of potential retirees by the certification categories. The other document, "Active," gives the number of potential retirees by the areas in which employees are currently working. For instance, in the "Certification" list in 2005, there are 1,880 employees who have certification to teach elementary school, and 157 of these people are eligible to retire. On the "Active" list in 2005, there are 963 employees who currently teach elementary school, and 83 of these people are eligible to retire. Meeting the eligibility requirement does not mean that the person will actually retire, only that the potential for retirement is there. These kind of data can be a valuable asset to a large school district in anticipating possible staffing needs in all areas.

One comment that was repeatedly noted concerned hiring teachers so late in the school year and the possibility of losing highly qualified teachers to other school districts. A key strategy in the recruitment plan of the Pittsburgh School District is to "establish early time parameters for staffing that enable the Office of Human Resources to attract the most qualified candidates." In order to accomplish this, support from several different groups of stakeholders should be obtained. The strategy is to finalize staffing requirements by early March. Currently, notice of vacancies are posted in all schools and at the Administration Building on December 1, the third school day in January, May 1, May 15, and June 1, per the agreement with PFT for January 1, 2001 through June 30, 2003. By the time vacancies are posted in May, many teachers have already signed contracts with other school districts in order to secure their employment for the upcoming school year. According to the Pittsburgh School District, there were over 60 full-time and part-time professional positions that were vacant or became vacant after the beginning of the 2004-05 school year.

Because staffing is tied to the budget process, offering contracts earlier in the year is not possible. However, there are other options such as "contingency" contracts or "letters of intent" that should be considered.

RECOMMENDATION

Recommendation 5-7:

Develop a plan to offer contingency contracts earlier in the year to teachers who meet the Eligibility List criteria.

The use of contingency contracts should enable the Pittsburgh School District more opportunities to secure the most qualified candidates, overall, in addition to attracting a larger pool of qualified applicants for the critical shortage areas earlier in the year. Using the projected retirement numbers that are generated by the Technology Department each year, and analyzing trends in employee attrition from the previous five years, should

provide the Human Resources staff fairly reasonable expectations of employment needs for the next school year. Then, as applications are received, qualified candidates could be identified earlier to fill the expected vacancies.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|----------------|
| 1. Representatives from the Office of Human Resources, the Office of Technology, Budget Development, Administrators, and the Pittsburgh Federation of Teachers (PFT) should develop a valid contingency contract for qualified teachers. | September 2005 |
| 2. The Chief of the Office of Human Resources should submit the contingency contract to the Superintendent for approval. | November 2005 |
| 3. The Superintendent should submit the contingency contract to the Board of Education for approval. | December 2005 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Several of the key strategies in the recruitment plan focus on recruitment territories and the pool of candidates. Exhibit 5-6 displays the recruitment schedule for the 2004-05 school year and the cost of sending one Pittsburgh School District representative. The recruiting schedule indicates a diversity of events in which representatives of the Pittsburgh School District have participated, including visiting six historically black colleges or universities.

Exhibit 5-7 provides an overview of the racial and ethnic composition of professional personnel in the school district, and Exhibit 5-8 shows the student demographics by race. By comparison, there is a disparity between the ethnic composition of the professional employees and the students enrolled in the Pittsburgh School District. In the recruitment plan, several key strategies address the issue of attracting a culturally diverse pool of teacher candidates.

MGT consultants were unable to obtain data from the recruiting efforts concerning the number of teachers hired as a result of specific recruiting events. MGT was told that this information does not exist in a single database. With data from past efforts, the Pittsburgh School District would be able to evaluate objectively which events were the most effective in attracting new teachers from a culturally diverse pool of qualified teachers to the system.

**EXHIBIT 5-6
PITTSBURGH SCHOOL DISTRICT
OFFICE OF HUMAN RESOURCES
RECRUITMENT SCHEDULE
2004-05 SCHOOL YEAR**

DATE	LOCATION	EVENT	TOTAL COST
September 29, 2004	Grove City College ²	Career Fair 2004	\$225
October 5, 2004	NAACP ²	Pittsburgh Diversity Job Fair	\$1,225
October 20, 2004	Robert Morris University ²	Career Fair	N/C
November 2, 2004	Slippery Rock University ²	Teacher Job Fair	\$100
November 3, 2004	Central PA Fall Teacher Job Fair ²	Teacher Job Fair	\$85
November 30, 2004	University of Pittsburgh ²	Present to Mathematics Majors	N/C
December 2, 2004	IUP Professional Development Day ²	Education Job Fair	N/C
February 2, 2005	Carnegie Mellon Network Pittsburgh – PNC Park ²	Networking Fair	N/C
February 2, 2005	Winston Salem State University, North Carolina ¹	25 th Annual Teacher's Fair	\$389
February 9, 2005	Catawba College ¹ , Livingstone College ¹ , Pfeifer University ³	2005 Teacher Education Job Fair	\$404
February 11, 2005	University of Maryland – College Park ³	27 th Multi-Ethnic Student Career and Job Fair	\$1,208
February 18, 2005	Pennsylvania Black Conference on Higher Education ³	Job Fair – 2:00 p.m. to 4:00 p.m.	\$150
February 24, 2005	University of Maryland – Eastern Shore ¹	Teacher Recruitment Day Fair	\$524
March 10, 2005	Elizabeth City State University – Elizabeth City, NC ¹	2005 Annual Teacher Job Fair	\$454
March 10, 2005	University of Maryland – Eastern Shore ¹	Career/Education Job Fair	\$524
March 16, 2005	University of Dayton ³	Education Career Fair/Interview Day 8:30 a.m. to 4:00 p.m.	\$370
March 22, 2005	University of Delaware ³	Teacher Education and Career Services	\$841
March 22, 2005	Fairmount State College – West Virginia ³	Education Fair – (9:00 a.m. to 4:00 p.m.)	\$325
March 24, 2004	Lincoln University – Lincoln University, PA ¹	Annual Career Fair	\$521
March 31, 2005	Pittsburgh Education Recruiting Consortium (PERC) ³	Teacher Job Fair 2005	\$340
April 5, 2005	University of North Carolina at Chapel Hill ²	2005 Education Job Fair	\$383
April 11, 2005	Penn State University ²	Education Career Day	\$179
April 13, 2005	CCAC Spring Career Fair ³	Career Fair – 10-2	\$75
April 13, 2005	John Carroll University – Cleveland, OH ³	Job Fair: Careers in Education	\$840
TOTAL COST FOR ONE REPRESENTATIVE TO ATTEND EACH EVENT			\$9,162

Source: Pittsburgh School District, Office of Human Resources, 2005.

¹Historical Black Colleges and Universities

²Members of the Collaborative

³Career/Teacher Fairs Attended by the Pittsburgh School District Representative

**EXHIBIT 5-7
PITTSBURGH SCHOOL DISTRICT
PROFILE OF BASIC PROFESSIONAL PERSONNEL BY RACE**

RACE/ETHNIC GROUP	2003-04		2004-05	
	TOTAL	PERCENT	TOTAL	PERCENT
Black (Non-Hispanic)	646	20.0	633	19.6
White	2,546	78.9	2,569	79.4
Other	34	1.1	33	1.0
Total	3,226	100.0	3,235	100.0

Source: Pittsburgh School District, Office of Human Resources, 2005.

**EXHIBIT 5-8
PITTSBURGH SCHOOL DISTRICT
PROFILE OF STUDENT DEMOGRAPHICS BY RACE**

RACE/ETHNIC GROUP	2003-04		2004-05	
	TOTAL	PERCENT	TOTAL	PERCENT
Black (Non-Hispanic)	19,006	56.2	18,390	56.6
White	12,908	38.2	12,195	37.5
Other	1,882	5.6	1,920	5.9
Total	33,796	100.0	32,505	100.0

Source: Pittsburgh School District, Office of Human Resources, 2005.

RECOMMENDATIONS

Recommendation 5-8:

Create a comprehensive database of information regarding all facets of the Pittsburgh School District's recruiting efforts.

A comprehensive database of all factors related to recruiting should enable the Pittsburgh School District to evaluate their recruitment schedule objectively. The database should assist Human Resources in developing an appropriate budget for the program, and it should provide longitudinal data that will be useful in future recruitment planning.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|---------------|
| 1. The Director of Recruitment and Staffing should work with representatives of the Office of Technology and the Office of Planning, Budgeting, and Accountability to develop a comprehensive database of all information related to employee recruitment efforts. | Summer 2005 |
| 2. The Director of Recruitment and Staffing and the representatives of the Office of Technology and the Office of Planning, Budgeting, and Accountability should present the database to the Superintendent for approval. | December 2006 |

3. The Superintendent should approve the database. January 2006
4. The Chief of Human Resources should ensure that the database is updated monthly with recruitment activity information, including activities attended, number of employees recruited, and the expenditures of each activity. Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing funds.

Recommendation 5-9:

Conduct analyses of the year-end recruitment reports to determine if funds that are being allocated to visit particular campuses or events are best suited to meet of the Pittsburgh School District.

Recruitment efforts should be concentrated at the universities or colleges and events that provide the greatest number of qualified recruits. By evaluating recruitment efforts, in conjunction with expenses, the district should be able determine the most cost-effective activities for its recruitment investment. This knowledge will help the district in planning recruitment strategies more effectively in the future.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Director of Recruitment and Staffing should provide a report created from the database of previous recruiting efforts to the school district representatives planning the recruiting schedule for the upcoming school year. Summer 2005
2. The Recruitment Committee should submit their recommendations to the Director of Recruitment and Staffing for approval. Fall 2005
3. The Director of Recruitment and Staffing should submit the recruiting schedule to the Superintendent for approval. November 2005

FISCAL IMPACT

This recommendation can be implemented with existing funds.

5.5.2 Certification of Teachers

Teachers and other professional employees in the Pittsburgh School District are required to be certified. The Board policy states, "No candidate for professional employment shall receive recommendation for such employment without evidence of his/her certification." The Commonwealth of Pennsylvania requires that teachers be certified and that they keep their certificate active with continuing education credits every five years.

Exhibit 5-9 shows the number and categories of certifications of the Pittsburgh School District professional employees. As shown, the total number of employees with the various degrees has increased with the exception of those holding master's and doctorate degrees.

**EXHIBIT 5-9
PITTSBURGH SCHOOL DISTRICT
EDUCATION LEVELS OF PROFESSIONAL PERSONNEL
2002-03, 2003-04, and 2004-05 SCHOOL YEARS**

EDUCATION LEVELS	2002-03		2003-04		2004-05	
	TOTAL	PERCENT	TOTAL	PERCENT	TOTAL	PERCENT
Less Than High School Graduate	7	0.2	2	0.1	7	0.2
High School Graduate	8	0.2	0	0.0	10	0.3
Less Than Bachelor's Degree	32	1.0	30	0.9	32	1.0
Bachelor's Degree	1,586	48.7	1,611	49.9	1,635	50.5
Master's Degree	1,539	47.3	1,500	46.5	1,472	45.5
Doctorate Degree	82	2.5	83	2.6	79	2.4
Total	3,254	99.9¹	3,226	100.0	3,235	99.9¹

Source: Pittsburgh School District, Office of Human Resources, 2005.

¹Total does not equal 100.0 percent due to rounding.

FINDING

Beginning July 1, 2000, Act 48 of 1999 requires all people holding a Pennsylvania professional educator certificate to complete "six collegiate credits or six Pennsylvania Department of Education approved in-service credits or 180 continuing education hours or any combination of the above every five calendar years" in order to maintain an active professional certificate. If this requirement is not met, the certificate becomes inactive, and the certificate holder will be prevented from serving in a professional position in the public schools in the Commonwealth of Pennsylvania until all Act 48 requirements are met.

Twelve (12) months prior to the end of the five-year period under Act 48 requirements, the Pennsylvania Department of Education notifies each certificate holder and public school entities (e.g., school districts, joint school districts, area vocational technical schools, charter schools, etc.) regarding certification status of educators. Another notification of status is sent at the end of the five-year period.

According to the Pennsylvania Department of Education, it is the responsibility of the educator to monitor his/her status during the five-year period. In the Pittsburgh School District, there is a position titled Act 48 Project Assistant. This person oversees the responsibility of Act 48 functions in the school district, including entering all the Act 48 information in the database and submitting the required information to the state. This person also sends letters to employees whose certificates will be affected by certification requirements during that year. The letter gives explicit details to the employee regarding the procedures to follow in order to avoid a lapsed certificate, thus possibly losing his/her job. As of March 15, 2005, there were 543 professional employees who had not completed Act 48 hours required to keep their certification active. This is about 14 percent of the professional workforce in the Pittsburgh School District.

COMMENDATION

The Pittsburgh School District is commended for its systematic employee notification process regarding certification requirements in order to retain professional employees and reduce turnover rates due to professionals not meeting certification requirements.

5.5.3 Retention of Teachers

The percentages of teachers leaving the classroom for other careers is increasing so school districts must implement strategies to minimize the loss to their organization. One of the key strategies of the recruitment plan is to establish a plan utilizing rewards and incentives in recognition of outstanding performance in an effort to retain all employees. Please refer back to Section 5.4 Employment for the recommendation as it applies to all employees.

FINDING

There is a two-day “New Teacher Induction Orientation” held before the school year begins in the Pittsburgh Federation of Teachers (PFT) building, and each day, breakfast and lunch are provided by different stakeholders. The sessions address general information such as employee evaluations, payroll, benefits, sexual harassment in the workplace, certification, and classroom management. Some of the training occurs in breakout sessions for specific areas such as elementary, middle, or high school teachers. Each participant also receives a handbook with additional information like tips on getting off to a good start in the classroom and copies of forms that are used in the school district.

In addition to the two-day orientation, all new teachers are required to attend a sequence of orientation sessions sponsored by PFT that are scheduled throughout the school year. Most of the sessions are separated by elementary, middle, and high school teachers or some combination of the groups. There are seven sessions scheduled over the school year, and each one features a different topic related to teaching, such as employee assistance, certification, behavior management, inclusive practices, assessments, and professional teaching standards.

All participants in the new teacher workshops are asked to complete an evaluation of the activity. The Pittsburgh Federation of Teachers (PFT) collects the forms, compiles the data, and creates a cumulative report of the suggestions and comments. At the end of the year, an annual report of all activities is compiled. PFT provides the Pittsburgh School District a copy of each of these reports.

For effective future planning, it is imperative that data regarding the significance of each of the past sessions as well as the effectiveness of each of the facilitators be compiled into a comprehensive document that is easily accessed and user friendly. At the time of this report, no document of this nature was found.

RECOMMENDATION

Recommendation 5-10:

Create and maintain a comprehensive electronic database of the results of the participant evaluations of the new teacher induction activities for reference in future planning.

Quality teacher induction is an important investment for a school district. Providing beginning teachers with substantial professional support and opportunities to develop their expertise as educators has the potential to effect two major accomplishments: improved student achievement and reduced teacher attrition.

To plan a meaningful orientation for new teachers, past experiences must be considered. Also, topics of importance to new teachers change over time. For example, new laws are passed, new contracts are ratified, and current research in education demonstrates fresh ideas in teaching. Therefore, it is imperative that planners be informed when preparing for the next orientation for new teachers.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|-----------------------------------|
| 1. The Pittsburgh Federation of Teachers should develop a survey instrument on which new teacher participants can provide feedback regarding the effectiveness of the training sessions. | January 2006 |
| 2. The Pittsburgh Federation of Teachers should compile the information from the survey results and use the results in future planning. | June 2006 and annually thereafter |

FISCAL IMPACT

This recommendation can be accomplished with existing resources.

5.6 Staff Development

Effective staff development needs to be coordinated and articulated throughout the school district, aligned to the goals of the system, and periodically assessed to measure outcomes. The survey of administrators, principals, and teachers in the Pittsburgh School District conducted by MGT included two questions concerning staff development. With respect to staff development for teachers, about 57 percent of each group believed that the opportunities provided by the school district are either *good* or *excellent*. Slightly more than half of both the administrators and principals (53 percent and 52 percent, respectively) rate the staff development opportunities for school administrators as *good* or *excellent*, whereas only 25 percent of teachers have the same opinion.

FINDING

The Pittsburgh School District offers a variety of staff development opportunities to meet the needs of its employees. Many trainings are offered in individual schools or facilities

in order to meet the needs of site-based employees. Others are offered in a broader spectrum to meet the obligations for certification.

As discussed earlier, Act 48 requires all professional certificate holders to accumulate continuing education credits to maintain an active certificate. In accordance with the Pennsylvania Act 48 of 1999 legislation, school districts are required to develop and maintain a three-year plan based on the needs of the school district. The development of the Act 48 Professional Education Plan was conducted by a steering committee and several subcommittees.

The Pittsburgh School District conducted a needs assessment survey among the various role groups such as principals, teachers, central office staff, support staff, and parents. From the outcome of the survey, the school district identified three main goals around which they designed and implemented a comprehensive plan to meet ACT 48 requirements. The three goals for the 2005-08 plan are:

Goal #1 – *Teachers and other staff will acquire the research-based best practices in daily teaching preparation and related administrative tasks as they relate to Literacy Plus and Prime Plus as tools to promote student learning.*

Goal #2 – *Teachers and other staff will utilize research validated, standards-based best practices to ensure that students demonstrate proficiency in the District's 62 Content Standards as measured by the district's assessment system.*

Goal #3 – *Administrators and other staff will develop knowledge of research-based instructional strategies to support high quality instruction in their buildings as well as acquire other high performance leadership skills to ensure success in their roles.*

The Pittsburgh School District has offered numerous workshops over the past three years that meet the requirements of ACT 48. Exhibit 5-10 shows the number of activities and the total number of participants by month since 2002.

In the Professional Education Plan, the Pittsburgh School District has identified 11 groups of service providers that offer programs, courses, and activities that address needs indicated in the plan. The list reflects an extensive scope of outstanding resources available to the Pittsburgh School District. The 11 categories of service providers are:

- Pennsylvania's accredited colleges, community colleges, universities, and out-of-state institutions of higher learning;
- the Pittsburgh School District professional employee;
- various publishers of textbooks, instructional materials, and multi-media products on the District-approved list;

**EXHIBIT 5-10
STAFF DEVELOPMENT ACTIVITIES CALENDAR YEARS
FOR ACT 48 CREDIT
2002–2005 CALENDAR YEARS**

MONTH	2002		2003		2004		2005 ²	
	NUMBER OF ACTIVITIES	NUMBER OF PARTICIPANTS	NUMBER OF ACTIVITIES	NUMBER OF PARTICIPANTS	NUMBER OF ACTIVITIES	NUMBER OF PARTICIPANTS	NUMBER OF ACTIVITIES	NUMBER OF PARTICIPANTS
January	17	482	21	2,218	20	1,500	14	785
February	76	5,616	60	5,779	77	7,323	72	7,243
March	34	2,132	31	2,827	31	2,142	7	201
April	22	1,358	26	1,883	23	1,082	*	*
May	21	844	22	684	16	611	*	*
June	18	451	13	237	13	237	*	*
July ¹	—	—	—	—	—	—	—	—
August	32	2,366	31	1,978	31	1,978	*	*
September	32	1,367	32	1,328	32	1,328	*	*
October	31	2,460	31	2,781	31	2,458	*	*
November	24	1,076	22	1,169	22	1,137	*	*
December	45	2,121	32	1,529	33	1,630	*	*

Source: Pittsburgh School District, Office of Human Resources, 2005.

¹No staff development activities are offered in July.

²Through date of on-site visit.

- individuals and organizations approved by the Board;
- members of the Educational Testing Service who administer the National Board Certification process with teachers in the Pittsburgh School District;
- any provider approved by the Commonwealth of Pennsylvania, the Department of Education, the Department of State, or the Bureau of Professional and Occupational Affairs;
- social service providers (28);
- special needs providers (57);
- community providers (28);
- content area providers (47); and
- supplementary providers (30).

The number in parentheses indicates the number of individual service providers that were identified in that category.

The district's Professional Development Plan includes action plans for professional activities in numerous areas in education. The areas include:

- communications;
- mathematics;
- science;
- world languages;
- citizenship;
- technology;
- health, safety, and physical education;
- program for students with exceptionalities;
- career development;
- leadership development;
- library services;
- arts and humanities; and
- English as a Second Language (ESL).

The Professional Education Plan outlines a comprehensive process for reviewing and amending the plan. This process occurs twice annually. Amended plans are submitted to the Pennsylvania Department of Education in February and in July after approval from the Professional Education Committee and the Board of Education.

Participants in all workshops are asked to submit an evaluation of the activity. The data from the evaluations are compiled by activity and are used in future planning. Only hard copies of these reports are kept on file.

RECOMMENDATION

Recommendation 5-11:

Create and maintain a comprehensive electronic database of the results of the participant evaluations of all professional development activities, including activities for the Act 48 Professional Education Plan, and the expenditures associated with each activity.

The Act 48 Professional Education Plan is a comprehensive plan that provides professional activities for teachers in meeting the mandates of the Pennsylvania Act 48 legislation. All evaluative information about this plan should be organized and readily available.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|--------------|
| 1. The Act 48 Record Keeping Committee should create a database for the information collected regarding the effectiveness and the expenditures of the activities offered for Act 48. | October 2005 |
| 2. The Act 48 Record Keeping Committee should ensure that the database is easily located and accessed in a “read only” format. | January 2006 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

5.7 Personnel Evaluation

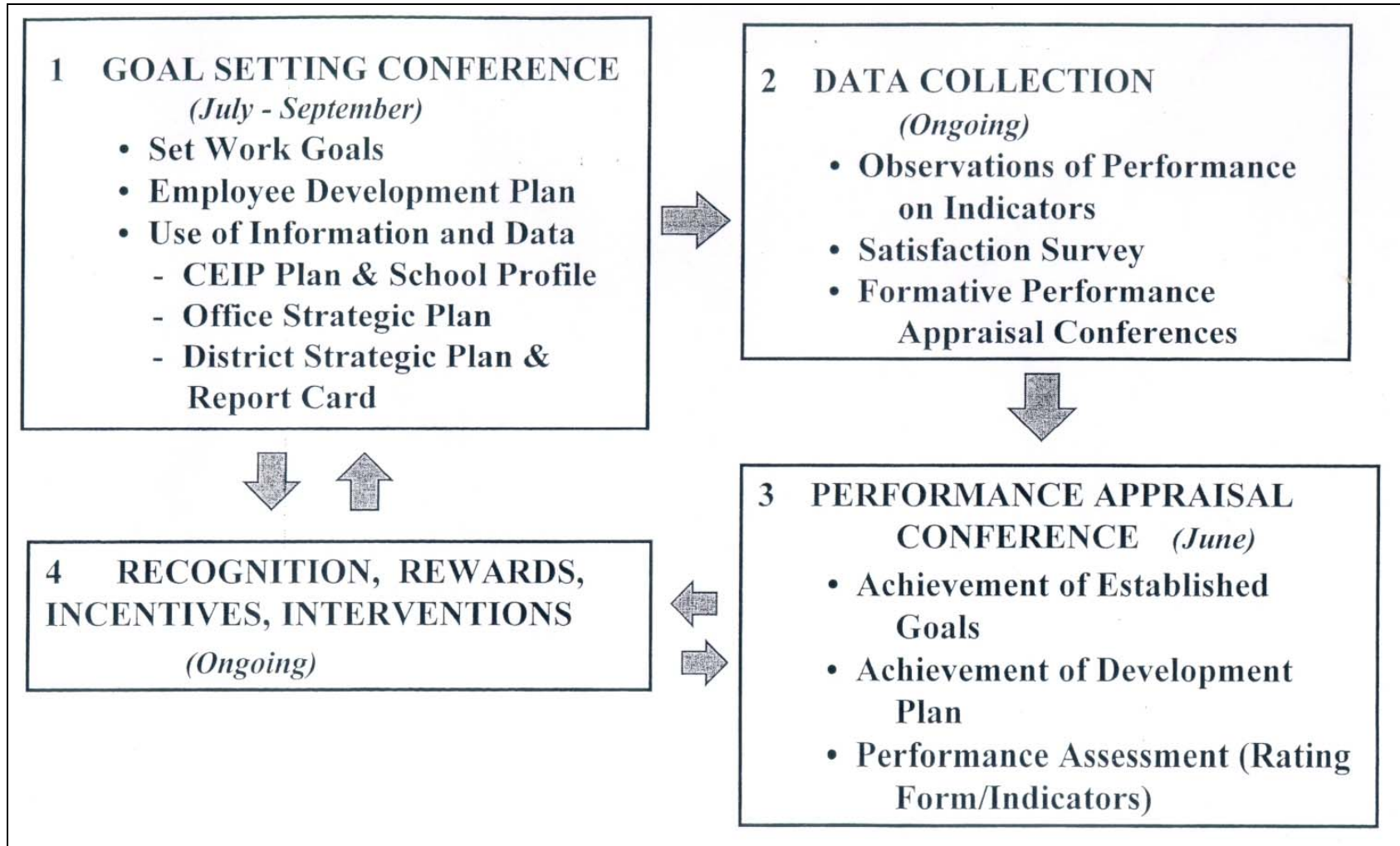
Board policy requires that there will be an evaluation plan for all employees of the Pittsburgh School District, including the Superintendent. The evaluations must be conducted regularly and periodically per Board policy.

FINDING

The Pittsburgh School District uses an employee evaluation program called the Employee Performance Appraisal System (EPAS). This system was developed in response to the strategic plan adopted by the Pittsburgh Board of Education in January, 1995. Its purpose is to hold all employees accountable to the district’s goal of “all students learning to high standards.” Through the use of key indicators and measures, objective and fair evaluations can be applied to all employees. EPAS is designed to improve the quality and productivity of every employee’s performance as indicated by increased student achievement.

Exhibit 5-11 illustrates the four stages in the EPAS process. Goal-setting conferences, which are held in July through September, are conducted between a supervisor and the employee. Prior to this conference, the employee completes a self-assessment of

EXHIBIT 5-11
STAGES IN THE EMPLOYEE EVALUATION PROCESS



Source: Pittsburgh School District, Office of Human Resources, 2005.

performance indicating one or two areas of high quality and one or two areas needing increased quality of performance. The supervisor completes an identical form for the employee. At the conference, both evaluations are discussed. Then both supervisor and employee agree on three to five priority work goals and record them on the "Goal-Setting Employee Development Form." The *Goals Met?* column on this form will be checked off at the performance appraisal conference held at the end of the year.

The next step in the process is data collection, which is ongoing during the year. Observations and conferences are conducted, and documentation is recorded on the "Observation and Conference Documentation Form." The four areas in which data on teachers are collected are:

- preparation;
- technique;
- student reactions; and
- personal qualities.

An explanation of each of these areas is given in very specific terms so that each observation will be conducted as objectively as possible, and the same terms of assessment will be applied to each employee. The data collected provide the documentation for the formative performance assessments.

The third step is the performance appraisal conference held in June. This conference is held for the purpose of determining whether or not the established goals were met. At this time, the *Goals Met?* column is completed, and the annual rating forms are submitted to the Office of Human Resources by the date specified. If an employee's performance is being rated satisfactory, a conference does not have to be held prior to the date the ratings are issued, which was May 30 in 2002. However, if an employee's performance is being rated unsatisfactory or below average, the appraisal conference between the supervisor and employee must be held before that date. In 2002, these ratings were due to the Office of Human Relations on May 6.

Documentation of both the Goal Setting Conference and the Performance Appraisal Conference are recorded. Specific information such as employee's name, date, name and title of person conducting conference, and names and titles of others present is included on the form to verify the conferences.

The last step, which is ongoing, is recognition, rewards, incentives, and interventions. One method of intervention, the "Professional Employee Improvement Plan" (EIP), is outlined in EPAS. The goal of this plan is to provide all professionals with feedback and coaching that will lead to their being more effective in their positions, which will ultimately result in the accomplishment of the district's goal for all students to achieve to high standards.

The information on EPAS includes easily understood explanations of each step in the evaluation process. Also, detailed instructions regarding the appropriate forms to use and the proper way to complete the required forms are included. One section of the document describes how to prepare and defend below average and unsatisfactory ratings. The three elements that are necessary are:

- a properly completed rating form;

- a summary overview of the performance concerns; and
- an anecdotal packet.

Each of the three elements is detailed so that objectivity in the performance rating is maintained and is defensible.

According to the Pennsylvania School Code § 1123, an approved rating system for professional employees shall consider four topics: personality; preparation; technique; student reaction. Evidence of each of these areas is defined in the “Teacher Documentation Form” which accompanies the “Conference Documentation Form for Teachers.” A sheet titled, “Recommended Procedures for Use in Preparing Observation Conference Material for Below Average and Unsatisfactory Ratings” provides an overview of fundamental principles and questions for consideration in each of the four areas in which teachers are being evaluated. This outline helps to ensure that the administrator conducting the appraisal has evaluated the teacher objectively and has thoroughly documented the supporting evidence for the below average or unsatisfactory performance rating.

For professionals demonstrating marginal performance, a Professional Employee Improvement Plan (EIP) is offered, but not required. This plan is a collaborative effort involving the employee, the principal, the Instructional Teacher Leader, and possibly other assistant administrators and support specialists. The goal of this plan is to ensure that all professionals in the school district are “satisfactory” in pursuit of the “District’s vision of all students achieving to high standards of performance with no exceptions or excuses.”

COMMENDATION

The Pittsburgh School District is commended for developing and using a comprehensive evaluation plan for employees.

6.0 FINANCIAL MANAGEMENT

6.0 FINANCIAL MANAGEMENT

This chapter reviews the financial management functions of the Pittsburgh School District. This chapter is organized into five sections as follows:

- 6.1 Financial and Accounting Services
- 6.2 Office of the School Controller/Internal Audit Function
- 6.3 Fixed Assets Management
- 6.4 Budget Management
- 6.5 Risk Management

Although the education of students is the major responsibility of a school district, this cannot be accomplished without a financial foundation which includes policies and procedures, a management philosophy, and support systems that enhance the ability of those responsible for the delivery of educational services to carry out their responsibilities.

Financial management is a key component, which must provide the following organizational capabilities:

- an integrated mechanism to translate the goals of a school district into financial terms;
- effective financial control and efficient processing of day-to-day financial activities;
- a financial structure to support efficient management of the district's assets;
- useful financial information to the Board of Education and the administrative staff; and
- a budget development process that will result in a document that effectively communicates to the Board of Education and the community where resources are allocated and the value to be gained from these allocations.

The financial management activities of a school district encompass a number of functions that are distributed throughout the organization. These activities include general financial management (payroll, accounts payable, general ledger, financial reporting), risk management, internal auditing, budgeting, human resources, and purchasing.

This chapter will focus on the financial services provided by the Finance Division, the Office of the School Controller, and the Office of Budget Development and Management. Information involving Human Resource Management and Purchasing are included in Chapters 5 and 7, respectively.

The activities of the Finance Division of the Pittsburgh School District have been involved with four operations reviews by third parties since 1999. These reviews have included the following:

- Arthur Anderson LLP Efficiency and Effectiveness Study, June 1999;
- Acuent Business Assessment of Accounts Payable and Purchasing, July 2001; and
- Maher Duessel Audit Phases I, II, and III, January 2003.

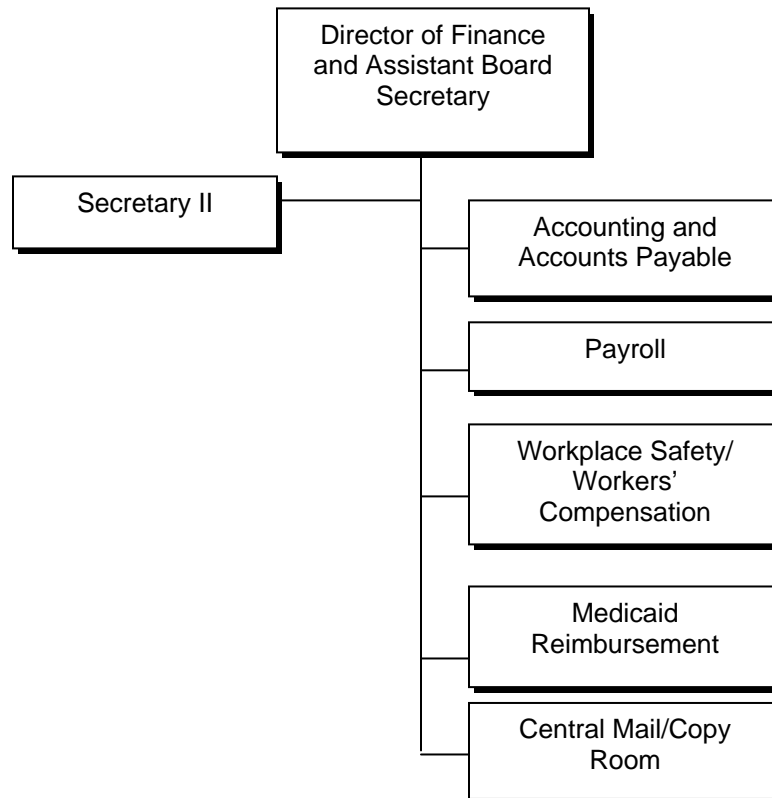
Also, each year, as part of the audit of the financial records, the external auditor provides a Management Letter which identifies issues that are not material weaknesses, but do involve matters of internal control, accounting, and administrative matters.

These reports will be referenced, as appropriate, throughout this chapter.

6.1 Financial and Accounting Services

Basic financial services are provided to the Pittsburgh School District by the Finance Division. The distribution of responsibilities in this division are reflected in the organization chart presented in Exhibit 6-1.

**EXHIBIT 6-1
PITTSBURGH SCHOOL DISTRICT
OFFICE OF THE CHIEF OPERATIONS OFFICER
FINANCE DIVISION**



Source: Pittsburgh School District, Finance Division, 2005.

The overall financial structure for a governmental organization provides the foundation upon which the programs provided by the entity can be organized and financed. The financial structure for governmental entities (such as states, cities, counties, special taxing districts and school districts) are based upon a fund structure and a set of generally accepted accounting principles (GAAP) for government that have evolved over a number of years.

In fund accounting, accounts are organized within various funds with each being considered to be a separate accounting entity. Each fund has a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent.

The various funds are grouped into separate fund groups as follows:

■ **Governmental Funds**

- General Fund – This is the general operating fund, which accounts for the majority of the general operating activities of the school district. It is defined as the fund used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.
- Special Revenue Funds – These funds are established to account for revenue (other than major capital projects) that is legally restricted to expenditures for specified purposes.
- Debt Service Funds – Debt Service Funds are used to account for the accumulation of resources for, the payment of general long-term debt, principal, interest and related costs. The Pittsburgh School District pays for debt service expenditures in the General Fund.
- Capital Projects Funds – These funds are used to account for resources to be used for the acquisition or construction of major capital facilities.

■ **Proprietary Funds**

- Enterprise Funds – These funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
- Internal Service Funds – These funds are used to account for the financing of goods or services provided by one department to other departments and schools on a cost (including depreciation) reimbursement basis.

■ **Fiduciary Funds**

- Expendable Trust and Agency Funds – These funds are used to account for assets held in a trustee capacity or as an agent for individuals, other governmental units, private organizations, and/or other funds. Expendable Trust Funds are accounted for in essentially the same manner as Governmental Funds.
- Agency Funds – These funds are custodial in nature and do not involve measurement of results of operations.

The fund structure for the Pittsburgh School District has been established as follows:

Governmental Funds

- General Fund – This is the general operating fund for the school district. It accounts for all financial resources except those included in the federal grants funds and certain special revenue funds such as the Special Education Fund. This fund is budgeted on a January – December fiscal year.
- Other Governmental Funds - The Pittsburgh School District participates in just over 80 federal, state, and non-profit group grant programs. Each grant is established as a separate fund and they are identified as “Other Special Revenue Funds” in the Annual Financial Report. These funds are budgeted on a July – June fiscal year and many of the grants are multi-year grants. There are a number of Special Revenue Funds not associated with grant programs. These include Special Education, the Access Program, and the Medicaid Administrative Claims Fund.
- Capital Projects Fund - This fund accounts for the costs associated with major capital improvements to school facilities. This fund is financed by proceeds from the issuance of general obligation bonds.

Proprietary Funds

- Food Services Enterprise Fund – This fund accounts for the activities of the food services program. The fund is accounted for on an enterprise basis; thus, all costs, to include direct overhead costs (utilities, equipment maintenance, etc.) are identified as expenses of this fund. Over 60 percent of the resources for this fund are provided by the U.S. Department of Agriculture via the national school breakfast and lunch programs and the provision of donated commodities with the remainder being provided by sales to students and from catering activities.
- Internal Service Funds – The Pittsburgh School District uses four Internal Service Funds to account for the accumulation of contributions to provide for current and long-term obligations associated with:

- Workers' Compensation
- Unemployment Claims
- General Liability Claims
- Dental Insurance

Fiduciary Funds

- Student Activity Funds (Agency Funds) – Each school in the Pittsburgh School District has a student activity fund used to account for the funds to support various student activities. These funds include various club accounts as well as resources generated by fund raising activities at the schools such as commissions from soft drink machines at the high schools and specific fund raising activities at all schools.
- Private Purpose Trust Fund – This fund accounts for unclaimed disbursements and payroll checks held by the Pittsburgh School District. Disbursement checks are held for a period of five years after issuance and payroll checks are held for three years. After these dormancy periods, the resources are forwarded to the Bureau of Unclaimed Property of the Commonwealth of Pennsylvania.

6.1.1 Operational Activities

The Finance Division installed new financial software (PeopleSoft) during 2003. This and other actions taken by the Finance Division have resulted in a number of changes in the manner in which financial activities are carried out by the Pittsburgh School District.

Information from Exhibit 3-3 indicates that a high percentage of administrators (66%), principals (71%), and teachers (50%) identify the use of technology for administrative purposes by the school district as *good* or *excellent*. When compared to other districts reviewed by MGT (Exhibit 3-11), the comparison is even more dramatic. While 69 percent of the administrators in the Pittsburgh School District rate the use of technology for administrative purposes as *good* to *excellent*, only 51 percent of administrators in other districts rate the administrative technology in their districts as being *good* to *excellent*. The new financial system is a major component of the administrative technology and is a factor in this rating.

FINDING

The various studies carried out between 1999 and 2003 provided a number of recommendations involving the activities of the Finance Division.

For example, the Arthur Anderson Efficiency and Effectiveness Study of 1999, identified eight recommendations as follows:

- revamp the Accounts Payable process to provide for more timely payments and shorter processing time in the short-term;
- select and implement an integrated financial accounting system;

- re-design payroll processes when the new system is implemented;
- invest heavily in finance staff development;
- monitor and evaluate accounts payable measures;
- monitor and evaluate payroll measures;
- monitor and evaluate closing the general ledger; and
- hire or assign a part- or full-time buildings permits coordinator.

In 2001, the Acuent Business Assessment of Accounts Payable and Purchasing Report provided the following observations:

- duplication of effort is causing inefficiencies throughout the Accounts Payable, Purchasing, and Internal Audit functions;
- procedures and guidelines are inconsistent and individualized;
- many activities are paper intensive and require manual effort to complete;
- there is a lack of consistency on how information is obtained;
- there are numerous approvals on check requests, reimbursements, and purchase orders that are delaying the process;
- process activities are labor intensive and require excessive manual effort to complete;
- too much emphasis is placed on entering data and not enough time spent on analyzing information; and
- there are no end-to-end process measurements in place to evaluate the timeliness of, or customer satisfaction with, service delivery.

Phase III of the Maher Duessel Report of 2003 had the following recommendations:

- explore the possibility of utilizing the new software package, PeopleSoft, to consolidate all leave reporting and monitoring needs to eliminate the need to maintain an independent professional leave tracking system apart from the payroll;
- the training of all payroll staff, including management, should be reinforced to ensure that there is a clear understanding of all payroll coding;
- for improved Board of Education reporting, the Board should receive a listing of all checks written during the month;

- the school district should institute a procedure to ensure that the Board approves the amount listed in the Monthly Listing of Voucher Disbursements Report and ensure if there is any item that is in dispute, it is documented in the Board minutes;
- the school district should ensure that every attempt is made to obtain original documentation from vendors to make payments;
- to enhance the level of financial reporting, consideration should be given to participation in the Government Finance Officers Association (GFOA) Certificate of Excellence in Financial Reporting Program; and
- two recommendations on employee travel policies involve ensuring completed travel reports are consistent with the original approval of the trip and use of standard meal allowances.

The Finance Division has responded to all but one of these recommendations. The school district has not prepared an Annual Financial Report that complies with the requirements for the GFOA Certificate of Excellence in Financial Reporting, although the plan is to prepare the 2004 report to meet these standards.

COMMENDATION

The Finance Division of the Pittsburgh School District is commended for installing a new financial system that has responded to the recommendations contained in the operations reviews of the district since 1999.

FINDING

The Finance Division has prepared detailed operating manuals for the various operational components of the division. Included are manuals for General Accounting, Payroll, Accounts Payable, Fixed Assets, Medicaid Reimbursement and Workers' Compensation. These manuals provide detailed, step-by-step instructions on how to perform the various finance-related activities, provide a sound basis for staff training, and assure consistency in the performance of the activities managed by the Finance Division.

COMMENDATION

The Finance Division of the Pittsburgh School District is commended for developing operating manuals for the major activities performed in the division.

FINDING

The Central Services Section of the Finance Division consists of a single employee who is responsible for managing the Copy Center and processing mail, both in-house and that involving the U.S. Post Office. The in-house mail is delivered to the schools throughout the district on the food service vehicles that go to each school from the

central kitchen. The Pittsburgh School District is only the second major school district that MGT is aware of that does not require a number of employees and trucks to deliver in-house mail, but uses vehicles that stop at the schools to deliver in-house mail.

The Board of Education authorized the establishment of an Internal Service Fund for central duplication services on March 23, 2005. The Copy Center will become an Internal Service Fund in 2006 whereby the cost for copies will be distributed to the user departments/schools. The use of an Internal Service Fund for copy services provides a more accurate accounting of where the costs are being incurred and requires principal managers to be responsible for the costs incurred rather than receiving free services. This approach usually results in operational savings to a school district.

COMMENDATION

The Finance Division of the Pittsburgh School District is commended for using the food services vehicles to deliver in-house mail to and from the schools, and for preparing to account for the activities of the Copy Center as an Internal Service Fund.

FINDING

Based upon requirements under the Individuals with Disabilities Act (IDEA) and Section 504 of the Rehabilitation Act of 1973, schools deliver a range of related services to students with disabilities. The Medicare Catastrophic Coverage Act of 1988 established the capability for school districts to receive payment for medical services provided to children under IDEA. This program is financed jointly by the states and the federal government, and is administered by the states.

The Individuals with Disabilities Act authorizes federal funding to states for medical services provided to children that are covered under Medicaid, if the services included in the Individualized Education Program (IEP) meet the following conditions:

- the services are medically necessary and included in a Medicaid covered category (such as speech therapy, physical therapy, etc.);
- all other federal and state Medicaid regulations are followed, including those for provider qualifications, comparability of services and the amount, duration and scope of provisions;
- the services are included under the state's plan; and
- the medical service must be provided to a Medicaid eligible student.

School districts typically contract with outside service providers to manage this process. These providers charge about 15 percent of revenues collected for the provision of these services. Even with these external services, it is usually necessary for a school district to have an employee coordinating the program.

The Pittsburgh School District has developed an in-house program using Microsoft Office applications to manage this activity. Exhibit 6-2 shows that this program has resulted in a 112 percent increase in revenues between the 2001-02 and 2003-04 school years. This program requires two employees and a comprehensive procedures manual has been developed to assure that the necessary procedures are consistently implemented.

**EXHIBIT 6-2
PITTSBURGH SCHOOL DISTRICT
MEDICAID REIMBURSEMENT CLAIMS
2001-02, 2002-03 AND 2003-04 SCHOOL YEARS**

PAYMENT RECEIVED	2001-02	2002-03	2003-04	INCREASE FROM 2001-02	PERCENT INCREASE FROM 2001-02
	\$1,086,843	\$1,941,158	\$2,305,808	\$1,218,965	112.16%

Source: Attachment C, PSD Application for PASBO Award of Achievement.

The Director of Finance submitted this program entitled “Maximizing Medicaid Revenue: Cost-Effective Use of Standard Microsoft Office Applications to Coordinate School-based Medicaid Billing” to the Pennsylvania Association of School Business Officials (PASBO) in 2005 and received an Award of Achievement from that organization.

COMMENDATION

The Finance Division is commended for establishing the process for managing the Medicaid reimbursement program that has resulted in a 112 percent increase in revenues since the 2001-02 school year.

6.1.2 Financial Reporting

Financial reporting for governmental entities occurs on two levels:

- Audited annual financial report that must comply with Generally Accepted Accounting Principals (GAAP) – The format and approach for this report has recently undergone significant changes. These changes are in response to GASB 34, developed by the Governmental Accounting Standards Board (GASB) that determines GAAP for governmental financial reporting.
- Interim financial reports – These reports are provided to principals and managers, and are often based upon the organization’s budget. For school districts, these reports are often also based upon state-mandated accounting structures. Interim reporting is provided to the elected bodies of governmental entities on a periodic basis.

FINDING

The Pittsburgh School District had three separate annual financial reports for the year ended December 31, 2003:

- Basic Financial Statements and Combining and Individual Fund Financial Statements and Schedules for the Year Ended December 31, 2003 and Independent Auditors' Report - The cover of this report identifies the audit firm (Deloitte), but it is prepared by the Finance Division. It includes the independent auditors' report and all of the necessary basic financial statements and schedules to comply with Generally Accepted Accounting Principals (GAAP).
- Basic Financial Statements and Independent Auditors' Reports in Connection With OMB Circular A-133 for the Year Ended December 31, 2003 - This report is similar to the Basic Financial Statements, but also includes the "Single Audit" which provides a number of schedules and separate reports by the auditors involving compliance with the requirements of federal programs.
- Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2003 prepared by the School Controller's Office - This report is presented to comply with Section 21-2131 of the Pennsylvania School Code of 1949 which states:

Notice that the annual financial statement furnished by the school controller in any district of the first class or first class A to the board of education, has been filed and is available for public inspection at the business office of the district shall be published by the board of education in two newspapers, designated by the board, once a week for three successive weeks, beginning the first week after the same has been furnished to it.

This report contains the same information as the Basic Financial Statements, but the cover identifies this as a Comprehensive Annual Financial Report and indicates it was prepared by the School Controller's Office. This report also contains an introductory letter and statistical tables that provide selected financial and demographic information.

The basic report which excludes the "Single Audit" is prepared to provide minimal financial information to those requesting financial reports such as bond rating agencies and the general public. The Basic Financial Statements and Independent Auditors' Reports in Connection With OMB Circular A-133 for the Year Ended December 31, 2003 is formally presented to the Board of Education by the Director of Finance and is seen as the "official" financial report of the Pittsburgh School District. This report is provided to the U.S. Government and other agencies requesting information involving federal programs.

The Comprehensive Annual Financial Report provided by the Office of the School Controller is made available to the public per Section 2131 of the 1949 Pennsylvania School Laws. This report uses the information in the original report which includes "Management's Discussion and Analysis" and the financial statements prepared by the Finance Division.

The provision of the three reports is confusing and requires excess work on the part of Pittsburgh School District staff.

RECOMMENDATION

Recommendation 6-1:

Prepare a single Annual Financial Report for the Pittsburgh School District.

Because of the requirement of Section 2131 of the Pennsylvania School Code of 1949, this report must be under the auspices of the School Controller; however, it should be a joint report with formal presentation provided by the Director of Finance since he is the individual responsible for the overall management of the financial activities of the Pittsburgh School District.

The issue of the role of the School Controller will be addressed in greater detail in Section 6-2 of this chapter.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|--------------------|
| 1. The Finance Director should contact the Deputy School Controller to establish a process where the Annual Financial Report presented to the Board of Education is a joint document. | September 2005 |
| 2. The Director of Finance should prepare the Annual Financial Report with input from the Deputy School Controller. | March-
May 2006 |
| 3. The Director of Finance should present the Annual Financial Report to the Board of Education. | June 2006 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Government Finance Officers Association (GFOA) and the Association of School Business Officials (ASBO) provide recommended standards for Comprehensive Annual Financial Reports (CAFR). A governmental entity that meets these standards can receive a "Certificate of Achievement for Excellence in Financial Reporting." To receive this type of reporting recognition, the Pittsburgh School District must publish an easily readable and efficiently organized Comprehensive Annual Financial Report.

The Comprehensive Annual Financial Report is the final event in the annual planning and budgeting process as the school district completes the cycle and provides the foundation for the next budget process.

The requirements for an easily readable and efficiently organized comprehensive annual report include:

■ **Introductory Section**

- This section includes a letter from the chief financial officer that summarizes the fiscal operations and the strategic plan of the district, an organization overview, and a list of principal officers.

■ **Financial Section**

- Report of the Independent Auditor – This report should precede the financial statements and indicate that the audit was conducted in conformity with Generally Accepted Auditing Standards and that the financial statements present fairly the financial position of the Pittsburgh School District.
- Management’s Discussion and Analysis – These materials should precede the financial statements, provide financial highlights within the report, discuss the basic financial statements, and provide a financial analysis of the school district as a whole.
- Basic Financial Statements – This section should include all of the government and fund financial statements required by GASB 34.
- Notes to the Financial Statements – Included in this section is a Summary of Significant Accounting Policies and other notes that will disclose information such as pension plan obligations, accounts payable, risk management, and long-term obligations.
- Combining and Individual Fund Information – This section includes the more traditional Statements of Revenues and Expenditures and Changes in Fund Balance – Budget and Actual for each fund.

■ **Statistical Section** – This section includes selected financial and demographic information generally presented on a multi-year basis.

The three Annual Financial Reports currently provided by the Pittsburgh School District already comply with a majority of the requirements for a certificate. Although the single audit portion is not required, it can either be included or provided as a separate report to the Board of Education. This format is how many school districts across the country present these reports.

RECOMMENDATION

Recommendation 6-2:

Prepare the 2005 Annual Financial Report to be consistent with the guidelines recommended by the Government Finance Officers Association (GFOA), meet the requirements for a Certificate of Excellence in Financial Reporting, and seek the certificate.

Preparing a Comprehensive Annual Financial Report that conforms to GFOA guidelines will provide a more comprehensive report as well as enhance the credibility of the school district. The feedback provided by reviewers of the report should ensure continued improvements to future reports. This recommendation was also included in the Maher Duessel Report.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|---------------------|
| 1. The Director of Finance should obtain a copy of the check list used by GFOA to review the CAFRs. | December 2005 |
| 2. The Director of Finance should review the 2004 Annual Financial Report to identify those areas where the report meets the GFOA requirements and where additional information is required. | January 2006 |
| 3. The Director of Finance should prepare the 2005 Comprehensive Annual Financial Report to comply with the GFOA guidelines. | March –
May 2006 |
| 4. The Director of Finance should present the 2005 CAFR to the Board of Education and submit it to GFOA for Certificate of Excellence in Financial Reporting. | May 2006 |

FISCAL IMPACT

The Pittsburgh School District is a member of GFOA and the fee for an application for entities with total revenues in excess of \$500,000,000 is \$825.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Apply for a Certificate of Excellence	(\$825)	(\$825)	(\$825)	(\$825)	(\$825)

FINDING

The Board of Education receives two different monthly financial reports: one from the Director of Finance and one from the Office of the School Controller. The report from the Director of Finance provides revenue and expenditure information for the various funds in summary form as follows:

- General Fund Comparative Statement of Estimated and Actual Revenue - provides a comparison with the same period for the prior year and indicates the percentage of the estimate collected to date.
- General Fund Statement of Expenditures and Encumbrances Compared with Appropriations - summarized by object code, (i.e. salaries, employee benefits, purchased services, etc.) and identifies the unencumbered balances and the percentage of the budget still available for expenditure.
- Food Services Fund Statement of Estimated and Actual Revenues - identifies revenue sources and the percent of revenue received to date.
- Food Services Fund Statement of Expenditures and Encumbrances Compared with Appropriations - summarized by object code (i.e. salaries, employee benefits, purchased services, etc) with the unencumbered balance and the percent of appropriations available for expenditure.
- Capital Reserve, Bond Funds, and Internal Service Funds Combined Statement of Revenues, Expenditures and Changes in Fund Balance - identifies beginning fund balance, revenues, expenditures, encumbrances, and the unencumbered balance for these funds.
- Statement of Special Funds - estimated revenue, total revenue, authorized budget, expenses, encumbrances, and unencumbered balance for each special fund/grant.
- Statement of Cash Balances – identifies the cash balances by fund in checking accounts and various investments.

This report is helpful; however, the report only identifies the revenues and expenditures to date. Monthly financial reports need to be compared to projected revenues and expenditures for each period rather than just compared with the budget on a monthly basis. In this way, it is possible to track the estimated year-end position on a monthly basis.

A second issue involves the use of object codes (salaries, benefits, purchased services, etc.) rather than programmatic or organizational classifications (Instruction, General Administration, Finance, etc.). The use of the object codes does not relate to the budgetary responsibilities of those in the organization. Exhibit 6-3 provides an example of a monthly report that relates current year activity to the previous year and provides information by organizational responsibility rather than by object code.

Another issue involves the reporting for the Special Revenue Funds. Because of limitations within the financial system, this report represents financial activities for closed programs going back to 2000-01. As a result, the majority of the funds identified on the nine pages of this report have been closed out in prior years, but the financial activity for these funds remains in the system.

**EXHIBIT 6-3
PITTSBURGH SCHOOL DISTRICT
SAMPLE INTERIM FINANCIAL REPORT**

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL TO DATE	ESTIMATED ADDITIONAL	ESTIMATED TOTAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES						
Local Taxes						
Real Estate	\$ xxxxxxx	\$ xxxxxxx	\$ xxxxxxx	\$ xxxxxxx	\$ xxxxxxx	\$ xxxxxxx
Earned Income	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Real Estate Transfers	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Public Utility	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Total Local	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
State Sources						
Basic Instructional	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Specific Education Programs	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Noneducational Programs	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
State Paid Benefits	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Total State Sources	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Other Revenues						
Investment Income	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
In Lieu of Taxes	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Other Sources	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Total Other Revenue	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Total Revenue	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Transfers In						
List transfers	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Total Transfers In	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Total Resources Available	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
EXPENDITURES						
Instruction						
Instruction	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Special Programs -	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Vocational Education	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Other Instructional Programs	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Adult Education	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Total Instruction	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
List all Other programs and	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Departments	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Total Expenditures	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Transfers Out						
List Transfers	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Total Transfers Out	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Total Expenditures and Transfers Out	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Resources over (Under) Expenditures and Transfers Out	\$xxxxxxx	\$xxxxxxx	\$xxxxxxx	\$xxxxxxx	\$xxxxxxx	\$xxxxxxx

Source: Created by MGT of America, 2005.

There are also at least two funds, 292 – Access Program and 297 – Medicaid Administrative Claims that contain multiple year information and do not represent current year activity. This report is of no value and should be discontinued until a method is developed to report only the current year activity for these funds.

The report of the School Controller is identified as being in accordance with the requirements of Section 2128 of the Pennsylvania School Code of 1949 which state:

*The annual estimate of expenses made by the board of public education in each school district of the first class, at or before the time of assessing and levying the annual school tax, shall be certified to the school controller of the district by the secretary of the board. The school controller shall, in a proper book or books kept for that purpose, keep an account with each item of expenditure as therein stated or thereafter changed by the boarding the manner herewith provided. He shall charge up against each item of such estimate all school orders drawn against the same, at the time they are approved by him, and he shall not permit any such estimate to be overdrawn. **He shall furnish to the board of public education a monthly statement showing the original amount of each item of such estimate, the amount paid out thereon, and the balance, if any, on hand. If any item is exhausted he shall promptly notify the board of such fact.***

This report provides the following:

- General Fund Statement of Expenditures and Encumbrances Compared with Appropriations – includes appropriations, expenditures, unexpended appropriations, encumbrances, unencumbered balances and the percent expended to date by program and object code.
- Food Services Fund Statement of Expenditures and Encumbrances Compared with Appropriations – identifies the expenditures for the Food Services Fund by object code.
- Special Education Fund Statement of Expenditures and Encumbrances Compared with Appropriations – identifies the expenditures for the Special Fund by object code.
- Statement of Debt Service Expenditures and Encumbrances - identifies the expenditures for principal and interest for each group of outstanding bonds.

This report provides information for expenditures only, but provides this information by the categories in the budget and includes the object codes. This report provides too much detail to be of value to a Board of Education which needs to understand the overall financial status of the district, but it does report “the original amount of each item of such estimate, the amount paid out thereon, and the balance, if any, on hand” in compliance with Section 2128 of the School Laws of Pennsylvania.

Like the Annual Financial Report situation, the provision of dual monthly financial reports can be confusing. Both sets of reports contain portions of the same information in different formats.

The Director of Finance provides a more comprehensive report to the Board of Education on a quarterly basis. Besides the reports included in the monthly report, additional information is provided as follows:

- written analysis of key financial factors;
- Governmental Funds Balance Sheet;
- Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances;
- graph of current and prior year yield per billable mill;
- other Governmental Funds Balance Sheet;
- Food Services Fund Statement of Net Assets;
- Internal Service Fund Statement of Net Assets; and
- Proprietary Funds Statement of Net Assets.

The quarterly version of the report prepared by the Director of Finance is helpful, but it provides the financial information by statement type (balance sheet, Statement of Revenues and Expenditures, etc.) and not by fund. It would be more useful to provide all of the reports for each fund in one section. For both the monthly and quarterly versions of the reports prepared by the Director of Finance, it would also be useful to provide the General Fund Statement of Expenditures and Encumbrances in a format that identified the various programs/departments rather than the object codes.

The written information should provide an analysis discussing significant variances and, if the projected results appear to be negative, this information should be used to develop a plan of action to make changes. The quarterly report should also be presented in a different format somewhat similar to the one identified in Exhibit 6-3.

RECOMMENDATION

Recommendation 6-3:

Redesign the format for monthly and quarterly reporting to include financial data that will provide information that is based on the projected year-end financial position of the Pittsburgh School District, and modify the accounting system to allow for the reporting of the financial position only for active special revenue funds.

Although comparisons of budgeted to actual financial information are useful, this type of reporting does not always identify variances between the anticipated revenues and expenditures for a given reporting period. By modifying the format and expanding the

analysis for the quarterly reporting, it will be possible to provide improved financial information to the Board of Education.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-----------------------------|
| 1. The Director of Finance should develop a monthly reporting capability that will provide financial information in a manner that will identify any variances in the revenue and expenditure categories when compared to expected financial activity to date. | July 2005 |
| 2. The Director of Finance should provide monthly reports to the Board of Education using the new format. | September 2005 |
| 3. The Director of Finance should modify the accounting system to allow for the reporting of the financial position of active special revenue funds. | September –
October 2005 |
| 4. The Director of Finance should provide quarterly financial reports to the Board of Education using the new format to include an expanded analysis of variances and reports for active special revenue funds. | October 2005
and Ongoing |

FISCAL IMPACT

A one-time expenditure for programming changes will be about \$24,000 to implement this recommendation.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Redesign format for monthly and quarterly reporting	(\$24,000)	\$0	\$0	\$0	\$0

FINDING

The financial system provides managers and principals in the Pittsburgh School District with on-line access to the current status of their budget and expenditures. This information includes the identification of specific transactions by account code and supports effective financial management throughout the organization.

COMMENDATION

The Finance Division of the Pittsburgh School District is commended for implementing and effectively managing the financial system which provides useful financial information to the various managers and principals in the district.

6.2 Office of the City Controller/Internal Audit Function

The Pennsylvania School Code of 1949, Section 21-2121 states:

In each school district of the first class or first class A, the board of public education therein shall elect the controller of the city comprising all or the greater part of such district as school controller for said district for and during his term of office as city controller.

The remainder of the sections (21-2122 through 21-213) identify the additional responsibilities of the School Controller. The Pittsburgh School District is the only first class A district in Pennsylvania and the Philadelphia School District is the only first class school district in the state.

The responsibilities of the School Controller per the Pennsylvania School Code of 1949 are summarized as follows:

- approve all disbursements;
- certify that no contract will be approved if it will exceed the budget;
- certify payment of all contracts;
- furnish a monthly report of expenditures to the Board of Education;
- provide to the Board of Education before the tenth day of January an itemized statement of the school district for the past year;
- furnish annually to the Board of Education before the first day of November such information as he may think proper, or as may be required of the Board, in order to enable it to prepare the annual estimate of expenditures and tax levy for the coming school year; and
- provide an Annual Financial Report to the Board of Education.

The School Controller budget consists of the following:

- School (City) Controller – this is the City Controller who is not on site and was budgeted to be paid \$18,990 from the Pittsburgh School District resources in 2005;
- Deputy School Controller, appointed by the School Controller;
- eight Accountants/Auditors; and
- five clerical support positions.

The School Controller serves as the Internal Auditor for the district and provides the following services:

- conducts bank reconciliations of all accounts including payroll;

- conducts audits of school student activity funds;
- oversees the annual physical inventory for food services;
- audits the P-card activity;
- verifies the real estate tax, earned income tax, real estate transfer tax, and the mercantile tax to assure the distribution between the city and the school district is accurate;
- verifies information on final payments for employees leaving the Pittsburgh School District;
- provides countersignature for all checks to vendors and control of the check signing process;
- monitors bid openings; and
- monitors daily journal entries, deposits, wire transfers, and miscellaneous transactions.

Activities associated with the statutory responsibilities include:

- verification of contract encumbrances and signing of all contracts; and
- pre-audit of all payments to vendors.

FINDING

Compliance with the requirements of the Pennsylvania School Code of 1949 provides no major benefit to the Pittsburgh School District. The internal control benefits are minimal as there has been no report by the School Controller in recent years that has identified any internal control issues of significance.

Delays in processing occur as all disbursement checks are sent to the School Controller's Office for review after they have been through a process with effective internal controls. Because all contracts must be signed by the School (City) Controller, they are required to be sent to City Hall for the signature of the City Controller, causing significant delays in processing.

Issues have been raised regarding the timeliness of processing transactions as follows:

- Acuent Business Process Assessment of Accounts Payable and Purchasing Report, which focused directly on this activity provides the following observations:
 - duplication of effort is causing inefficiencies throughout Accounts Payable, Purchasing and Internal Audit functions;
 - work steps are duplicated;

- numerous approvals are required on check requests, reimbursements, and purchase orders that are delaying the process; and
- there are numerous redundant steps (i.e. approvers being approved).
- The Arthur Anderson Efficiency and Effectiveness Study recommended revamping the accounts payable process.
- Comments received at the MGT public forums included the following:
 - district should pay bills on time; and
 - they have a bad reputation (financially) as slow payers.
- The results of the Employee Survey indicates that 50 percent of the administrators, 44 percent of the principals, and 49 percent of the teachers indicated major bottlenecks exist in administrative processes which cause unnecessary time delays.

All of the above observations may not be directly related to the activities of the Office of the School Controller, but the need to process all disbursements through that office and the need for the City Controller to sign contracts is a factor.

The following represents the observation of MGT regarding the statutory requirements of the Office of the School Controller:

- Approve all disbursements – this process is redundant when the current internal control environment of the Pittsburgh School District is taken into consideration and serves only to delay the processing of disbursement checks to vendors.
- Certify that contracts will not exceed the budget – again, the internal controls and the effectiveness of the purchasing process provide adequate assurance that the contracts will be consistent with budgetary requirements.
- Certify payment on contracts – payments on contracts are processed through the accounts payable system and there is a specific section in the Accounts Payable Manual that identifies how to enter the contract payments and reduce the contract encumbrance; this function is already being handled by the Accounts Payable Section of the Finance Division.
- Furnish a monthly report of expenditures to the Board of Education – this report, identified in Section 6.1.2 Financial Reporting, provides information only for expenditures and fails to provide the Board of Education with adequate information regarding the financial position of the district. This information is generated by the financial system

managed by the Finance Division and can be more effectively communicated by the Director of Finance.

- Provide to the Board of Education before the tenth day of January an itemized statement of the finances of the school district for the past year – this has not been provided and would be of little value if it was as the accounting records are not closed until at least February 28 to assure that all accruals of revenues and expenditures are recorded.
- Furnish to the Board of Education such information as deemed proper to prepare the annual tax estimate for the coming school year – there is a comprehensive budgeting process that is managed by the Office of Budget Management that provides information of this type as well as data pertaining to the overall budget process.
- Prepare an Annual Financial Report – as noted in Section 6.1.2, the report prepared by the Office of the School Controller is redundant as it uses the audited records prepared by the Finance Division and adds an introductory letter and the statistical section, both of which will be included in the Comprehensive Annual Financial Report to be prepared by the Finance Division for the Year ended December 31, 2005.

RECOMMENDATION

Recommendation 6-4:

Contact the members of the State Legislature to request that Sections 21-2121 through 21-2131 of the Pennsylvania School Code of 1949 be amended or rescinded, and the function of the Office of the School Controller be eliminated in the Pittsburgh School District.

Compliance with Sections 21-2121 through 21-2131 of the Pennsylvania School Code of 1949 is no longer necessary as the financial systems and procedures result in these requirements being obsolete. The staff of the Pittsburgh School District and the systems controls within the various processes such as budgeting, accounts payable, payroll, and financial reporting preclude the need for this position.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Superintendent should make a proposal to the Board of Education that the legislators representing districts that comprise the City of Pittsburgh be contacted to discuss the need to amend Sections 21-2121 through 21-2131 of the Pennsylvania School Code of 1949 specifically to remove the requirement that the City Controller be involved in the activities of the Pittsburgh School District.

July 2005

- | | |
|--|------------------------|
| 2. The Board of Education should direct the Superintendent to contact those legislators representing the City of Pittsburgh regarding the proposed amendments to Sections 21-2121 through 21-2131 of the Pennsylvania School Code of 1949. | July 2005 |
| 3. The President of the Board of Education and the Superintendent should contact the legislators representing the City of Pittsburgh and make a presentation that identifies the reasons why it is no longer necessary for the City Controller to be involved in the activities of the district. | July 2005 |
| 4. The President of the Board of Education and the Superintendent should work with the legislators to draft legislation that will amend or rescind the requirements of Section 22-2121 through 21-2131. | August 2005 |
| 5. Members of the Board of Education and the Superintendent should be available to testify as necessary to support the proposed changes to the legislation and to provide any information, financial or otherwise, that may be required. | 2005-06
school year |
| 6. The Superintendent should monitor the status of the proposed legislation and report this information to the Board of Education. | 2005-06
school year |
| 7. The Superintendent should direct the Chief of Budget Development and Management Services to adjust the 2006 budget as necessary, if the revised legislation is enacted. | Summer 2006 |

FISCAL IMPACT

If legislation is successful in rescinding or amending the requirements of Sections 21-2121 through 21-2131, it will be possible to eliminate the entire operation of the Office of the School Controller. The 2005 budget for this department is \$931,140.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Rescind or Amend Sections 21-2121 Through 21-2131 of the School Code	\$0	\$931,140	\$931,140	\$931,140	\$931,140

FINDING

The elimination of the Office of the School Controller addresses the overall function as required by statute, but as noted, there are currently a number of useful internal audit functions currently being performed by this Office and others that should be addressed. Internal audit functions that should be addressed include at a minimum the following:

- bank reconciliations;
- student activity fund audits;
- audits of P-card activity;
- audits of cell phone use;
- testing of transactions on a quarterly basis to support the work of the external auditors;
- work with the Director of Finance to identify and address operational issues involving the management of the financial system; and
- special studies for the Board of Education or the Superintendent as required.

The bank reconciliations and the student activity fund audits are the two main functions to be carried forward from the current Office of the School Controller. The P-card audits currently being accomplished by the Office of the School Controller are based on reviews of the use of P-cards by individual departments/schools over a period of time. The Finance Division currently has an employee performing a more traditional audit of these activities on a monthly basis. Specific procedures to identify purchases that have included sales tax and cards that have had multiple card transactions to bypass the spending limits of the Pittsburgh School District are the focus of these audits.

The employee performing the audit of P-card use also performs an audit process for the use of cell phones to assure that the cell phones issued to employees are used only for purposes associated with responsibilities associated with their position in the school district.

In many school districts, the auditors performing the audits of student activity funds are also those who work with school treasurers in a training capacity, not only for the student activity funds, but also for use of the district financial system. There is one employee in the Finance Division that currently provides on-site training for these activities to principals and school treasurers.

RECOMMENDATION

Recommendation 6-5:

Establish an Internal Auditing Department that will consist of an Internal Auditor and four support positions.

Two of the four positions, the Accountant IV involved with the audit process for the P-cards and cell phones, and the Accountant V currently responsible for training the school-based staff, should be transferred from the Finance Division to the Internal Audit Department. This would leave the need to add the Internal Auditor and two additional support staff positions that should be at the Accountant IV level.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|---------------|
| 1. The Superintendent should establish an Internal Audit Office to replace the School Controller's functions. | January 2006 |
| 2. The Superintendent should advertise and hire an Internal Auditor. | February 2006 |
| 3. The Internal Auditor should advertise and fill two positions at the Accountant IV level. | April 2006 |
| 4. The Office of the Internal Auditor should be fully operational. | July 2006 |

FISCAL IMPACT

It is assumed the salary and benefits for the Internal Auditor would be consistent with the existing salary level for the Deputy School Controller, the two additional Accountant IV positions would be compensated at a level consistent with the average of the existing Accountant IV positions currently in the Finance Division and that the costs for operating supplies and purchased services will be approximately half of the current costs for the School Controller. With the elimination of the review of all disbursements and the more traditional audit approach of sampling transactions, there may be a slight increase in the audit fees for the external audit firm. This amount is estimated to be \$10,000. The net savings to the Pittsburgh School District by eliminating the School Controller function and adding the Office of the Internal Auditor that includes the transfer of two positions from the Finance Division and the increased costs for the annual audit would be \$702,117 (\$931,140 - \$229,023).

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Create an Internal Auditor's Office	\$0	(\$229,023)	(\$229,023)	(\$229,023)	(\$229,023)

6.3 Fixed Assets Management

FINDING

The Pittsburgh School District has a well-structured Fixed Assets Program. All assets with a cost of \$1,500 or higher are added to the fixed assets system. All technology assets are also added to the inventory regardless of the cost. Each asset is identified with a bar code label that is affixed to the asset by an employee of the Finance Division. For technology assets, the vendors are provided with a group of labels and they are

required to affix the label prior to delivery. There is also a process for adding facilities improvements to the fixed assets system.

The process for identifying, labeling, and inventorying assets is clearly identified in the Fixed Assets Procedures Manual. Each school and support department is inventoried by the employees in the Finance Division responsible for the Fixed Assets Program on a two-year rotation. A formal schedule is developed and made available to all administrators in the district. Prior to the inventory, the principals/central office administrators are notified when the inventory is to occur and what to expect while the inventory is taking place.

COMMENDATION

The Finance Division is commended for establishing a well-developed and comprehensive program for identifying, inventorying, and managing the fixed assets of the Pittsburgh School District.

FINDING

The Pittsburgh School District has over 1,400 works of art throughout the district in schools and in the administrative facility. Prior to 2004, these works of art were not included on the fixed assets inventory of the district; thus, there was no method of assuring appropriate accountability for these items.

The school district undertook a complete inventory of these works of art during 2004. Included are pictures, sculpture, wall murals, tapestries and ancient art works on paper. The inventory was undertaken with two digital cameras and a color printer. Each work of art was photographed, labeled and added to the inventory of assets for each facility. Although no value has been assigned to each work of art, there is now a process of accountability for these items and they are included in the annual inventory of fixed assets for the Pittsburgh School District.

COMMENDATION

The Finance Division is commended for establishing the process to inventory the works of art and adding the art to the fixed assets inventory.

FINDING

Although the Pittsburgh School District has an excellent process for managing the fixed assets, it is a high cost activity. There are currently 2.5 employees involved in the management of fixed assets. Most districts reviewed by MGT, regardless of size, have either a single employee responsible for the Fixed Assets Program or none at all, but have a process for identifying the assets and recording them on the inventory. Rather than having the central staff perform the inventory, the inventory is performed by those responsible for the assets with a testing of the inventory by the Internal Auditor or other central staff.

The Government Finance Officers Association recommends that “every state or local government perform a physical inventory of its tangible capital assets, either simultaneously or on a rotating basis, so that all of a government’s tangible capital assets are physically accounted for at least every two years.”

Although the Pittsburgh School District is doing an excellent job in this area, it is one that can be accomplished with fewer resources.

RECOMMENDATION

Recommendation 6-6:

Reduce one position responsible for managing the Fixed Assets Program.

The Fixed Assets Program is now well structured. Through some minor adjustments to the program, such as extending the rotation of the inventories from two to four years, it should be possible to continue to effectively manage this activity with one less position.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|------------------------|
| 1. The Director of Finance should prepare the 2006 budget with one less position allocated to the management of fixed assets. | July 2005 |
| 2. The Director of Finance should take steps to reduce the position prior to the beginning of the 2006 fiscal year. | 2005-06
school year |
| 3. The Director of Finance should begin the 2007 fiscal year with 1.5 positions involved with the management of the fixed assets program. | July 2006 |

FISCAL IMPACT

The estimated savings from the reduction of one position in the management of the fixed assets is \$47,329 which represents the salary and benefits for one position in this area.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Reduce One Position in Fixed Assets	\$0	\$47,329	\$47,329	\$47,329	\$47,329

6.4 Budget Management

School districts make program and service decisions and allocate scarce resources to programs and services through the budget process. As a result, this process is one of the most significant activities undertaken by the Pittsburgh School District. The quality of the decisions resulting from the budget process and the level of acceptance of these decisions by all parties is directly related to the process used, and the ability of the proposed and final budget documents to communicate the priorities of the school system in financial terms.

Once a mission statement has been developed and districtwide goals and objectives have been determined, the allocation of financial resources required to achieve those goals and objectives must be addressed through the planning and budgeting process. An effective planning and budgeting process facilitates a long-term strategic view towards the allocation and management of resources, rather than a short-term, year-to-year allocation based on resources currently available.

The Government Finance Officers Association (GFOA) and seven other state and local government associations created the National Advisory Council on State and Local Budgeting (NACSLB) in 1995 and charged it with developing a set of recommended practices in the area of state and local budgeting. The Council concluded its work in December 1997. The GFOA endorsed the work of the NACSLB, including the NACSLB's definition, mission, and key characteristics of the budget process as follows:

- Definition of the Budget Process – The budget process consists of activities that encompass the development, implementation, and evaluation of a plan for the provision of services and capital assets.
- Mission of the Budget Process – To help decision makers make informed choices about the provision of services and capital assets and to promote stakeholder participation in the process.
- Key characteristics of the budget process are identified as follows:
 - incorporates a long-term perspective;
 - establishes linkages to broad organizational goals;
 - focuses budget decisions on results and outcomes;
 - involves and promotes effective communication with stakeholders; and
 - provides incentives to government management and employees.

The NACSLB also states:

The key characteristics of good budgeting make it clear that the budget process is not simply an exercise in balancing revenues and expenditures one year at a time, but is strategic in nature, encompassing a multi-year financial and operating plan that allocates resources on the basis of identified goals. A good budget process moves beyond the traditional concept of line item expenditure control, providing incentives and flexibility to managers that can lead to improved program efficiency and effectiveness.

The definition, mission and characteristics of an effective budgeting process should provide a clear picture of how the resources of the Pittsburgh School District are to be allocated and the expected results to be achieved from the expenditure of these resources.

FINDING

The budget of the Pittsburgh School District is based on a calendar year. Two budget documents are prepared: a calendar year budget (Volume 1) for the General Fund and the Capital Projects Fund and a June-July budget (Volume 2) for supplemental funds.

Volume 1 (calendar year budget) contains the following:

- Introduction – This section contains information to include a review of the document, an organization chart, the policies and goals of the Pittsburgh School District, explanation of how to use and understand the document, enrollment information by grade for each school, information identifying building capacities and enrollment, and various budget resolutions.
- Summary Section – Appropriations and Revenues – This section includes the number of employees and budget appropriations by department, appropriations by object code, appropriations by function, appropriations by major object, and revenue information along with descriptions of revenue items.
- Budget pages for each organizational entity with subcategories by organizational unit (General Administration, Office of the Superintendent, Office of Chief Academic Officer, etc).
- Fixed Charges – This section identifies the state's share of the retirement contribution and social security for supplemental-funded programs.
- Debt Service and Other Budget Items – This section identifies the budget for debt service expenditures, as well as various amounts paid by the Pittsburgh School District for tuition to other districts, for charter schools, and the General Fund contingency. The grand total for the General Fund is included at the end of this section.
- Food Services Fund – The budget for the Food Services Fund is included in this section.
- Capital Projects – Included is information for capital projects, a summary by project types identified as long-term or short-term, and a listing of each school and the projects anticipated to be accomplished over a five-year period. There is no identification of the revenue sources for these projects.

Each budget program contains a page that includes a Statement of Function and a list of objectives. Some pages identify accomplishments from the prior year. Much of this information has seen little change over the past four years.

The document is presented in a landscape format and includes the accounting codes for each line item. In many cases, there are changes (such as a change in the number of

employees and larger than normal variances from the prior budget period), but there is no discussion of how these changes were achieved or the impact on services provided.

It is difficult to locate the information involving the budget for the schools as they are located within the section for the Office of Chief Academic Officer and they represent just three of 28 programs under the Executive Director-Secondary Schools. The listing that includes the elementary, middle, and high schools is as follows:

- NCLB – Secondary
- School Management
- **Elementary Schools**
- Special Education Instructional Support
- English as a Second Language
- Homebound-Elementary
- **Middle Schools**
- International Baccalaureate –Middle
- Homebound Middle
- **Secondary Schools**
- Followed by 19 additional programs

Volume 2 (July - June budget period) contains the following:

- Introduction/Summary – The Introduction discusses the fact that this document “generally covers grants from governmental and/or private sources that allow the district to undertake special, non-mandated projects. The exception is a mixture of funds including substantial District contributions.” This is followed by pie charts and financial schedules identifying the revenue source and the various appropriations by funding source and major object code.
- Instructional Support – Included is a function statement and appropriations by funding source and by major object, as well as a summary by object code for the Office of the Chief Academic Officer.
- Instructional Support: Supplemental Funds – This section identifies the 2004-05 portion of the instructionally-related programs (Title I, Title II, etc.) Each program contains a narrative identifying the function, and there is a budget page identifying the number of positions and the amounts for the prior budget and the current budget.
- Special Education (Main Program) – This represents the special education programs funded by the State of Pennsylvania and the Pittsburgh School District. It includes three pages of pie charts, two of which identify the revenue sources, one without the state share of transportation, retirement and social security, and a third chart that identifies the expenditure object categories (salaries, benefits, etc.). It also includes a listing of the number of employees included for each position and the budget for these positions. Following this information is a page explaining the function and detailed object codes for the program.

- Other Special Education Programs – This section includes similar summary information as the Main Program as well as individual budget pages for eight separate programs.
- Remainder of supplemental program pages – There are similar sections for Alternative Education, Student Services, Executive Directors (six supplemental programs administered by Executive Directors or school principals), and the Chief of Human Resources which involves a school district/university program to recruit and prepare pre-service teachers to become special education teachers in an urban environment.

The above materials provided by the Pittsburgh School District compare with the listed factors identified by NACSLB as follows:

- **Long-term Perspective** – The only long-term perspective involves the five-year capital outlay information. The letter from the Superintendent discusses an expected fund balance deficit by the end of 2006, but there is no indication of any plans in place to manage the district in future years when the fund balance is diminished or gone entirely. The financial information included in both documents focuses only on the current year.
- **Establishes Linkages to Broad Organizational Goals** – The mission and purpose of the Pittsburgh School District are mentioned in two paragraphs, but there is no reference to the more detailed goals and strategic themes contained in the Strategic Plan. The Strategic Plan is an extensive document that identifies six major categories with 30 separate Key Strategic Themes, yet there is no reference to this document nor is there any discussion about how the budget decisions impact the Key Strategic Themes.
- **Focuses on Results and Outcomes** – Each program identifies the function and objectives; thus, to some degree it does focus on results and outcomes. However, the objectives tend to be broad statements, such as: “Assist school programs with all support services required to accomplish the goals of the school.” There is no discussion about specific results.
- **Involves and Promotes Effective Communication with Stakeholders** –The budgeting process for the Pittsburgh School District includes a comprehensive site-based management component; however, the budget documents themselves are confusing and difficult to understand and follow. There is no way to understand from the budget document the process for allocating resources to schools. The use of two documents based upon different fiscal periods guarantees that there will be no way to present the overall financial picture of the Pittsburgh School District in a manner that will be understood by the public, or by many employees within the school district.

NACSLB states that the mission of the budget process is to help decision makers make informed choices about the provision of services and capital assets, and to promote stakeholder participation in the process.

GFOA has a Distinguished Budget Award Program that reflects the best practices regarding budget presentation for local governments that requires the following as a minimum for consideration for this award:

The Budget as a Policy Document

- The document should include a coherent statement of entitywide long-term financial policies. **There is no reference to long-term financial policies in the Pittsburgh School District documents.**
- The document should include a budget message that articulates priorities and issues for the budget for the new year. The message should describe significant changes in priorities from the current year and explain the factors that led to those changes. **The budget message in the General Fund (Volume 1) budget is focused only on the reductions, but does identify the actions taken to reduce the budget. There is no reference to the process used to determine the budget reductions nor is there any discussion about how the budget supports the priorities of the district.**

The Budget as a Financial Plan

- The document should present a summary of major revenues and expenditures, as well as other financing sources and uses, to provide an overview of the total resources budgeted by the organization. **This information is provided in both budget documents. The problem is that by using two documents, it is not possible to see the total revenues and expenditures for the district.**
- The document should include summaries of revenues and other financing sources, and of expenditures and other financing uses for the prior year actual, the current year budget and/or estimated current year actual, and proposed budget year. **This information is included in the budget documents for the Pittsburgh School District.**
- The document should describe major revenue sources, explain the underlying assumptions for the revenue estimates, and discuss significant revenue trends. The document should include projected changes in fund balances, as defined by the entity in the document, for appropriated governmental funds included in the budget presentation. **The issue of the fund balance of the General Fund is addressed in the introductory letter, but there are no schedules that identify the beginning fund balance and to relate**

this to the revenues and expenditures and ultimately arriving at the ending fund balance.

- The document should include financial data on current debt obligations, describe the relationship between current debt levels and legal debt limits, and explain the effects of existing debt levels on current and future operations. **The current year debt service is identified, but there is no discussion regarding any policies involved with debt levels or a reference to any debt limitations other than to note that the debt level is “10.47 percent of the total projected budget, which continues the school district’s favorable debt service posture.”**
- The budget should explain the basis of budgeting for all funds, whether cash, modified accrual, or some other statutory basis. **The budget basis is not addressed in the budget documents.**

The Budget as an Operations Guide

- The document should describe activities, services or functions carried out by organizational units. **This information is included in the budget documents.**
- The document should include an organization chart(s) for the entire organization. **This information is provided in Volume 1 of the budget documents.**
- A schedule or summary table of personnel or positions counts for prior, current and budgeted years should be provided. **Summaries of this nature are provided in both budget documents.**

The Budget as a Communication Device

- The document should describe the process for preparing, reviewing, and adopting the budget for the coming fiscal year. It also should describe the procedures for amending the budget after adoption. **A calendar and a list of key dates are provided, but there is no discussion of the budget process; this is especially significant as the Pittsburgh School District uses a sophisticated site-based budgeting process.**
- Charts and graphs should be used, where appropriate, to highlight financial and statistical information. Narrative interpretation should be provided when the messages conveyed by the graphs are not self-evident. **There are numerous pie charts in both budget documents.**
- The document should include a table of contents to make it easy to locate information in the document. **A table of contents is included in both budget documents.**

The budget documents provided by the Pittsburgh School District meet a number of these criteria; however, they provide excessive amounts of information that tends to confuse rather than clarify. It is essentially an accounting document rather than a document designed to support decision making. Both documents represent an effort to provide a comprehensive budget document, but the information is provided in such a way that it is difficult for the average citizen, legislator, or staff member to easily understand.

RECOMMENDATION

Recommendation 6-7:

Restructure the budget documents to meet the requirements of NACSLB and GFOA best practices.

It would be helpful prepare the document in portrait rather than the landscape format, to provide information in the context of the Strategic Plan, and to discuss the impact of budgetary decisions. There are other recommendations in this section that will also impact the format and the overall budget process.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Chief of Budget Development and Management Services should consult the GFOA Web site www.gfoa.org and download information on budget practices and the Distinguished Budget Presentation Awards Program. July 2005
2. The Chief of Budget Development and Management Services should review the GFOA materials to determine how to best modify the Pittsburgh School District budget development process and design a new budget format that will better comply with recommended practices. August-September 2005
3. The Chief of Budget Development and Management Services should prepare the 2006 budget in a format that meets the GFOA requirements. January 2006

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

For the 2002, 2003, and 2004 fiscal years, the Pittsburgh School District budgeted to utilize part of the fund balance in the General Fund to balance the budget. Exhibits 6-4 through 6-6 provide some insight into this process.

- Exhibit 6-4, the analysis of revenues, provides a detailed analysis of the budget and actual amounts for revenues.
- Exhibit 6-5 provides similar information for expenditures.
- Exhibit 6-6 summarizes this information and relates it to the beginning and ending fund balance for each year. Exhibit 6-6 indicates that, although the Pittsburgh School District budgeted to utilize fund balance for 2002 and 2003, the net result was a 40 percent increase in fund balance from \$82,947,332 at the beginning of 2002 to \$116,073,758 at the end of 2003.

Although the budgets for 2002, 2003, 2004, and 2005 identify the use of fund balance to balance the General Fund budget, it is difficult to find the information discussing the anticipated impact on the fund balance, because it is included only in the Superintendent's letter at the beginning of the documents. This information is not presented as a formal financial schedule in the summary information for the budget. In the 2003 budget, the budget is identified as being "balanced" even though it includes \$19.4 million of "carryover." The Superintendent indicates, in the 2004 budget, that "we are pleased to present you with a balanced budget, one that does not require new revenues or expenditures." The following page identifies that \$46,481,000 of the fund balance will be used to balance the budget. This was not a "balanced budget."

The Board of Education adopted a fund balance policy in 2004 and a discussion of this policy is included in the Superintendent's letter for the 2005 budget. The policy indicates that one month of expenses defined as 1/12 of the General Fund budget is maintained in reserve, yet the 2005 budget is recommended at a level below the estimated policy. If there is to be a Board of Education policy on the level of fund balance required, it should be a key requirement in the budget process.

The reality is that, prior to 2004, the fund balance was not necessary to balance the budget as current revenues exceeded current expenditures for both years. In 2004, however, this was not the case and the fund balance was reduced by \$32 million.

Fund balance is defined as the net assets of governmental funds and thus serves as a measure of the financial resources available in a governmental fund. Fund balance can be reserved or unreserved with only the unreserved amount being available for spending.

The Governmental Finance Officers Association (GFOA) recommends that:

- governments establish a formal policy on the level of unreserved fund balance that should be retained in the General Fund (Local school Expense Fund);
- the level of the unreserved fund balance should be based upon the specific circumstances being faced by a governmental entity;
- the unreserved fund balance should be no less than five to 15 percent of regular general fund operating revenues, or no less than one to two months of regular General Fund operating expenditures; and

**EXHIBIT 6-4
PITTSBURGH SCHOOL DISTRICT
GENERAL FUND
ANALYSIS OF REVENUES
BUDGET AND ACTUAL
2002, 2003, AND 2004 FISCAL YEARS**

REVENUE SOURCE	2002				2003				2004			
	BUDGET	ACTUAL	POSITIVE (NEGATIVE)	% POSITIVE (NEGATIVE)	BUDGET	ACTUAL	POSITIVE (NEGATIVE)	% POSITIVE (NEGATIVE)	BUDGET	ACTUAL	POSITIVE (NEGATIVE)	% POSITIVE (NEGATIVE)
Local Taxes												
Real Estate Taxes	\$155,900,000	\$167,366,139	\$11,466,139	7.35%	170,320,000	179,434,127	9,114,127	5.35%	174,750,000	176,428,268	1,678,268	0.96%
Earned Income	82,300,000	95,565,856	13,265,856	16.12%	98,850,000	93,892,070	(4,957,930)	-5.02%	98,850,000	94,604,673	(4,245,327)	-4.29%
Real Estate Transfers	4,500,000	6,839,265	2,339,265	51.98%	4,900,000	5,898,374	998,374	20.37%	5,600,000	7,792,524	2,192,524	39.15%
Mercantile	4,000,000	3,696,721	(303,279)	-7.58%	4,000,000	4,021,806	21,806	0.55%	3,700,000	3,877,310	177,310	4.79%
Public Utility	360,000	451,276	91,276	25.35%	450,000	497,860	47,860	10.64%	450,000	380,970	(69,030)	-15.34%
Total Taxes	247,060,000	273,919,257	26,859,257	10.87%	278,520,000	283,744,237	5,224,237	1.88%	283,350,000	283,083,745	(266,255)	-0.09%
State												
Basic Instructional	119,795,000	122,570,168	2,775,168	2.32%	125,863,943	126,994,779	1,130,836	0.90%	125,710,000	127,547,108	1,837,108	1.46%
Specific Education	27,521,000	27,994,883	473,883	1.72%	28,762,000	29,124,579	362,579	1.26%	26,444,000	27,335,401	891,401	3.37%
Noneducational	14,750,000	15,641,961	891,961	6.05%	15,078,000	17,032,534	1,954,534	12.96%	15,310,803	16,347,389	1,036,586	6.77%
State Paid Benefits	11,656,000	9,662,449	(1,993,551)	-17.10%	10,960,407	11,475,392	514,985	4.70%	16,221,000	12,217,509	(4,003,491)	-24.68%
Total State	173,722,000	175,869,461	2,147,461	1.24%	180,664,350	184,627,284	3,962,934	2.19%	183,685,803	183,447,407	(238,396)	-0.13%
Other Revenues												
Investment Income	6,500,000	4,139,165	(2,360,835)	-36.32%	4,000,000	3,511,004	(488,996)	-12.22%	3,250,000	3,072,090	(177,910)	-5.47%
In Lieu of Taxes	4,000,000	4,248,920	248,920	6.22%	4,250,000	4,478,145	228,145	5.37%	4,250,000	4,583,196	333,196	7.84%
Federal Grants	0	3,407	3,407	0.00%	1,500,000	(3,406)	(1,503,406)	-100.23%	1,500,000	0	(1,500,000)	-100.00%
Other Sources	800,000	0	(800,000)	-100.00%	400,000	0	(400,000)	-100.00%	0	0	0	
Other Local Revenues	4,650,000	2,927,733	(1,722,267)	-37.04%	4,200,000	4,065,424	(134,576)	-3.20%	4,500,000	4,467,996	(32,004)	-0.71%
Total Other	15,950,000	11,319,225	(4,630,775)	-29.03%	14,350,000	12,051,167	(2,298,833)	-16.02%	13,500,000	12,123,282	(1,376,718)	-10.20%
Total Revenues	436,732,000	461,107,943	24,375,943	5.58%	473,534,350	480,422,688	6,888,338	1.45%	480,535,803	478,654,434	(1,881,369)	-0.39%
Transfers In	0	0	0	0.00%	0	1,500,000	1,500,000	0.00%	0	2,902,493	2,902,493	0.00%
Total Rev & Trans In	\$436,732,000	\$461,107,943	\$24,375,943	5.58%	\$473,534,350	\$481,922,688	\$8,388,338	1.77%	\$480,535,803	\$481,556,927	\$1,021,124	0.21%

Source: 2002 and 2003 Annual Financial Reports, 2004 unaudited Trial Balance provided by the Finance Division.

**EXHIBIT 6-5
PITTSBURGH SCHOOL DISTRICT
GENERAL FUND
ANALYSIS OF EXPENDITURES
BUDGET AND ACTUAL
2002, 2003, AND 2004 FISCAL YEARS**

Instruction	2002				2003				2004			
	Budget	Actual	Positive (Negative)	% Positive (Negative)	Budget	Actual	Positive (Negative)	% Positive (Negative)	Budget	Actual	Positive (Negative)	% Positive (Negative)
Regular Programs	\$163,978,115	\$151,305,018	\$12,673,097	7.73%	161,440,600	\$154,464,863	\$6,975,737	4.32%	\$174,292,687	\$163,977,134	\$10,315,553	5.92%
Special Programs	59,077,621	4,470,150	54,607,471	92.43%	58,535,533	3,208,562	55,326,971	94.52%	66,941,227	3,251,142	\$63,690,085	95.14%
Vocational	13,282,237	12,071,763	1,210,474	9.11%	12,196,420	12,235,161	(38,741)	-0.32%	13,346,275	12,469,902	\$876,373	6.57%
Other Instructional	1,483,571	1,109,765	373,806	25.20%	1,845,460	1,196,401	649,059	35.17%	1,814,977	1,663,843	\$151,134	8.33%
Adult Education	2,441,851	2,082,407	359,444	14.72%	2,590,631	1,774,121	816,510	31.52%	1,741,234	1,143,209	\$598,025	34.34%
Pre-Kindergarten	0	0	0	0%	0	0	0	0%	0	56,192	(\$56,192)	0.00%
Charter Schools	8,198,406	7,441,695	756,711	9.23%	12,017,939	11,031,920	986,019	8.20%	16,751,469	16,751,469	0	0.00%
Total Instruction	248,461,801	178,480,798	69,981,003	28.17%	248,626,583	183,911,028	64,715,555	26.03%	274,887,869	199,312,891	75,574,978	27.49%
Support Services												
Pupil Personnel	10,669,783	9,483,664	1,186,119	11.12%	9,796,546	9,258,046	538,500	5.50%	11,087,525	10,191,516	896,009	8.08%
Instructional Staff	23,429,205	20,964,050	2,465,155	10.52%	24,841,376	23,633,901	1,207,475	4.86%	25,658,273	23,209,927	2,448,346	9.54%
Administration	41,382,223	37,732,262	3,649,961	8.82%	49,958,541	48,003,233	1,955,308	3.91%	53,792,283	50,612,810	3,179,473	5.91%
Pupil Health	3,463,309	3,030,391	432,918	12.50%	3,336,617	3,054,455	282,162	8.46%	3,703,135	3,326,776	376,359	10.16%
Business	6,402,773	5,652,871	749,902	11.71%	6,848,064	6,480,459	367,605	5.37%	8,343,790	7,039,707	1,304,083	15.63%
Total Support Svcs	85,347,293	76,863,238	8,484,055	9.94%	94,781,144	90,430,094	4,351,050	4.59%	102,585,006	94,380,736	8,204,270	8.00%
Operations Spt												
Oper and Maint	48,397,740	44,443,558	3,954,182	8.17%	49,560,347	48,523,847	1,036,500	2.09%	57,546,472	52,498,878	5,047,594	8.77%
Transportation	25,569,043	22,351,798	3,217,245	12.58%	24,580,108	24,046,104	534,004	2.17%	27,030,105	24,514,588	2,515,517	9.31%
Support Svcs-Cent	5,761,560	5,199,478	562,082	9.76%	6,499,537	6,022,886	476,651	7.33%	7,931,827	6,522,722	1,409,105	17.77%
Total Oper Spt	79,728,343	71,994,834	7,733,509	9.70%	80,639,992	78,592,837	2,047,155	2.54%	92,508,404	83,536,188	8,972,216	9.70%
Noninstructional												
Food Services	79,690	54,942	24,748	31.06%	54,027	124,611	(70,584)	-130.65%	127,931	72,048	55,883	43.68%
Student Activities	5,341,871	4,487,908	853,963	15.99%	4,857,649	4,119,624	738,025	15.19%	5,789,216	4,463,804	1,325,412	22.89%
Community Services	178,517	94,690	83,827	46.96%	173,870	29,743	144,127	82.89%	178,028	18,301	159,727	89.72%
Total Noninstruct	5,600,078	4,637,540	962,538	17.19%	5,085,546	4,273,978	811,568	15.96%	6,095,175	4,554,153	1,541,022	25.28%
Debt Service												
Principal	35,551,344	40,767,689	(5,216,345)	-14.67%	30,992,706	32,053,785	(1,061,079)	-3.42%	33,341,289	33,341,288	1	0.00%
Interest	20,041,106	14,567,347	5,473,759	27.31%	19,173,305	18,061,693	1,111,612	5.80%	20,182,184	20,182,183	1	0.00%
Total Debt Service	55,592,450	55,335,036	257,414	0.46%	50,166,011	50,115,478	50,533	0.10%	53,523,473	53,523,471	2	0.00%
Other												
Facilities Capital Out	1,224,092	1,150,375	73,717	6.02%	1,291,949	1,291,060	889	0.07%	1,596,405	1,528,162	68,243	4.27%
Tax Refunds	11,180,633	3,000,421	8,180,212	73.16%	2,504,510	2,484,510	20,000	0.80%	4,961,113	4,960,924	189	0.00%
Contingencies	2,183,536	0	2,183,536	100.00%	1,762,802	0	1,762,802	100.00%	3,143,284	0	3,143,284	100.00%
Total Other	14,588,261	4,150,796	10,437,465	71.55%	5,559,261	3,775,570	1,783,691	32.09%	9,700,802	6,489,086	3,211,716	33.11%
Total Exp	489,318,226	391,462,242	97,855,984	20.00%	484,858,537	411,098,985	73,759,552	15.21%	539,300,729	441,796,525	97,504,204	18.08%
Transfers Out	0	64,243,369	(64,243,369)	0.00%	0	65,655,106	(65,655,106)	0.00%	0	76,823,645	(76,823,645)	0.00%
Total Exp & Trans	\$489,318,226	\$455,705,611	\$33,612,615	6.87%	\$484,858,537	\$476,754,091	\$8,104,446	1.67%	\$539,300,729	\$518,620,170	\$20,680,559	3.83%

Source: 2002 and 2003 Annual Financial Reports, 2004 unaudited Trial Balance provided by the Finance Division.

**EXHIBIT 6-6
PITTSBURGH SCHOOL DISTRICT
GENERAL FUND
ANALYSIS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
2002, 2003, AND 2004 FISCAL YEARS**

Revenue and Expenditures	2002			2003			2004		
	Budget	Actual	Positive (Negative)	Budget	Actual	Positive (Negative)	Budget	Actual	Positive (Negative)
Beginning Fund Balance	\$82,947,332	\$82,947,332	\$0	\$94,767,007	\$94,767,007	\$0	\$116,073,758	\$116,073,758	\$0
Revenues									
Taxes	247,060,000	273,919,287	26,859,287	278,520,000	283,744,237	5,224,237	283,350,000	283,083,745	(266,255)
State Resources	173,722,000	175,869,461	2,147,461	180,664,350	184,627,284	3,962,934	183,685,803	183,447,407	(238,396)
Other Revenues	15,950,000	11,319,225	(4,630,775)	14,350,000	12,051,167	(2,298,833)	13,500,000	12,123,282	(1,376,718)
Total Revenues	436,732,000	461,107,973	24,375,973	473,534,350	480,422,688	6,888,338	480,535,803	478,654,434	(1,881,369)
Transfers In	0	0	0	0	1,500,000	1,500,000	0	2,902,493	2,902,493
Total Revenues & Transfers	436,732,000	461,107,973	24,375,973	473,534,350	481,922,688	8,388,338	480,535,803	481,556,927	1,021,124
Expenditures									
Instruction	248,461,801	178,480,798	69,981,003	248,626,583	183,911,028	64,715,555	274,887,869	199,312,891	75,574,978
Support Services	85,347,293	76,863,238	8,484,055	94,781,144	90,430,094	4,351,050	102,585,006	94,380,736	8,204,270
Field Services	79,728,343	71,994,834	7,733,509	80,639,992	78,592,837	2,047,155	92,508,404	83,536,188	8,972,216
Oper and Noninstructional	5,600,078	4,637,540	962,538	5,085,546	4,273,978	811,568	6,095,175	4,554,153	1,541,022
Debt Service	55,592,450	55,335,036	257,414	50,166,011	50,115,478	50,533	53,523,473	53,523,471	2
Other	14,588,261	4,150,796	10,437,465	5,559,261	3,775,570	1,783,691	9,700,802	6,489,086	3,211,716
Total Expenditures	489,318,226	391,462,242	97,855,984	484,858,537	411,098,985	73,759,552	539,300,729	441,796,525	97,504,204
Transfers Out	0	64,243,369	(64,243,369)	0	65,655,106	(65,655,106)	0	76,823,645	(76,823,645)
Total Exp and Transfers	489,318,226	455,705,611	33,612,615	484,858,537	476,754,091	8,104,446	539,300,729	518,620,170	20,680,559
Revenue Over (Under)									
Expenditures	(52,586,226)	5,402,362	57,988,588	(11,324,187)	5,168,597	16,492,784	(58,764,926)	(37,063,243)	21,701,683
Fund Bal w/o Encumbrances	30,361,106	88,349,694	57,988,588	83,442,820	99,935,604	16,492,784	57,308,832	79,010,515	21,701,683
Year End Encumbrances (1)		6,417,313			16,138,154			4,508,588	
Ending Fund Balance		\$94,767,007			\$116,073,758			\$83,519,103	

Source: 2002 and 2003 Annual Financial Reports and 2004 unaudited Trial Balance provided by the Finance Division.

(1) Year-End Encumbrances become part of the beginning fund balance for the following year

- measures should be applied within the context of long-term forecasting to avoid the risk of placing too much emphasis upon the level of unreserved fund balance at any one time.

GFOA also recommends that in establishing a policy governing the level of unreserved fund balance in the General Fund, a government should consider a variety of factors, including:

- the predictability of revenues and the volatility of expenditures (i.e., higher levels of unreserved fund balance may be needed if significant revenue sources are subject to unpredictable fluctuations, or if operating expenditures are highly volatile);
- the availability of resources in other funds as well as the potential drain upon General Fund resources from other funds (i.e., the availability of resources in other funds may reduce the amount of unreserved fund balance needed in the General Fund, just as deficits in other funds may require that a higher level of unreserved fund balance be maintained);
- maintain liquidity (i.e., a disparity between when financial resources actually become available to make payments and the average maturity of related liabilities may require that a higher level of resources be maintained); and
- designations (i.e., governments may wish to maintain higher levels of unreserved fund balance to compensate for any portion of unreserved fund balance already designated for a specific purpose).

Exhibit 6-7 provides an analysis of the fund balance for the 2002, 2003, and 2004 fiscal years. It can be seen that, based on the GFOA recommendation of retaining an unreserved fund balance of five to 15 percent, the Pittsburgh School District is in a sound position. If, however, the \$39,998,636 identified for use in the 2005 budget is expended, the unreserved fund balance will decline to \$38.8 million. This will represent approximately eight percent of current revenues, reducing the options of the district to use fund balance in future years. A further dilemma is that once fund balance is expended, it is no longer available for future use.

By balancing the 2005 budget with \$39 million in fund balance, the Pittsburgh School District will not be able to budget a similar amount for 2006 without totally depleting fund balance and failing to comply with the current policy on fund balance.

The 2005 budget identifies the use of \$39.9 million of the 2004 ending fund balance. This will result in an estimated ending fund balance on December 31, 2005 of \$43.6 million, while compliance with the Board of Education policy would require a fund balance of \$44,166,667 (1/12 of the 2005 budget). This is close to the required level, but this amount relates to the total fund balance and fails to take into consideration the need to reserve certain portions of fund balance. If the Board of Education were to address the fund balance issue by identifying the unreserved fund balance as the basis for measurement, there would be an additional shortfall of \$4.7 million.

**EXHIBIT 6-7
PITTSBURGH SCHOOL DISTRICT
ANALYSIS OF FUND BALANCE
2002, 2003, AND 2004 FISCAL YEARS**

FUND BALANCE	2002	2003	2004
Ending Fund Balance	\$94,767,007	\$116,073,758	\$83,519,114
Reserved for:			
Inventories	\$152,707	\$0	\$0
Encumbrances	6,417,343	16,138,154	4,508,589
Arbitrage Rebate	165,031	167,658	50,842
Workers' Compensation	950,000	1,565,000	151,000
Personal Property Tax Refunds	700,000	0	0
Total Reserved Fund Balance	8,385,081	17,870,812	4,710,431
Unreserved Fund Balance	\$86,381,926	\$98,202,946	\$78,808,683
Estimated Operating Revenues	\$436,732,000	\$473,534,350	\$480,535,803
Unreserved Fund Balance as a % of Revenues	19.78%	20.74%	16.40%

Source: 2002 and 2003 Annual Financial Reports and 2004 unaudited Trial Balance provided by the Finance Division.

The primary issue is not so much that this amount is close to the level determined by the Board of Education, the issue is that, based on the information in the 2005 budget, this policy is not given serious consideration by the administration or the Board of Education. If there is to be a policy on fund balance, it should be complied with and the amount identified by the Board of Education policy should be identified as a reserve of fund balance, unavailable for budgetary purposes.

RECOMMENDATION

Recommendation 6-8:

Review the current Board of Education policy on the level of fund balance, restate the unreserved amount of the fund balance, and establish an expectation that the policy will be adhered to and the appropriate amount will be retained.

The level of unreserved fund balance represents a key financial policy decision. The apparent current process for overlooking the requirements of this policy is the equivalent of having no policy. If there is to be a policy regarding fund balance, it should be complied with.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|-----------|
| 1. The Board of Education should direct the Superintendent to research policies of other school districts of similar size to determine their fund balance policies and, with this information and the GFOA recommendation on the level of fund balance, make a recommendation to the Board of Education to revise the existing policy, if necessary. | July 2005 |
| 2. The Superintendent should direct the Chief of Budget Development and Management Services and the Director | July 2005 |

- of Finance to perform the necessary research and prepare a revised fund balance policy for review.
3. The Superintendent should discuss an amended policy with the Chief of Budget Development and Management Services and the Director of Finance, revise the policy if necessary, and present it to the Board of Education for adoption. September 2005
 4. The Board of Education should adopt the revised fund balance policy and direct the Superintendent to prepare all future budgets to adhere to this policy. October 2005

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Pittsburgh School District has developed a comprehensive process for site-based budgeting that provides an opportunity for the schools to develop their own budgets to include staffing. The process for development of the 2005 budget (2004-05 school year) includes an allocation of a basic formula per student with adjustments based upon the following:

- **High Needs** – The student population identified in this formula includes students eligible for free or reduced lunch and those students that are not residing with both parents. This formula provides each school with \$400 for each eligible student.
- **School Size Formula** – This process provides a school with \$675 for the difference in their enrollment and the enrollment of 300 students. For example, a school with 250 students would receive \$33,750 (300 -250 x \$675 = \$33,750).
- **Magnet Schools Formula** – This is a formula to provide funding to allow the magnet schools to continue offering the programs to interested students. One middle school and one high school receive allocations for this purpose.
- **Library Formula** – An amount of \$2,850 is provided to each elementary school, and an amount of \$7.75 per student is allocated for the middle and high schools.
- **Other Allocations** – Special allocations have been made to schools based upon unique programs or situations. Examples include an additional matron and .5 teachers for two elementary schools with pools, provision of an additional teacher for non-public students, and a number of items involving schools receiving students from closed facilities.

Exhibit 6-8 identifies the total allocations to the schools for the 2005 budget (2004-05 school year):

**EXHIBIT 6-8
PITTSBURGH SCHOOL DISTRICT
SITE-BASED BUDGET ALLOCATIONS
2004-05 SCHOOL YEAR**

ALLOCATION CATEGORY	ELEMENTARY	MIDDLE SCHOOL	HIGH SCHOOL	TOTAL
Basic Allocation	\$88,005,355	\$46,350,807	\$59,201,835	\$193,557,997
High Needs	4,369,600	1,926,800	2,032,800	8,329,200
School Size	1,090,800	45,255	0	1,136,055
Library	159,079	54,808	72,323	286,210
Magnet Program	0	450,092	1,826,726	2,276,818
Other Allocations	232,020	82,180	2,330,922	2,645,122
Total Allocation	\$93,856,854	\$48,909,942	\$65,464,606	\$208,231,402
Enrollment	16,090	7,072	9,332	32,494
Average Per Student	\$5,833	\$6,916	\$7,015	\$6,408

Source: Pittsburgh School District , Office of Budget Development and Management Services, 2005.

Each school is provided a summary in a memorandum that identifies the allocation for the school by allocation category. Principals are also provided a diskette with the budget format, and schools enter the number of positions and the object code amounts. The amounts for teachers are based upon the average salary and benefits for teachers.

The amounts for the various school levels ranges as follows:

- Elementary - \$5,555 to \$7,906 per student
- Middle School - \$6,743 to \$8,230 per student
- High School - \$6,485 to \$10,568 (Magnet School) per student

There is also a site-based process for the allocation of resources for the Title I Program. The Title I Program is a supplemental education program designed to improve the district's basic program by providing opportunities for disadvantaged students. These resources are allocated to 70 schools by formula according to poverty level and enrollment.

The resource allocation process for these schools is similar to that used for the allocation of resources for the General Fund, but the allocation is determined solely by the percentage of free and reduced students at each elementary and middle school. The allocation formulas for the Title I resources for the 2005-06 school year are as follows:

- Tier 1 – schools with 75 percent or more free and reduced students receive \$795 per student for each of these students;

- Tier 2 – schools with students that qualify for free or reduced lunch between 60 percent and 74.9 percent receive \$470 for each of these students; and
- Tier 3 – schools with students that qualify for free or reduced lunch between 35 percent and 59.9 percent receive \$470 for each of these students.

All Title I schools also receive \$17.30 per student to be used for parent involvement activities.

The accounting for site-based resources is accomplished via a subsidiary cost accounting process that allows the schools to carry resources forward from year to year. The costs from this system are transferred to the General Fund. This process minimizes problems for the school-based staff that could be created by the use of the calendar fiscal year by the Pittsburgh School District.

COMMENDATION

The Pittsburgh School District is commended for establishing a site-based budgeting process that effectively provides significant discretion to the principals and schools.

FINDING

Although the site-based process is working effectively, there are a number of issues associated with the ability to communicate the process to the public. Feedback from the public forums held by MGT resulted in the following comments:

- *Site-based budgets need to be moved back to administration rather than at each school.*
- *Site-based budget is not effective.*
- *Are funds being allocated evenly throughout district?*
- *It does not appear that resources are equally distributed.*
- *Resource allocation is very skewed/inequitable. Squirrel Hill dominates. Parents can afford extra. Not fair to schools like Langley, Peabody and Schenly.*
- *Eliminate site-based budgeting—too many inequities.*
- *Site-based budgets are not working equitably.*
- *Principals aren't accountants and some departments are under funded and understaffed.*
- *Principals fund their pet projects and other areas of the curriculum are extremely underfunded.*

- *Do all principals have a good “financial” background to be able to divide their funds? There should be a set student to teacher ratio that is funded in each budget based on enrollment.*
- *Resources need to be distributed more equitably. All schools should be equipped similarly.*

It is difficult to interpret these comments. In some cases, it appears that schools that do not benefit from the higher allocations based on the various factors feel it is unfair while others may be receiving additional resources, but are unaware of how the system functions. Regardless, there is clearly an issue involving the perceptions of the site-based management process.

These concerns could be based on a number of factors to include:

- a lack of awareness on the part of parents of how many resources are provided by the Title I Program and other supplemental programs;
- supplemental programs are included in a separate budget document; and
- there is no budget information for each school that identifies the total resources provided to the school (both General Fund and supplemental programs).

All of the issues involving the budget process are integrated. The current budget documents do not provide information in a fashion that allows the Board of Education, the public, or many district employees to understand where and how the resources are allocated. The use of two budget documents is driven by the fact that the General Fund, the Food Services Fund, and the Capital Projects Fund are budgeted on a calendar year, while the supplemental funds programs are on a school year. This results in a situation where there is no public document available that identifies the overall budget of the Pittsburgh School District.

The method of allocating resources via the site-based process is on a school-year basis and requires a cost accounting-like separate fund that appears nowhere in the formal financial records of the district (the budget and the Annual Financial Report). This adds a level of complexity, and this process is not clearly delineated in the budget documents.

The issue of the fiscal year in the Pittsburgh School District has been raised in three separate studies:

- a Study prepared in November 1999 by the Western Division of the Pennsylvania Economy League;
- in the January 2003 Maher Duessel Report; and
- in the September 2003 Report by the Mayor’s Committee on Public Education.

The Pennsylvania Economy League identified issues involving the need to adjust the budget calendar because the adoption of the budget in the fall after allocations had already been made to the schools results in at least half of the resources being committed before the Board of Education votes on the budget. One solution identified in this study was to adopt a preliminary budget in March and then make the site-based allocations and the Title I allocations together, approving the school budgets in May. The report addresses the possibility of changing the fiscal year as follows:

A second, and more permanent, solution to this problem is to change the District's budget year. The District should explore the feasibility of changing to a July to June budget year. The adoption of a July to June budget year will make it possible to approve the final budget and approve the allocations to individual schools at the same time. The new budget year would also match the state's reimbursement cycle. Most businesses adopt fiscal years that match their operating and product cycles. The Pittsburgh district is one of only two school districts in the state that have not adopted the July to June budget year.

There are a number of issues that would have to be addressed in a change to a new budget year, not the least of which is property tax billing. These issues, however, have been successfully resolved by other districts.

The Maher Duessel report states the following:

As has been suggested in previous reports to the School Board, including the Budget 2000 Advisory Committee report dated November 8, 1999 (the Pennsylvania Economy League Report), the School Board should consider taking whatever measures are necessary to change the School District budget and fiscal year to a July to June cycle. This would marry the academic year and primary grant source funding streams with the budget year of the School District. Though there are a number of issues that would need to be addressed to implement a new budget year, the most significant of which would be property tax billing, these issues could be resolved successfully.

The change in fiscal year would then put the school district in step with the other Pennsylvania school districts, would eliminate the need for calendar year budgeting and site-based July to June budgeting, and would eliminate the need to produce financial statements for the calendar year as well as for a June 30th fiscal year as required by the Pennsylvania Department of Education.

A report prepared by the Mayor's Commission on Public Education in September 2003 also addressed the fiscal year issue with the following statement:

The district should adopt a budget process and calendar that matches the state's fiscal year and allows ample time to consider alternatives and accommodate school board and citizen response.

The calendar should allow for the following to occur before final budget adoption:

- *Review of program and facility plans and state appropriations.*
- *Review of school-by-school preliminary allocations by school staff to align budget requests with program enrollment needs.*
- *Identification of potential savings and efficiencies.*
- *Earlier Board involvement in all major budget preparation stages.*
- *Focus on outcomes and performance.*
- *An open, transparent process with sufficient public hearings and public testimony.*

Given its size, Pittsburgh Public Schools has a complex budget process. Complicating the process is the district's use of a January – December fiscal year, rather than a July – June fiscal year. This presents a number of unnecessary hardships. For example:

- *Each spring, Pittsburgh Public Schools budget for the next academic year. Expenditures fall into two budgets – one passed at the end of the previous calendar year, and another that will be passed at the end of the current calendar year.*
- *Pittsburgh's January-through-December fiscal year is off-cycle with both the academic year and the state's fiscal year, generally confusing the financial picture, while making it difficult for the district to estimate the amount of state funding for the next budget year. The state and every school district in Western Pennsylvania follows a July to June fiscal year.*

In recent years, the school board has not fully involved itself in the budget process until the end of the calendar year. By then, many decisions concerning individual school budgets have already been made. Significant last-minute changes in a proposed budget can result in significant changes in school programs in the middle of the academic year. The built-in uncertainty also requires the district to maintain a large fund balance to cover the changes.

The issues raised in these three reports are valid. MGT believes what should be added to this list is the need to prepare a single budget document that clearly communicates the overall budget for the Pittsburgh School District that can be easily understood by the Board of Education and the community.

An issue surfaced during preparation of the 2005 budget. Legislation was passed that resulted in the loss of \$8 million of revenues for the Pittsburgh School District. This included the loss of \$4 million from the City of Pittsburgh established by the Regional Asset District and an additional \$4 million when the right of district to levy the Mercantile

Tax was rescinded. It is noted in the budget document that this legislation was “forced upon the district with only 30 days to respond.” If the district had been on a July – June fiscal year, the revenue would still have been lost, but this loss of revenue could have become part of the budget development process, and it could have been addressed more effectively.

In discussing the fact that the expenditures tended to be overestimated with the Chief of Budget and Management Services, it was indicated that the budget was adopted for the following year using the staffing levels existing during the current school year. As a result, the instructional appropriations have been overestimated because of the declining enrollment in the district when fewer teachers are hired for the following fall. This information is not identified anywhere in the budget document and yet is another concern involving the fiscal year issue.

The missing factor in the previous reports is any discussion on how the transition to a July through June fiscal year can be accomplished. The Pennsylvania Economy League and the Maher Duessel reports indicate potential complications to include the issue of billing for property taxes. The Mayor’s Commission discusses the complexity caused by the size of the district. The three reports all recommended changing the budget cycle, but these recommendations do not appear to have been explored because of the perception that the change would require major changes in the manner in which the real property taxes are levied and collected. It seems to be assumed that if the Pittsburgh School District were to convert to the July - June fiscal year, there would have to be a change in the timing of the collection of the real estate taxes.

The attorney for the Pittsburgh School District has provided the information below on this issue:

“The fiscal year and budgeting process for school districts of the first class A (Pittsburgh) and first class (Philadelphia) is found in Sections 6-651 through 6-652.1 of the School Code. Section 651 provides as follows:

In all school districts of the...first class A, the fiscal year shall begin on the first day of January in each year; provided the Board of Public Education in any district of the first class A may by resolution adopted by 2/3 vote of the members thereof at a meeting of the Board after not less than 10 days notice of the fact of such resolution would be presented for action at such meeting fixed the fiscal year of such school district so as to be on the first day of July of each year until the first day of January is herein above provide.

Section 652 provides:

In all school districts of the...first class A, the school taxes for the following fiscal year shall be levied annually by the Board of Public Education on or after the first Monday of December and before the end of the current fiscal year.”

The attorney also indicates that the Board of Education has the authority to change the fiscal year under Section 651, but notes that, based on Section 652, the tax cycle and the fiscal year must be the same. This interpretation implies that if the fiscal year were

to be changed, the timing of tax collections, currently collected by the City of Pittsburgh, would have to be changed to a cycle beginning in July.

Philadelphia is the only first class district and Pittsburgh is the only first class A district in Pennsylvania. The School District of Philadelphia and the City of Philadelphia are both on a July-June fiscal year; however, based on information provided on the internet at www.phia.gov/revenue in the section identified as "Plain Talk Tax Guide" by the City of Philadelphia, real property taxes for both entities are levied in January, not in July.

Clearly, the City of Philadelphia and the School District of Philadelphia are not collecting real property taxes on the same cycle as the budget. If this can be accomplished in Philadelphia, it should also be able to be accomplished in Pittsburgh. It therefore appears it may be possible to change the fiscal year without the need to change the manner in which real property taxes are levied or collected. The issue that should be evaluated is the manner in which the City and the School District in Philadelphia estimate the real property taxes for budget purposes and the logistics of assessing the taxes prior to the end of December. This is an area that should be reviewed carefully as, based on the situation in Philadelphia, it may be possible to retain the January billing period for real property taxes.

An issue not addressed in the previous reports is the mechanism to affect the change. One way to accomplish this change would be to make the change through the use of a six-month transition fiscal year. If the Pittsburgh School District were to convert to the July - June fiscal year, this could be accomplished by adopting a six-month January - June budget, and then moving from that point forward into a July - June fiscal year. This approach could create a unique situation that could result in a one-time increase in the fund balance due to the change in accounting period. This situation could occur because of the circumstances involving the collection of real property taxes.

The collection of real property taxes takes place during the first six months of the calendar year. If it is assumed that all other revenues and the expenditures for the six month transition fiscal year will approximate 50 percent of the annual revenues and expenditures, the fact that close to 95 percent of the property taxes will be received during the six-month transition fiscal year could generate a one time increase in the fund balance in the amount of approximately \$99 million. This is the estimated amount of the real property tax revenues that will be collected and unspent during the six-month transition fiscal year.

The Pittsburgh School District auditors indicate, however, that a portion of the revenue collected during the six-month transition fiscal year would need to be recorded as deferred revenue (a liability), thus eliminating the impact on the fund balance. This position is based on the opinion that the taxes are levied for the entire year, and the portion of the taxes collected that would be attributable to the second six months of the calendar year should be deferred until the following fiscal period. This issue involves an interpretation of Generally Accepted Accounting Principles (GAAP) for governmental entities regarding the proper recording of revenues in the period they are earned.

The conversion to a June-July fiscal year will require research to determine the following:

- Can the Pittsburgh School District convert to a June-July fiscal year and still collect property taxes using the current January collection period? If so, can this collection period be managed effectively to support the budget process?
- Should a portion of the total real property tax revenues collected during the January-June transition fiscal year be recorded as deferred revenue for that period? If not, how should the district manage the one-time increase in the fund balance due to the accounting change?

These questions would have to be answered if the Pittsburgh School District elects to convert to the July-June fiscal year by establishing a six-month transition fiscal year. This will require research regarding the manner in which the real property taxes collection period for the Philadelphia School District is managed and to determine how other school districts have accounted for real property taxes during similar transition fiscal years. Prior to 1992, all of the school districts in Colorado were on a calendar fiscal year and the state mandated that the fiscal year should be changed to a July-June fiscal year with a six-month transition fiscal year. In this situation, all of the property taxes collected during the six-month fiscal year were recorded as revenue for that period by the districts in Colorado.

There are clearly issues to be addressed if the fiscal year is to be changed; however, the long-term benefits identified in both the previous three reports and in this report indicate that the conversion to a July-June fiscal year would be a wise move for the Pittsburgh School District.

RECOMMENDATION

Recommendation 6-9:

Initiate a process to convert the Pittsburgh School District fiscal year (for the General, Food Services, and Capital Projects Funds) to a July - June fiscal year.

The implementation of this recommendation should provide all of the benefits identified in the Pennsylvania Economy League, Maher Duessel, and Mayor's Commission on Education reports as well as provide a budget document that will effectively communicate the financial plans and activities of the Pittsburgh School District.

The potential increase in fund balance is an issue that should be resolved; however this issue should not be the determining reason for changing the fiscal year. If it is deemed that a portion of the real property taxes collected in the six-month transition fiscal year should be deferred, this action will have no negative impact on the ultimate decision to convert to a July through June fiscal year.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Board of Education should direct the Superintendent to identify the necessary steps required to convert Pittsburgh School District to a July-June fiscal year. June 2005
2. The Superintendent should direct the Chief of Budget Development and Management and the Director of Finance to research the various issues associated with the conversion to a July-June fiscal year and develop a plan that will allow Pittsburgh School District to make the conversion with a six-month fiscal year from January-June 2006. July 2005
3. The Chief of Budget Development and Management Services and the Director of Finance should undertake the research and based upon the results, develop a recommendation, and a proposed transition schedule for the Superintendent. August 2005
4. The Superintendent should provide a recommendation to the Board of Education regarding the scheduling of the transition, to include any action that may be necessary if it is deemed appropriate to change the time frame for collection of real property taxes. September 2005
5. The Board of Education should act on the recommendation of the Superintendent and direct the Superintendent to implement any necessary changes in policy or procedures that would be necessary to proceed with the implementation of a six-month transition fiscal year. October 2005
6. The Superintendent should present a six-month transition budget to the Board of Education for the January - June 2006 fiscal year and begin to develop the process for the implementation of the first July - June fiscal year using the new format identified in conjunction with Recommendation 6-7. December 2005

FISCAL IMPACT

As discussed above, depending on how property tax revenue is recorded for the six-month transitional year, the implementation of this recommendation has the potential of resulting in an increase in the fund balance due to the change in accounting periods, but the district would not receive any additional property tax revenues. Pittsburgh officials noted that certain one-time costs associated with reprogramming computers would also be incurred.

FINDING

With the conversion to the July through June fiscal year, it will be possible to design a budget format that will include budget pages for each school to reflect the site-based budgets developed by the schools. These school budget pages should include resources budgeted for both the General Fund and for the various grant programs. In this way, the total resources allocated to each school will be identified and the community and the staff members would be able to identify the total resources allocated to each school.

The individual school pages can be accompanied by a separate page that could include information about the school to include enrollment history and projections, free and reduced lunch, test scores and written information about the programs in the school and the logic for the allocation of the resources.

RECOMMENDATION

Recommendation 6-10:

Establish a section in the 2006-07 budget document for school-based budgets to include a page that identifies resources from both the General Fund and from grant programs as well as a page that will provide useful non-financial information about the programs available at each school.

The inclusion of budget pages for the schools will provide the school communities with a clear picture of how the resources are allocated at their schools, minimizing the confusion of how resources are allocated and providing a basis for community or staff input if desired.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|----------------|
| 1. The Chief of Budget Development and Management should develop a format for school based budgets to be included in the 2006-07 budget. | September 2005 |
| 2. The Chief of Budget Development and Management should incorporate the need for the necessary information to support school-based budget pages in the site-based budget materials distributed to the principals. | January 2006 |
| 3. Principals should complete the necessary forms for the new school-based budget pages. | February 2006 |
| 4. The Chief of Budget Development and Management should included two pages for each school in the 2006-07 budget and reconcile this information to the elementary, middle schools and secondary schools sections of the budget document. | July 2006 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The General Fund Budget/Capital Projects Budget (Volume 1) document fails to discuss the impact of the capital project activity on the overall financial position of the General Fund. Exhibit 6-9 identifies the debt service (principal and interest) for General Obligation (G.O.) bonds for the years 2000 through 2005. Exhibit 6-10 indicates that there has been 102.29 percentage increase in the resources required for G.O. bond debt service since 2000. This is a significant cost to the Pittsburgh School District that is not effectively addressed in any of the formal budget materials.

**EXHIBIT 6-9
PITTSBURGH SCHOOL DISTRICT
ANALYSIS OF DEBT SERVICE PAYMENTS
2000 THROUGH 2005 FISCAL YEARS**

BUDGET YEAR	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	INCREASE (DECREASE) FROM PRIOR YEAR	% INCREASE (DECREASE) FROM PRIOR YEAR
2000	\$12,790,207	\$14,230,914	\$27,021,121		
2001	\$15,389,324	\$18,973,410	\$34,362,734	\$7,341,613	27.17%
2002	\$32,226,344	\$19,783,692	\$52,010,036	\$17,647,302	51.36%
2003	\$28,422,706	\$16,963,736	\$45,386,442	(\$6,623,594)	(12.74%)
2004	\$29,786,289	\$19,391,360	\$49,177,649	\$3,791,207	8.35%
2005	\$33,654,693	\$21,005,995	\$54,660,688	\$5,483,039	11.15%
Increase Since 2000			\$27,639,567		102.29%

Source: 2002, 2003, and 2005 Budgets, 2002 and 2003 Annual Financial Reports and Finance Division, 2005.

The topic of debt service costs receives scant attention in the 2005 budget document which states the following regarding debt service in the General Fund portion of the budget:

Debt Service provides for the payment of principal and interest on debt incurred to finance construction, renovation and the annual Major Maintenance Program costs.

The total Debt Service costs in 2005 will amount to \$55.5 million, 10.47% of the total projected budget, which continues the School District's favorable debt posture.

This statement is contained in all of the budget documents provided to MGT (2002, 2003, 2004, 2005) with the only differences being the fiscal year, the amount, and the percentage of the total budget. This statement does not address any policies the district

may have regarding the level of debt service or how these costs, which represent an investment, can impact other operating costs incurred by the district.

The section entitled "Capital Projects" in the 2005 budget is summarized as follows:

The following is the 2005/2009 Capital Program. The program sets forth Capital Projects to be accomplished over the next five years. These projects have been identified as a result of Board actions, input from the Facilities Division, recommendations from the Superintendent and Administrators, building condition analysis, safety and code issues, and accessibility/academic/operational needs.

Major Maintenance Projects proposed for 2005 include window and roof replacements, boiler replacements, masonry restoration, ADA elevators, electrical fire alarm and sound system upgrades, cycle painting, restroom renovations, libraries, and related building improvement projects.

Design work, bid and award, or project construction will be progressed for:

<i>Brookline</i>	<i>Peabody</i>
<i>Chartiers</i>	<i>Sterrett</i>
<i>Conroy</i>	<i>Sunnyside</i>
<i>Langley</i>	

The 2005 Program will be comprised of the following:

<i>Long-Term Projects</i>	<i>\$27,625,000</i>
<i>Short-Term Projects</i>	<i><u>12,941,000</u></i>
<i>TOTAL</i>	<i>\$40,566,000</i>

The section also identifies projects planned for each year by school over the five-year period beginning with 2005. What is lacking from this discussion is any reference to the fact that the Capital Program is financed from a separate fund entitled the "Capital Projects Fund." Also missing is any information regarding the funding source for these projects (issuance of G.O. bonds), the fund balance of the Capital Projects Fund, or the impact the ongoing capital program has on the current budget or future budgets. Exhibit 6-10 provides a summary of the financial activities within this fund since 2002.

Exhibit 6-11 identifies the debt service obligations through 2012 as of the 2005 fiscal year.

Exhibit 6-11 indicates that, prior to issuance of any additional bonded debt in future years, the Pittsburgh School District has an obligation to expend approximately \$50 million for debt service through 2008 with declining amounts thereafter, but still with an obligation to expend resources in the range of \$40 million annually thereafter. If the district continues to issue debt in future years as has been done in the past, the amounts for the later years will increase as the debt is structured to even out the debt service obligation over time.

**EXHIBIT 6-10
PITTSBURGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
ANALYSIS OF FINANCIAL POSITION
2002 THROUGH 2005 FISCAL YEARS**

CATEGORY	2002 ACTUAL	2003 ACTUAL	2004 ACTUAL	2005 BUDGET
Beginning Fund Balance	\$54,019,451	\$45,997,683	\$39,599,511	\$29,674,742
Revenues				
G.O. Bond Proceeds	66,389,207	61,376,381	47,299,329	40,566,000
Net Proceeds Refunding Bonds	1,162,025	0	871,982	0
Other Revenues	108,101	12,144	317,819	0
	67,659,333	61,388,525	48,489,130	40,566,000
Expenditures	75,681,101	65,911,302	58,413,899	40,566,000
Transfers Out	0	1,875,395	0	0
Total Expenditures and Transfers	75,681,101	67,786,697	58,413,899	40,566,000
	(8,021,768)	(6,398,172)	(9,924,769)	0
Ending Fund Balance	\$45,997,683	\$39,599,511	\$29,674,742	\$29,674,742

Source: 2002 and 2003 Annual Financial Reports and Finance Division, 2005.

**EXHIBIT 6-11
PITTSBURGH SCHOOL DISTRICT
PROJECTED DEBT SERVICES OBLIGATIONS
2005 THROUGH 2012 FISCAL YEARS**

YEAR	DEBT SERVICE
2005	\$54,660,688
2006	\$52,329,556
2007	\$51,277,499
2008	\$49,950,489
2009	\$48,431,176
2010	\$41,367,213
2011	\$41,292,045
2012	\$38,429,338

Source: Pittsburgh School District, Finance Division, 2005.

RECOMMENDATION

Recommendation 6-11:

Incorporate the long-term impact of the capital projects program as a major component of the long-term budgeting process included in Recommendation 6-10.

Capital needs should be addressed in conjunction with the overall financial position of the Pittsburgh School District. An effective capital improvement program is an important aspect of the overall management of a school district, but if the Pittsburgh School District

is to continue to undertake significant capital improvements on an annual basis, this program should be evaluated in conjunction with the long-term plan for the district.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|----------------|
| 1. The Chief of Budget Development and Management Services should develop a format to incorporate the activities of the Capital Projects Fund, to include the estimated impact of future debt service requirements, into the multi-year budgeting process. | September 2005 |
| 2. The Chief of Budget Development and Management Services should develop information involving capital projects that will identify the status of the Capital Projects Fund to include fund balance estimates. | January 2006 |
| 3. The Superintendent and the Chief of Budget Development and Management Services should include the potential impact of decisions associated with the Capital Projects Fund in the overall budget development process. | February 2006 |
| 4. The Chief of Budget Development and Management should include a discussion of the budget development process for capital projects in the 2006-07 budget document. | July 2006 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Medicaid Reimbursement Program generates in excess of \$2 million annually, but this program is not reflected in any formal financial document which MGT received for the Pittsburgh School District. It is not identified in the budget documents, yet it is included in the category identified as Other Governmental Funds in the Annual Financial Report.

These resources are included on one line of the Statement of Special Funds provided in the Monthly Financial Report, but as noted in Section 6.1.2, this report does not clearly identify the current year activity of this program because the financial system has not been adjusted to allow for this fund to identify annual amounts. The revenues, authorized budget, and expenditures for this program have been aggregated from the period when the current financial system was implemented.

The result of the lack of information on this program is that there is no formal accounting provided that identifies the related operating costs.

RECOMMENDATION

Recommendation 6-12:

Establish a program in the budget document that identifies the activities of the Medicaid Reimbursement Program.

The Medicaid Reimbursement Program generates over \$2 million in revenues for the school district and incurs operating costs that include the salaries and benefits for two employees. This information should be part of the formal budget document for the Pittsburgh School District.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|----------------|
| 1. The Chief of Budget Development and Management Services and the Director of Finance should work together to determine how to include the Medicaid Reimbursement program in the budget. | September 2005 |
| 2. The Chief of Budget Development and management Services should include the Medicaid Reimbursement program in the 2006 budget. | December 2005 |
| 3. The Director of Finance should develop a process to assure the financial reporting for this program is maintained on an annual basis and is consistent with the budget. | December 2005 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The budgets for fund transfers are not clearly identified in the budget document. There is also an issue where a program entitled Professional Educational Services – IU (Object 320) for special education is budgeted in the General Fund as an expenditure, but it is accounted for as a transfer to the Special Education Fund in the Volume 2 budget. This results in a situation identified in the 2003 Annual Financial Report where there is a budgeted amount of \$58,535,533 for Special Programs – Elementary/Secondary while the actual expenditures are identified as \$3,208,562, indicating an underexpenditure for this program of \$55,326,971. This is offset in the section that identifies Transfers Out of the General Fund to Special Funds of \$53,264,857. Programs – Elementary and Secondary has a budget of \$58,535,533, yet in the Annual Financial Report, the expenditures are identified as \$3,208,562. There is also an additional Transfer Out from the General Fund which is not identified.

The issue of fund transfers is further complicated with a budget of \$1,025,000 identified as “Other Fund Transfers” in the 2003 budget while the Annual Financial Report identifies no budget for Transfers Out with actual transfers being \$12,390,249. The

purpose of these transfers is not discussed in the Annual Financial Report nor is there any indication in the budget documents as to what the transfers represent.

RECOMMENDATION

Recommendation 6-13:

Establish a process to assure that the transfers between funds are properly classified in the budget document and that the purpose of the transfers are clearly delineated.

The financial information in the budget and the Annual Financial Report should be consistent and clearly identifiable. If there are to be transfers between funds, these transfers should be budgeted as such and clearly identified if the financial activities of the school district are to be effectively identified and communicated.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Chief of Budget Development and Management Services should work with the Director of Finance to determine how to best provide clear information involving the appropriations for budget transfers. June 2005
2. The Chief of Budget Development and Management Services should include the proper classification for the budget transfers in the 2006 budget. December 2005
3. The Director of Finance should provide information in the "Notes to the Financial Statements" in the Annual Financial Report that identifies the fund transfers and the purpose for each transfer. April 2006

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The staff supporting the budget process consists of 12 employees. These employees are necessary to support the site-based budgeting process and to manage budget documents with differing fiscal years. Employees in this department are also responsible for managing the process for requesting and tracking revenues received from the federal government.

The Maher Duessel Report indicated that 12,000 budget transfers were processed in 2001. Many of these represent transfers that occur within a single department or school. This is an excessive number of budget transfers. The budget transfer process should be reviewed to ascertain if all of the transfers are occurring because of a state statute or because of district operating procedures. If managers are provided the opportunity to

manage, they should not be having to make minor budget adjustments within general categories of expenditures.

The transition to a single fiscal year and revision of the existing budget document will require a number of resources initially; however, once the new process is in place, it should be possible to manage the budget operation of the Pittsburgh School District with fewer resources assigned to the Department of Budget Development and Management Services. This would especially be true if it were possible to revise the process budget amendments.

RECOMMENDATION

Recommendation 6-14:

Reduce the staff of the Budget Development and Management Services Division by at least two positions, once the transition to a new fiscal year and a revised budgeting process has been established.

MGT has performed numerous performance reviews of school districts the size of the Pittsburgh School District and considerably larger, yet very few of them had more than five employees involved in managing the budget. The overall management of grants was often located in the Finance Department or in the instructional areas where the grants were received; thus, there is some justification for a larger than normal staff for the Pittsburgh School District. With the proposed changes, however, it should be possible to reduce the staff by at least two positions.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|---------------|
| 1. The Chief of Budget Development and Management Services should assess the requirements to support the budget process for the Pittsburgh School District after the district has been operating on the new budget period for a year. | January 2007 |
| 2. The Chief of Budget and Development should determine those position that could be eliminated. | February 2007 |
| 3. The Chief of Budget Development and Management Services should prepare the 2007-08 budget to reduce at least two positions from the division. | July 2007 |

FISCAL IMPACT

It will be possible to reduce two positions identified as “other accounting personnel.” based on the amounts budgeted for these positions in the 2005 budget, this should amount to \$159,040. The average salary is \$79,520 including benefits.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Reduce Two Positions in Budget Office	\$0	\$0	\$159,040	\$159,040	\$159,040

6.5 Risk Management

A well-managed school district limits its exposure to financial losses through adequate insurance coverage for district employees, students, and assets. This is typically accomplished through the purchase of insurance. The cost of sufficient insurance coverage has become a significant financial burden for many school districts in recent years. Some insurance coverage is mandatory, such as workers' compensation, and some may be required for contractual reasons, such as fire insurance required under a bond program. Most school districts have a risk management function to monitor losses and evaluate the potential for self-insuring some or all risks.

Effective risk management involves:

- analyzing alternatives to traditional insurance coverage;
- analyzing deductible amounts, co-insurance levels, and types of insurance provided; and
- identifying operational areas where hazardous situations may occur or opportunities for physical property loss may exist in order to minimize exposure for potential losses.

The Pittsburgh School District is self-insured for unemployment compensation, casualty losses, public liability, fire damage, dental, and workers' compensation. The district maintains funds to provide for anticipated losses in the following funds:

- Workers' Compensation Internal Service Fund
- Unemployment Compensation Internal Service Fund
- General Liability Internal Service Fund
- Self-Insurance Dental Fund
- Fire Damage Special Revenue Fund

The district also carries commercial insurance for other risks, including employee performance bonds, comprehensive vehicle insurance, and boiler insurance.

FINDING

The self-insurance funds are not included in the budget documents of the Pittsburgh School District. The Internal Service Funds are funded by charges to other funds; thus, these amounts are budgeted. By excluding these funds from the budget documents, the overall financial impact of these funds is not communicated.

The Fire Damage Fund receives little attention as it is not included in the budget documents and, although the amount, the reserve is included in the footnotes, it is combined with the grants funds in the "Other Governmental Funds" category which is identified as a lump sum in the Annual Financial Report. All of these funds are reported in the monthly reports to the Board of Education.

The financial activity in these funds for the 2002, 2003, and 2004 fiscal years is reflected in Exhibit 6-12.

**EXHIBIT 6-12
PITTSBURGH SCHOOL DISTRICT
ANALYSIS OF SELF-INSURANCE FUNDS
2002, 2003, AND 2004 FISCAL YEARS**

RISK MANAGEMENT FUNDS	2002	2003	2004
Workers' Compensation Internal Service Fund			
Beginning Net Assets	(\$234,090)	(\$902,071)	(\$1,562,170)
Revenue	4,944,012	5,310,539	5,649,742
Expenses	5,611,993	6,970,639	4,238,371
Operating Gain (Loss)	(667,981)	(1,660,100)	1,411,371
Transfers In (Out)	0	1,000,000	0
Change in Net Assets	(667,981)	(660,100)	1,411,371
Ending Net Assets	(\$902,071)	(\$1,562,171)	(\$150,799)
Unemployment Compensation Internal Service Fund			
Beginning Net Assets	\$5,050,641	\$3,173,473	\$1,846,591
Revenues	437,230	297,243	307,959
Expenses	360,263	324,235	368,800
Operating Gain (Loss)	76,967	(26,992)	(60,841)
Transfers In (Out)	(1,800,000)	(1,300,000)	300,000
Change in Net Assets	(1,723,033)	(1,326,992)	239,159
Ending Net Assets	\$3,173,674	\$1,846,481	\$2,085,750
General Liability Internal Service Fund			
Beginning Net Assets	\$324,904	\$1,410,748	\$1,197,253
Revenues	0	0	0
Expenses	714,156	213,495	256,364
Change in Net Assets	(714,156)	(213,495)	(256,364)
Transfers In (Out)	1,800,000	0	0
Ending Net Assets	\$1,410,748	\$1,197,253	\$940,889
Fire Damage Special Revenue Fund			
Beginning Fund Balance	\$3,374,473	\$3,374,473	\$3,374,473
Revenues	0	0	0
Expenditures	0	0	0
Change in Net Assets	0	0	0
Transfers In (Out)	0	0	0
Ending Fund Balance	\$3,374,473	\$3,374,473	\$3,374,473

Source: Pittsburgh School District, Finance Division, 2005.

Exhibit 6-12 indicates that, with the exception of the Fire Damage Fund, there is significant financial activity that takes place in these funds on an annual basis. The expenses associated with these funds are not identified in any of the formal documents of the Pittsburgh School District. The transfers in and out of these funds are not based on any formal policy or procedure, as there are no Board of Education policies on the appropriate level of reserves to maintain for these funds.

RECOMMENDATION

Recommendation 6-15:

Include the Fire Damage Special Revenue Fund and the Internal Service Funds used to account for the risk management activities in the budget document.

Risk Management activities taking place in the Pittsburgh School District represent significant financial resources that, if not managed effectively, can result in significant long-term financial obligations for the district.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|----------------|
| 1. The Chief of Budget Development and Management Services should establish a separate section in the budget to report on the activities of the self-insurance program. | September 2005 |
| 2. The Director of Finance should provide the necessary information to include in the new section for the self-insurance funds. | October 2005 |
| 3. The Director of Finance should ensure that the 2006 budget includes the new section for the self-insurance funds. | January 2006 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Pittsburgh School District adopted an Accident and Illness Prevention Philosophy Statement in 1998. A comprehensive review of workers' compensation was completed in 2002 where the district achieved a score of 54 of 100 points. The position of Risk Manager was created and filled in 2003, leading to the development of a formal accident and illness prevention program in that same year.

The Pittsburgh School District now has a Safety Committee that produces a bi-monthly safety newsletter, and numerous formal safety training programs have been implemented. A follow-up review of the workers' compensation program resulted in a score of 92 of 100 points. The district has implemented a Call Center for first notice of injury wherein the employee or their supervisor is responsible for calling to report the work injury as soon as it has occurred. As in other areas of the Finance Division, a detailed procedures manual for workers' compensation has been developed.

COMMENDATION

The Finance Division is commended for developing an effective safety program and improving the management of the workers' compensation program.

FINDING

The Board of Education receives a monthly report that identifies the workers' compensation payments made by payee and pay period during the month, and includes the cumulative expenditures for the program. This information is reported on a July through June fiscal period as this is the reporting period for the state; thus, it will not coincide with the expenditures identified in the Annual Financial Report.

This report is helpful, but it does not provide information involving the status of current claims, nor does it provide current claims information by organizational unit. If the Board of Education is to understand the annual financial impact of workers' compensation, there should be some reporting of current year activity and costs compared with previous years to identify the progress being made in this area. This would include identifying the number of claims related to the number of employees in various work groups, as well as providing an analysis of claims based upon severity and a determination of the average cost per claim. The Pittsburgh School District also has an administrative cost for managing this program and the administrative cost as a percentage of claims processed should be identified.

RECOMMENDATION

Recommendation 6-16:

Prepare an annual report to be presented to the Board of Education that provides multi-years claims information.

The Pittsburgh School District has developed an excellent workers' compensation program; however, the progress and savings being achieved with this program is not being effectively communicated to the Board of Education. The preparation of an annual report which is organized in a manner that will communicate the results of current safety activities will provide a clearer picture of the effectiveness of the program. This information should be developed by each organizational unit in conjunction with safety activities that have occurred at each organizational unit.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Director of Finance should direct the Risk Manager to develop an annual reporting for the workers' compensation program. June 2005
2. The Risk Manager should develop a draft annual report to be reviewed by the Director of Finance. August 2005
3. The Director of Finance should review and revise the draft workers' compensation report as necessary, and prepare a final report. September 2005
4. The Director of Finance and the Risk Manger should present the annual report of workers' compensation to the Board of Education. Fall 2005

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

There are a number of old workers' compensation claims that are being paid by the Pittsburgh School District. Exhibit 6-13 identifies the outstanding claims by year and identifies the annual cost being incurred by the Pittsburgh School District for claims filed prior to the year 2000.

**EXHIBIT 6-13
PITTSBURGH SCHOOL DISTRICT
ANALYSIS OF OUTSTANDING CLAIMS
1976 THROUGH 2003**

YEAR(S)	NUMBER OF CLAIMS	PERCENT OF TOTAL	ANNUAL EXPENDITURES
1976 - 1989	18	35.29%	\$206,270
1990 - 1995	11	21.57%	179,852
1996 - 1999	8	15.69%	141,866
Total 1976-1999	37	72.55%	\$527,988
2000	6	11.76%	
2001	3	5.88%	
2002	1	1.96%	
2003	4	7.84%	
Total 2001-2003	14	27.45%	
Total Claims	51	100.00%	

Source: Finance Division Records, 2005.

Since 2003, the Pittsburgh School District has executed 19 compromise and release agreements whereby they have settled old claims with a one-time payment. These are some of the costs included in Exhibit 6-12. Three of these claims are from the 1990s, 1980s, nine were from the 1990s, and the remaining eight were incurred between 2000 and 2002.

The Board of Education approved a process to pre-qualify insurance companies to quote on all opened, reopened and incurred but not reported claims against the district for a specific period of time to be determined. This approach will identify the cost to the Pittsburgh School District to buy out these claims.

The current claims filed prior to the year 2000 are costing the Pittsburgh School District over \$500,000 per year. A buyout of these claims could reduce this obligation to old claims and reduce the annual costs associated with these claims. The key to this process is to understand the payback period of the investment.

RECOMMENDATION

Recommendation 6-17:

Enter into a process to select an insurance company to buy out the older workers' compensation claims and evaluate the potential of transferring these claims to an insurance company.

The buy out of the older workers' compensation claims has the dual benefit of reducing long-term operating costs and reducing the claims to be managed by the Pittsburgh School District Risk Management staff.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|--------------|
| 1. The Director of Finance should follow through with the process of prequalifying insurance companies to submit proposals on the buy-out of older workers' compensation claims. | June 2005 |
| 2. The Director of Finance should receive proposals from the insurance companies and undertake a financial analysis that will include the time value of money to determine the payback period for the district. | August 2005 |
| 3. The Director of Finance should recommend moving forward with the buy out if it is advantageous to the district. | January 2006 |

FISCAL IMPACT

Action on this recommendation would result in a long-term savings to the Pittsburgh School District; however, it is not possible to determine the ultimate impact until proposals are received.

FINDING

One of the programs within the Risk Management Department involves pest management. The Pittsburgh School District has been recognized by the Environmental Protection Agency as one of 15 organizations nationwide providing outstanding leadership in protecting children from environmental risks. The district was recognized for the Integrated Pest Management Program that has been awarded a Star Certificate by IPM Star, an organization that recognizes and rewards those organizations that meet a high standard of integrated pest control.

Legislation was passed in 2003 that requires all Pennsylvania public schools to provide notification to parents, students and teachers in advance of pesticide applications, and requires schools to adopt an IPM plan to manage their pest problems both in and out of the classroom. Pesticides are not applied when students, teachers, or staff are present in the affected areas.

The Pittsburgh School District has established an IPM subcommittee of the safety committee to address the issue of managing pest control activities. The program achieved a score of 88 percent in the review by the IPM Institute. A score of 70 percent or above is required to receive the Star Certification.

COMMENDATION

The Finance Division is commended for establishing an IPM subcommittee and providing a program that deals effectively with the use of pesticides.

**7.0 PURCHASING,
WAREHOUSING, AND CONTRACT
MANAGEMENT**

7.0 PURCHASING, WAREHOUSING, AND CONTRACT MANAGEMENT

This chapter reviews the purchasing, warehousing, inventory control, and contract management of the Pittsburgh School District. The organization of this chapter is divided into the following four sections:

- 7.1 Purchasing
- 7.2 Surplus Warehousing/Transportation
- 7.3 Delivery Services
- 7.4 Contract Management

7.1 Purchasing

Purchasing is one of the most highly specialized activities in school business administration. Purchasing includes activities related to obtaining materials, supplies, and equipment that are required to operate schools and serve educational programs. Purchasing has become a major function in educational resource management. This function involves the expenditure of a great deal of funds and requires adherence to principles and methods of good management.

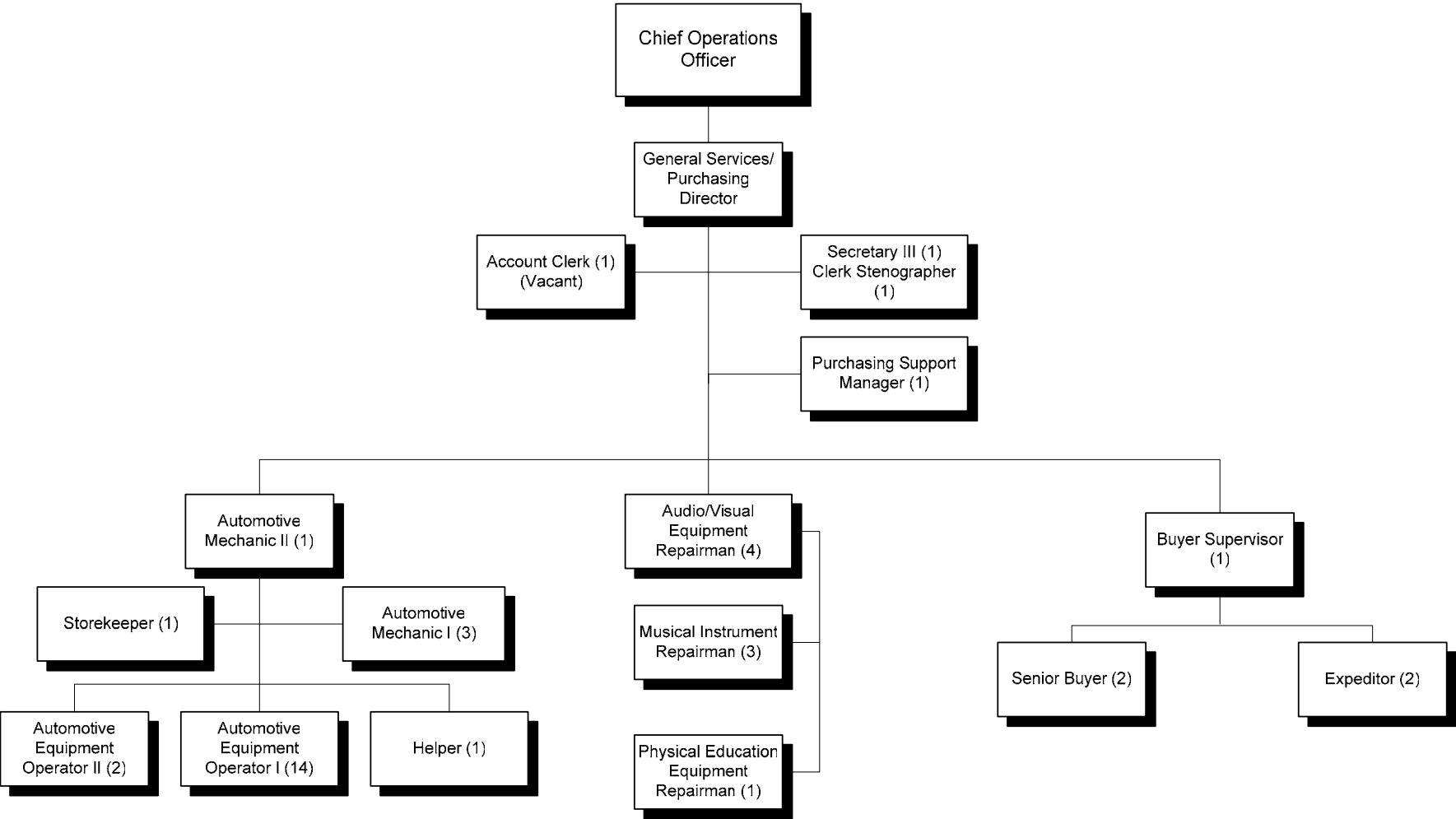
Exhibit 7-1 illustrates the current organizational structure of the Department of General Services, Division of Purchasing within the Pittsburgh School District. As can be seen, the Director of General Services/Purchasing reports to the Chief Operations Officer, who reports to the Superintendent. The General Services/Purchasing Office is responsible for:

...purchasing, truck transportation, surplus property warehousing, several equipment repair shops (audio-visual, musical instruments, physical education equipment and telephone systems) and mail distribution. The Director of General Services/Purchasing is the designated purchasing agent for the school district.

The Director of General Services/Purchasing heads the department and is the designated purchasing agent for the Pittsburgh School District. The Director of General Services/Purchasing is responsible for:

...the overall operation of the materials management function within the Pittsburgh School District. The Director oversees the staff in the equipment repair shops, purchasing, warehouse and truck transportation sections of the Pittsburgh School District. Purchasing responsibilities include standard classroom furniture and telephone systems.

**EXHIBIT 7-1
CURRENT ORGANIZATIONAL STRUCTURE OF
THE DEPARTMENT OF GENERAL SERVICES/PURCHASING
PITTSBURGH SCHOOL DISTRICT
2004-05 SCHOOL YEAR**



Source: Pittsburgh School District, Department of General Services/Purchasing, 2005.

The major duties of the Director of General Services/Purchasing includes, but are not limited to:

- ensure the prompt and efficient delivery of goods and services;
- ensure that the procurement of goods and services is in conformance with Pennsylvania law and Board of Education Policies and Regulations; and
- analyze and evaluate procurement processes to ensure sound principles and methods of good financial management for the school system.

There are three sections in the Department of General Services/Purchasing. They are Purchasing, Surplus Warehouse/Transportation (which includes the garage and mail distribution), and Equipment Repair. Reporting directly to the General Services/Purchasing Director is a Purchasing Support Manager, a Secretary III, an Account Clerk (vacant), a Clerk Stenographer, a Buyer Supervisor, an Auto Mechanic II, three music repair technicians, one physical education repair technician and four A/V telephone technicians.

The Purchasing Section is supervised by a Buyer Supervisor. The Buyer Supervisor is responsible for the day-to-day operations of the section. Position descriptions were not available for most of the Department of General Services/Purchasing. However, typical functions of the Buyer Supervisor are to be:

...accountable for ensuring that recommendations for the purchase of and/or disposal of goods, services and equipment in assigned categories are made based upon sound information and are processed in an accurate and efficient manner.

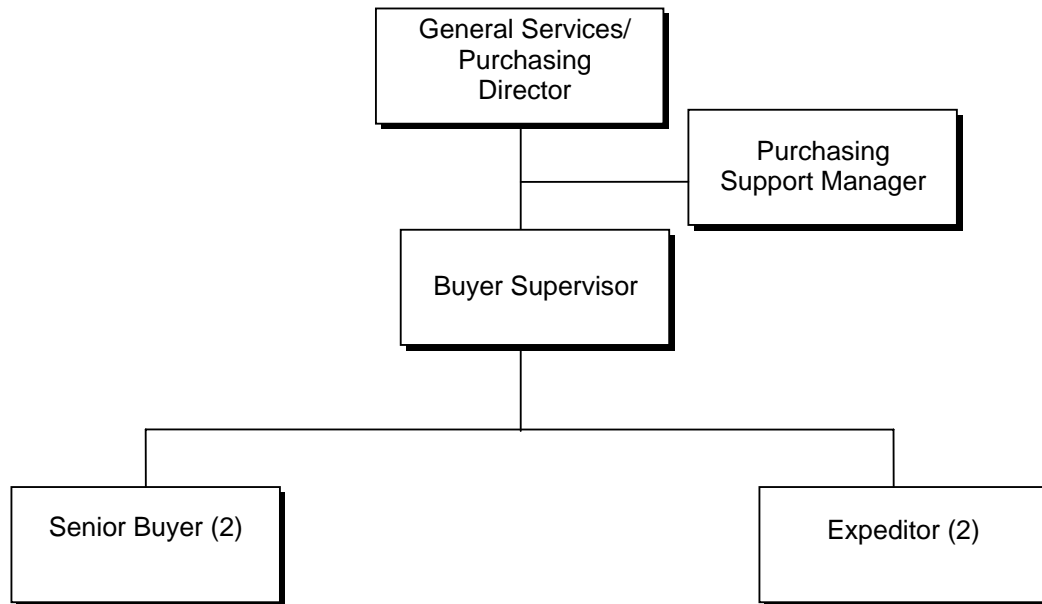
Exhibit 7-2 illustrates the current organization of the Purchasing Section within the Department of General Services/Purchasing.

The Buyers oversee the purchasing function in the school district. The main function of the Buyers are to ensure that requisitions for assigned categories of goods and services are processed in a timely manner within established purchasing policies and procedures. A sample of the major duties of a Buyer includes, but is not limited to:

- purchasing goods, services and equipment of assigned categories for the school system, including negotiating contracts for the procurement of certain goods and services;
- assisting in developing specifications that are descriptive yet sufficiently broad to promote competitive bidding and reduce the chance of errors;
- conducting such tests and analyses as may be necessary to assure compliance with specifications;

- maintaining up-to-date files of responsible bidders to assure getting the best prices available consistent with quality, service and timely delivery;
- seeking and offering assistance to minority vendors to achieve maximum participation;
- preparing formal bids and written requests for price quotations that are explicit in requirements and specifications and are as accurate as possible;
- tabulating, evaluating, selecting, and recommending the best bid meeting specifications (All bid data are considered confidential until the time specified); and
- preparing recommended Board of Education reports for those purchases requiring Board of Education approval.

**EXHIBIT 7-2
CURRENT ORGANIZATIONAL STRUCTURE OF
THE DIVISION OF PURCHASING
2004-05 SCHOOL YEAR**



Source: Pittsburgh School District, Department of General Services/Purchasing, 2005.

An efficient procurement system responds effectively to the needs of its users. Purchasing is an essential function in the Pittsburgh School District in that instructional materials, supplies, and equipment necessary for the delivery of educational services must be procured in the most efficient and cost effective way possible.

The results of MGT's survey of central office administrators, principals, and teachers indicated a need for improvement in the purchasing operation of the school district. Of the central office administrators responding to the survey, 38 percent of the respondents indicated that purchasing *needs some or major improvement* and 47 percent stated that the purchasing function was *adequate to outstanding*. Principals and teachers had similar views. Over half of the principals (54 percent) and 36 percent of teachers indicated that the purchasing function *needs some or major improvement*; whereas only 39 percent of the principals and 25 percent of the teachers felt the purchasing function was *adequate to outstanding*.

The Purchasing Section issues both purchase orders and bids for the procurement of materials, supplies, and services. Exhibit 7-3 illustrates the guidelines for procurement policies by dollar threshold.

**EXHIBIT 7-3
PITTSBURGH SCHOOL DISTRICT
DIVISION OF PURCHASING
PURCHASING DOLLAR VALUES AND PROCEDURES**

DOLLAR VALUE OF PURCHASE	PURCHASING PROCEDURE
Below \$4,000	Small Purchases – Request for Quotation. Verbal or written quote required
Between \$4,000 and \$10,000	Small Purchases – Request for Quotation. Minimum of three written quotes required.
\$10,000 and greater	Sealed Competitive Bidding – Request for Bid. Must obtain Board approval.
Purchase orders between \$5,000 and \$10,000	Must obtain Board approval before purchase order can be issued.

Source: Pittsburgh School District, Department of General Services/Purchasing, April 2005.

The Pittsburgh School District operates a decentralized purchasing system to order goods and services. Records provided to MGT indicate that the Pittsburgh School District's Purchasing Division processed 14,363 purchase orders in calendar year 2004. Exhibit 7-4 shows the number of requisitions processed over the last three years. These numbers are based on the number of purchase orders processed through the PeopleSoft purchasing system since the "go live" date in August 2003.

As can be seen, the Purchasing Division processes an average of approximately 12,389 purchase orders a year for the 2003 through 2005 calendar years.

**EXHIBIT 7-4
PURCHASING DIVISION
PURCHASE REQUISITIONS PROCESSED**

CALENDAR YEAR	NUMBER OF PURCHASE ORDERS PROCESSED
2003	4,226*
2004	14,363
2005	2,576**
Average	12,389***

*Number of purchase orders processed from August 4– December 31, 2003

**Number of purchase orders processed from January 1 – April 14, 2005

***Total number of purchase orders processed divided by 20.5 months times 12

Source: Pittsburgh School District, Office of Technology, 2005.

7.1.1 Purchase Requisitions/Orders

FINDING

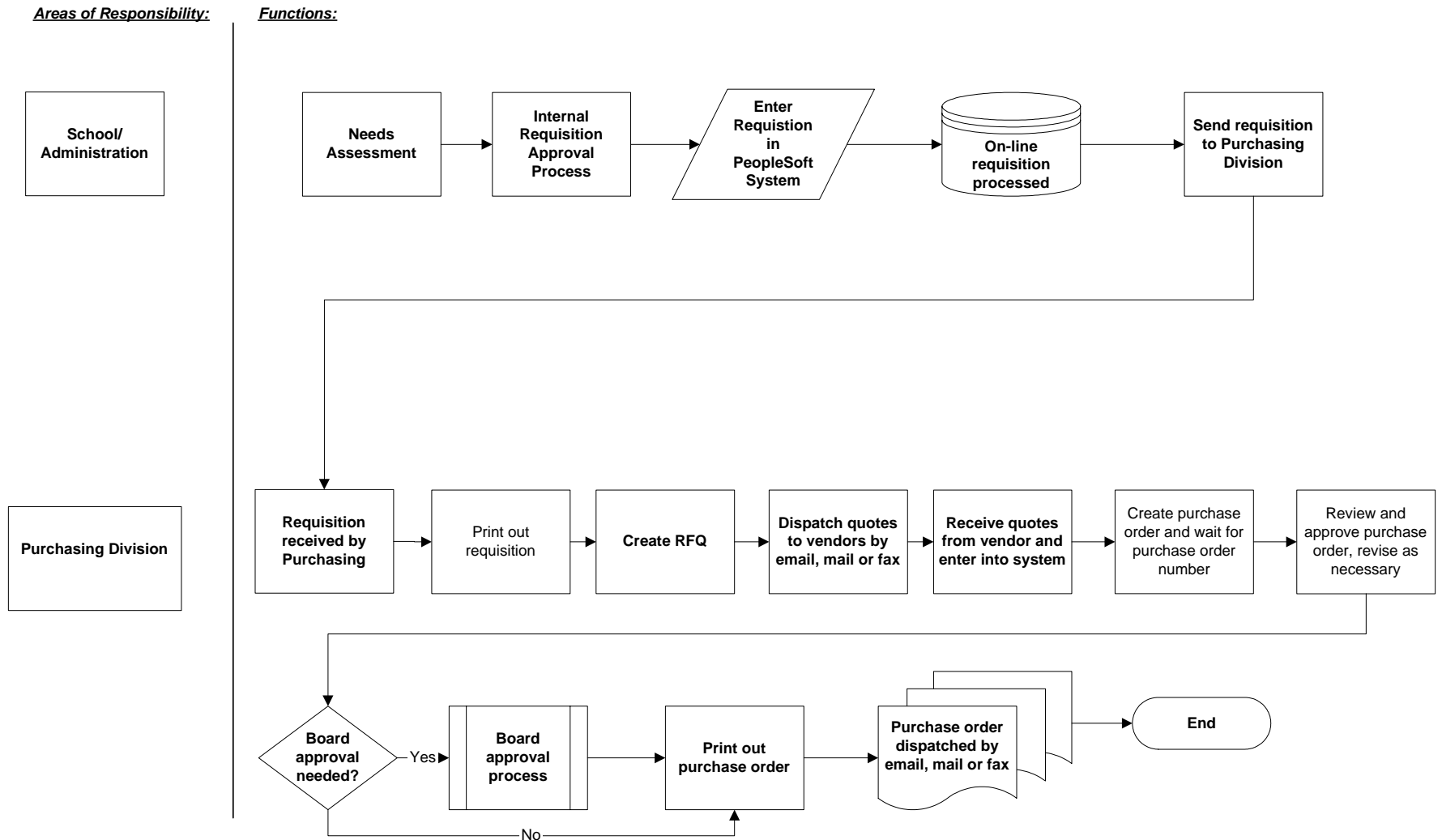
The Division of Purchasing uses a PeopleSoft automated purchasing module. This module is Web-based and integrated into the PeopleSoft financial accounting system, version 8.4. The purchase requisition/purchase order process is completed on-line. Exhibit 7-5 outlines the process below:

- the school electronically enters the purchase requisition data into the PeopleSoft system; and
- the purchasing requisition is sent electronically to the Purchasing Department for processing.

The Purchasing Division:

- receives the purchasing requisition. There are three types of requisitions: Ad Hoc, Item I.D. and Maintenance Agreement;
- prints out the purchase requisition;
- create a Request for Quotes (RFQ);
- dispatches quotes to vendor;
- receives and enters vendor quotes into system;

**EXHIBIT 7-5
PITTSBURGH SCHOOL DISTRICT
PURCHASE ORDER PROCESS**



Source: Created by MGT, 2005.

- validates the price to be paid, including any related fees, in accordance with state law and Board policy;
- awards quote electronically to a vendor;
- obtains Board approval when required;
- creates the purchase order and wait for a purchase order number to be created;
- reviews and approves the purchase order (revise, if necessary);
- prepares the purchases order the next day; and
- dispatches the purchase order to the vendor by e-mail, mail or fax.

COMMENDATION

The Pittsburgh School District is commended for using an automated on-line purchase requisition and purchase order system. This process expedites the process of requesting and receiving instructional supplies.

FINDING

The Pittsburgh School District operating procedures manual, *Purchasing Policies and Procedures Manual*, is a document that was developed to guide the Purchasing Division and its customers in delivering and using procurement services. This document is in need of revision. The document is on the Web site and was recently updated with the new Board policy.

However, based on an analytical review of this document, a review of Board policies, and various analyses of processes and procedures, MGT found that revisions are needed to reflect current operations, enhance communications, and improve the effectiveness and efficiency of the Purchasing Department.

RECOMMENDATION

Recommendation 7-1:

Revise the *Purchasing Policies and Procedures Manual* to reflect current policies and procedures.

Revisions necessary to reflect the current procedures and guidelines should be made expediently to prove a useful reference to Purchasing Department staff, end users, and other stakeholders on the procurement operations of the school system.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Director of General Services/Purchasing should analyze the manual for comprehensive revisions and obtain documented input from users. July 2005

- | | |
|--|----------------|
| 2. The Director of General Services/Purchasing should draft a proposed manual with comprehensive revisions for review by the Chief Operations Officer. | August 2005 |
| 3. The Chief Operations Officer should review the proposed draft and supporting documentation, and make recommendations for revisions and improvement. | September 2005 |
| 4. The Purchasing Department should make the manual available and train district employees on the updated policy and procedures manual. | October 2005 |
| 5. The Director of General Services/Purchasing should revise the policy and procedures manual on a periodic basis as necessary. | Ongoing |
| 6. The Chief Operations Officer should monitor the revision process on a periodic basis as necessary to ensure timely revisions at least every five years. | Ongoing |

FISCAL IMPACT

This recommendation can be implemented within existing resources.

FINDING

The purchasing process in the Pittsburgh School District is an automated process from the purchase initiation activity (purchase requisition) through the creation of the purchase order. However, there is a major concern about bottlenecks in the purchasing process and the length of time it takes to process purchase orders.

Specifically, 50 percent of administrators, 44 percent of principals and 49 percent of teachers who completed MGT's survey indicated that major bottlenecks exist in many administrative processes that cause unnecessary time delays. On-site interviews with purchasing staff and managers unanimously concluded that improvements are needed in the PeopleSoft for greater efficiency in the purchasing process. At the time of the review, users were unable to track requisitions and had to call the Purchasing Office to obtain the status of an outstanding requisition. This tracking problem is currently being addressed through an upgrade of the Pittsburgh School District's automated purchasing system.

A review of various data relating to requisition/purchase orders indicated a wide range in processing time. Twelve (12) randomly selected individual requisitions were identified as the sample size for detailed review and analysis of processing times. Exhibit 7-6 illustrates the processing timeline for the sample purchase orders randomly selected. This analysis shows an average processing time of 5.7 calendar days to process a purchase requisition. The industry standard for processing requisitions in automated purchasing systems is approximately 2-3 business days.

**EXHIBIT 7-6
REQUISITION/PURCHASE ORDER PROCESSING TIME
FOR RANDOMLY SAMPLED ITEMS
APRIL 2005**

PURCHASE REQUISITION NUMBER	PURCHASE REQUISITION DATE	PURCHASE ORDER DATE	NUMBER OF DAYS TO PROCESS
16856	10/28/2004	11/4/2004	7
12169	7/1/2004	7/7/2004	6
16916	10/29/2004	11/5/2004	7
11563	6/22/2004	6/22/2004	0
16457	10/14/2004	11/3/2004	20
18946	1/20/2005	1/24/2005	4
12924	7/26/2004	7/27/2004	1
8064	4/20/2004	4/23/2004	3
5983	3/9/2004	3/17/2004	8
15712	10/8/2004	10/11/2004	3
12549	7/14/2004	7/16/2004	2
18455	12/23/2004	1/5/2005	13
Average Processing Days			5.7

Source: Created by MGT, Department of General Services/Purchasing Records, April 2005.

COMMENDATION

The Pittsburgh School District is commended for acquiring and implementing an automated purchasing system.

RECOMMENDATION

Recommendation 7-2:

Establish communication protocols and feedback between the Purchasing Division and the requestors to resolve issues relating to problem purchase requisitions.

Improvements are needed in the areas of communication protocols, feedback, and follow-up when requestors and Purchasing employees need to resolve problems with purchase requisitions. Many times processing delays are related to issues with pricing updates, item availability, or a clear understanding of how the system works. Timely communication and feedback between the two parties will expedite problem resolution and lead to improved processing efficiencies.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Director of General Services/Purchasing should meet with the Chief Operations Officer to discuss breakdowns in communications with user departments and schools. August 2005

- | | |
|---|------------------------------|
| 2. The Director General Services/Purchasing should establish a time frame to develop or revise communication protocols and feedback procedures. | September 2005 |
| 3. The Director of General Services/Purchasing should develop or revise communication protocols and feedback procedures. | October 2005 |
| 4. The Director of General Services/Purchasing should ensure that training is provided to all users regarding the new and revised procedures. | October 2005 |
| 5. The Director of General Services/Purchasing should ensure that all users implement new and revised procedures. | November 2005 |
| 6. The Director of General Services/Purchasing should monitor the communication protocol and feedback procedures and revise as necessary. | December 2005
and Ongoing |

FISCAL IMPACT

This recommendation can be implemented within existing resources.

FINDING

The Purchasing Department is in the process of implementing a new purchasing system called e-Procurement. The features in this new system will greatly enhance the purchasing process. Schools and end users will have a new way to requisition supplies and educational materials from contract vendors. The first module to be implemented is called "direct connect." Schools will be able to access contract vendor's computerized catalog ordering sites and actual prices. These prices and catalog descriptions can then be imported directly into the PeopleSoft requisition. Currently, there are two vendors with connectivity, Corporate Express and Lakeshore Learning. The number of vendors is expected to reach 12, under the terms of the initial contract. At the time of MGT visit, PeopleSoft was experiencing a connectivity problem with various vendors and system "slow down" times. The Technology Office is working with PeopleSoft regarding the "slow down" times as well as updating the system at 3:00 p.m. instead of at night.

The next phase of e-Procurement is called e-Supplier Connect. This module will allow vendors access through a software "portal" to enter responses for price quotes directly into the Pittsburgh School District's PeopleSoft system. This change will eliminate the need for buyers to receive hard copies of vendor price quotes, and then keypunch the data into the PeopleSoft system.

The final phase under this e-Procurement contract is called Strategic Sourcing—an electronic sealed bid system. Vendors will be able to directly enter their bid responses into the Strategic Sourcing software for automated bid evaluations and tabulations.

COMMENDATION

The Pittsburgh School District is commended for acquiring and implementing a robust e-Procurement System.

RECOMMENDATIONS

Recommendation 7-3:

Fully implement the e-Procurement System and continue to work to resolve vendor connectivity and system slow down issues.

The Pittsburgh School District purchased an e-Procurement package for the PeopleSoft System about two years ago for approximately \$600,000, including system implementation. Issues with PeopleSoft and the Office of Technology need to be addressed in order to fully implement the e-Procurement modules.

Recommendation 7-4:

Increase the number of vendors to the maximum of twelve (12) for the “direct connect” phase.

Under the terms of the initial contract, a total of 12 vendors are scheduled to be connected to the PeopleSoft system for electronic catalog interfacing. At the time of the review, there were only two vendors with connectivity, Corporate Express and Lakeshore Learning. These vendors provide office supplies and educational supplies, respectively.

PeopleSoft and the district are working diligently to resolve connectivity problem with several of the remaining vendors (e.g. School Specialty). The addition of the remaining vendors will significantly increase the availability of educational supplies and materials through electronic cataloging; and reduce the district's dependency of using paper catalogs to order supplies and educational materials. By the end of summer, the remaining vendors should be connected to the PeopleSoft system and be accessible by district schools and staff.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-------------|
| 1. The Director of General Services/Purchasing, the Director of Information Technology, and the Chief Operations Officer should meet to discuss the current status of the implementation of the PeopleSoft e-Procurement Software package. | July 2005 |
| 2. The Director of General Services/Purchasing, PeopleSoft representative and the Director of Information Technology should review the established time frame for module implementation to determine if revisions are needed, and revise, as necessary. | August 2005 |

- | | |
|---|-------------------------------|
| 3. The Director of General Services/Purchasing should ensure that the schedule for Phase One, Direct Connect is adhered to and provided updates to the Chief Operations Officer. | September 2005 |
| 4. The Director of General Services/Purchasing should monitor the implementation of the other two modules, "e-Supplier Connect" and "Strategic Sourcing" related to the e-Procurement package of the PeopleSoft System. | September 2005
and Ongoing |

FISCAL IMPACT

The implementation of the above recommendation can be implemented within existing resources. The Pittsburgh School District have already paid for this e-Procurement technology package in previous budget years. Significant efficiencies can result due to full implementation of the system.

FINDING

The Pittsburgh School District implemented a site-based management approach years ago that allows schools to make purchases less than \$500 through the use of their petty cash fund. The district implemented a procurement card program in 2001. The procurement card replaced the school-level practice of using petty cash for small purchases.

Goods and services not to exceed \$500 per transaction may be purchased and paid for using a procurement card. Monthly limits, normally about \$5,000, are placed on each user, and each card is tied to a separate account. Each card's purchasing authority is based on trade or merchant group (i.e., custodial, home economics, auto repair, carpenter). These accounts must be reconciled monthly at the school level by designated personnel. Itemized receipts are attached to a monthly log and audited periodically by the Internal Audit Department.

There are approximately 1,000 cards in use. It is up to the school's principal to determine the number of cards issued and to whom the cards are issued. Procurement card purchases total approximately \$400,000 per month or \$4.8 million a year.

RECOMMENDATION

Recommendation 7-5:

Increase the procurement card single transaction limit to purchases less than \$1,000.

The Pittsburgh School District should take steps to increase the single transaction limit to \$1,000. This action will increase school-level purchasing power and reduce the number of smaller purchase orders that must be processed.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|----------------|
| 1. The Chief Operations Officer should direct the Director of General Services/Purchasing to explore the feasibility of increasing the purchasing limits for procurement cards. | July 2005 |
| 2. The Director of General Services/Purchasing, the Information Technology Director, and the Director of Finance should meet to determine feasibility and implementation plan. | July 2005 |
| 3. The Chief Operations Officer should approve the request. | August 2005 |
| 4. The Director of General Services/Purchasing should initiate activities to implement change (i.e., Board approval, system changes, policy changes, etc.). | August 2005 |
| 5. The Director of General Services/Purchasing should revise procedures for the new procurement card limits. | September 2005 |
| 6. The Director of General Services/Purchasing should implement new procurement limits. | October 2005 |

FISCAL IMPACT

The recommendation can be implemented with existing resources.

FINDING

Given the previous recommendations and the implementation of a fully automated e-Procurement System, the need for six dedicated employees (a buyer supervisor, four buyers and purchasing support manager) is not evident. According to the information presented in Exhibit 7-4, over the last three years purchasing employees are processing an average of 12,389 purchase requisitions/orders a year. This equates to about 2,065 per employee, which is low compared to industry standards. In 2004, the number of purchase orders processed per Pittsburgh School District purchasing staff varied from a low of 1,270 to a high of 3,435. The ratio of employees directly involved in purchasing activities is high considering the office output and productivity.

RECOMMENDATION

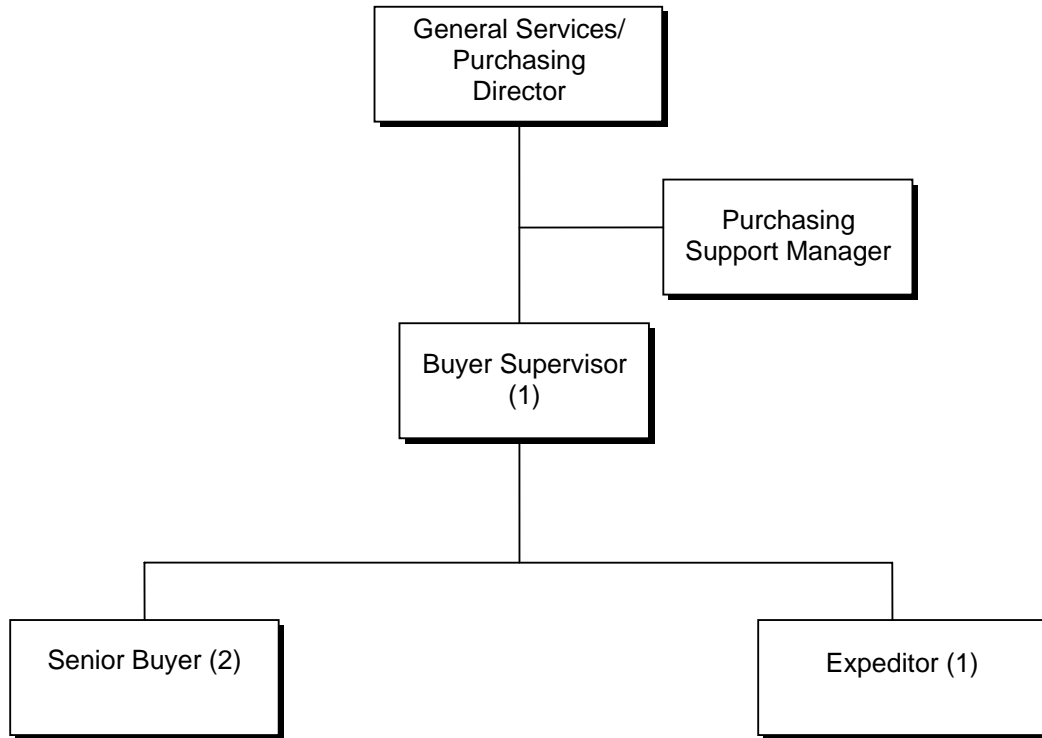
Recommendation 7-6:

Eliminate one Expeditor position.

By implementing the previously stated recommendations, the workload for Purchasing would dramatically decrease. Additionally, under the revised procurement card program, buyers would see a decline in purchase orders below \$1,000. Therefore, MGT recommends that the Pittsburgh School District reduce the number of Expeditor positions by one. The recommended change should be implemented the second half of the 2006-07 academic school year.

Exhibit 7-7 shows the recommended organization structure for the Purchasing Division.

**EXHIBIT 7-7
RECOMMENDED ORGANIZATIONAL STRUCTURE
PURCHASING DIVISION**



Source: Created by MGT of America, April 2005.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Superintendent should direct the Chief Operations Officer to take steps to delete one position in the Division of Purchasing August 2005
2. The Chief Operations Officer should meet with the Director of General Services/Purchasing to establish a schedule to delete one Expeditor from the Purchasing Division and submit through the Superintendent to the Board for approval. October 2005
3. The Director of General Services/Purchasing and the Purchasing Support Manager should develop a schedule and reassign duties to remaining staff to effect the change in staffing. December 2005

- 4. The Superintendent should approve the one position deletion. February 2006
- 5. The Director of General Services/Purchasing should eliminate one position. July 2006

FISCAL IMPACT

By eliminating one Expeditor position as recommended, the Pittsburgh School District will save a total of \$197,652 over five years, based upon an average annual salary of \$49,413 (\$38,010 salary plus 30 percent benefits).

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Eliminate One Expeditor Position	\$0	\$49,413	\$49,413	\$49,413	\$49,413

7.1.2 Bids

A sealed competitive bid process is required anytime the estimated total cost of goods or services is more than \$10,000. Additionally, the Board of Education must approve any purchase order or contract that exceeds \$5,000 for non-school-based budgets. Over the last three fiscal years, the Department of General Services/Purchasing has issued an average of 101 bids per year. Exhibit 7-8 displays the number of bids processed over the last three years.

**EXHIBIT 7-8
PITTSBURGH SCHOOL DISTRICT
BIDS PROCESSED FOR
THE 2002, 2003, AND 2004 FISCAL YEARS**

FISCAL YEAR	BIDS PROCESSED
2002	100
2003	108
2004	95
Average	101

Source: Pittsburgh School District, Department of General Services/Purchasing, 2005.

FINDING

A review of five sample bids found the presence of bottlenecks in the bid/requisition process. The bid process occurs in the following manner:

- A request for bid is completed by school personnel and approved by the principal.
- The request is entered into the PeopleSoft System.
- If necessary, funding approval will be requested by the fund manager. If approved, it is sent to the Finance Department for

approval. If not, the request is denied and returned to the requestor for problem resolution.

- After approval, the request is sent to the Director of General Services/Purchasing. The Director instructs the Clerk Stenographer to advertise the request for bid in the newspapers.
- The Clerk Stenographer faxes or e-mails the ads to three publications: the *Pittsburgh Post Gazette*, the *Tribune Review and the Pittsburgh Courier*.
- Vendors are identified, mailing labels are produced, and bid packets are prepared.
- The bid package is sent to the Business Opportunity Program (BOP) for review and approval.
- Bid packages are then mailed out to the identified vendors.
- Once the bids are returned, they are date stamped and logged into a manual log and filed until bid opening.
- After bid opening, the bids are tabulated from the lowest to the highest. The tabulations are then given to the Director to make a recommendation to the Board.
- The recommended award is sent to BOP for compliance review and approval.
- The bid tabulation is sent to the Board for approval. Once the Board approves the bid selection, it is returned to the Purchasing Support Manager.
- The Purchasing Support Manager creates and prints the purchase order.

The average time for a purchase order to be issued from the date of Board approval is 46.3 days or approximately seven weeks. Additionally, it takes approximately 15.5 weeks or an average of 109 days from the date of requisition until the purchase order is issued. Exhibit 7-9 illustrates time elapsed in stages.

RECOMMENDATION

Recommendation 7-7:

Streamline the bid process by eliminating unnecessary steps involving the processing of purchase orders.

**EXHIBIT 7-9
ELAPSED TIME FOR BID PROCESS IN THE
PITTSBURGH SCHOOL DISTRICT**

SAMPLE BID	PURCHASE REQUISITION DATE	BOARD APPROVAL DATE	PURCHASE ORDER DATE	DAYS BETWEEN BOARD APPROVAL AND PURCHASE ORDER	DAYS BETWEEN PURCHASE REQUISITION AND PURCHASE ORDER
Bid 1	7/15/04	9/22/04	1/7/05	107	176
Bid 2	9/13/04	11/23/04	11/23/04	71	71
Bid 3	8/24/04	1/26/05	1/27/05	1	156
Bid 4	5/27/04	6/22/04	6/28/04	6	32
Bid 5	n/a	n/a	n/a	n/a	n/a
Average Days to Process				46.3	108.8

Source: Created by MGT from Department of General Services, Purchasing Records, April 2005.

The bid process should be streamlined to reduce the amount of time necessary to complete the process. The new e-Procurement system discussed in Recommendation 7-3 should resolve most of the processing delays. However, until this automated solution is implemented, the Director of General Services/Purchasing and the Purchasing Support Manager should review and identify time efficiencies that could be implemented in the processing of bids.

One area to review should be the necessity of routing all Board-approved bids and purchase orders to the Purchasing Support Manager. These purchase orders should be routed back to the buyer responsible for maintaining the purchase order.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|----------------|
| 1. The Director of General Services/Purchasing and the Purchasing Support Manager should review the bid process to determine timesaving efficiencies. | July 2005 |
| 2. The Director of General Services/Purchasing should ensure that timesaving efficiencies are written into the bid process. | July 2005 |
| 3. The Director of General Services/Purchasing should meet with the Purchasing Support Manager and the Buyer Supervisor to determine the feasibility of routing all Board approved purchase orders and bids to the buyer/expeditor responsible for maintaining the purchase order. | August 2005 |
| 4. The Director of General Services/Purchasing should implement the new routing procedure. | September 2005 |

- | | |
|--|-----------------------------|
| 5. The Director of General Services/Purchasing should continue to review, approve, and implement the timesaving efficiency procedures. | October 2005
and Ongoing |
|--|-----------------------------|

FISCAL IMPACT

This recommendation can be implemented within existing resources.

FINDING

The Pittsburgh School District's Purchasing Office has a Web site to advertise bid opportunities. Currently, some bid opportunities are published on the Web site. Vendors wishing to obtain copies of bid specifications or Requests for Proposals (RFPs) that are not posted on the Web site must call the Purchasing Office to obtain the documents.

The time associated with copying and mailing bid specifications to vendors creates inefficiency. In addition, Buyers and other support staff must field calls from vendors on the status of bids currently under review.

RECOMMENDATION

Recommendation 7-8:

Provide Web site information on all bid opportunities and include forms with bid specifications which can be downloaded (i.e. PDF format) until the last phase of the e-Procurement system is implemented.

Having a Web site that offers information regarding bids and bid specifications that can be downloaded should greatly reduce the workload of the Purchasing Office. The site currently post bid results and award information; however, it should also allow vendors to log onto the site and obtain necessary information about their specific bids.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|----------------|
| 1. The Director of General Services/Purchasing should meet with the Chief Operations Officer and the Director of Information Technology and develop a plan to allocate resources to update the Web site for on-line bid information. | July 2005 |
| 2. The designated Technology staff should develop and maintain the Web site. | August 2005 |
| 3. Purchasing staff should direct all vendors to the Web site for information on bids. | September 2005 |

FISCAL IMPACT

This recommendation can be implemented within existing resources. Savings will be realized as the office will be required to mail fewer bid specifications.

FINDING

The Purchasing Office does not keep accurate up-to-date records of available vendors for bid solicitations. The vendor database is currently the responsibility of two offices—Purchasing and Finance. The Purchasing Office keeps the vendor database updated for current and new vendors for dispatching purchase orders. The Finance Office maintains and updates the “pay to” address for mailing checks, if it is different than the purchase order dispatch address. PeopleSoft maintains addresses for anyone that receives a payment as a vendor. The vendor can be a school or person that receives a petty cash or reimbursement check.

The current vendor database contains information regarding employee reimbursements, insurance, and mileage, as well as vendors requesting to do business with the Pittsburgh School District. MGT was informed by the Purchasing Department that the vendor database contains over 5,000 vendors, out of which approximately 2,000 – 2,500 are purchasing vendors. The vendor database has not been purged since the implementation of the PeopleSoft system in 2003. However, vendors with multiple vendor numbers have been consolidated into a single, inclusive vendor number.

RECOMMENDATIONS

Recommendation 7-9:

Purge and revise the vendor database by deleting firms no longer in business, eliminating those firms who are no longer interested in doing business with the Pittsburgh School District, and make any other corrections or adjustments that are needed.

The Pittsburgh School District vendor database should to be purged and revised. Approximately 1,000 active purchasing vendors are in the vendor database. The revised database should be updated on an annual basis. Purchasing staff would be in charge of updating and purging the files, and adding other pertinent vendor information (such as business size, number of employees, contact name, and gross receipts).

IMPLEMENTATION STRATEGIES AND TIME LINE

- | | |
|---|----------------|
| 1. Purchasing staff should work with technology staff to set up criteria to purge the current vendor database in the PeopleSoft System. | July 2005 |
| 2. Programmers should develop a program to purge the database. | August 2005 |
| 3. Purchasing staff should maintain and update the vendor database on a monthly basis. | September 2005 |

FISCAL IMPACT

This recommendation can be implemented within existing resources.

Recommendation 7-10:

Contact all purchasing vendors on an annual basis and request that they provide written confirmation to remain on the list of potential bidding vendors.

The Pittsburgh School District should not continue the practice of sending bids to vendors that seldom submit a bid to the district. Sending bids to vendors that do not submit bids on a routine basis wastes staff time and district resources (e.g., paper and postage). On an annual basis, Purchasing staff should mail all vendors a document stating that, in order to remain on the district's bidder mail list, the vendor must submit written confirmation to the district stating that they wish to remain on the list. The Purchasing Office should remove all vendors that request they be taken off and remove all vendors that do not reply.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|--------------------------|
| 1. The Clerk Stenographer should draft a letter to vendors relating to the new bidder list procedure. | July 2005 |
| 2. The Purchasing Support Manager and Director of General Services/Purchasing should review and approve the letter. | August 2005 |
| 3. The Clerk Stenographer should mail the letter to all bidders. | September 2005 |
| 4. The Clerk Stenographer should update the bidder list as replies and non-replies are received. | September – October 2005 |

FISCAL IMPACT

This recommendation can be implemented within existing resources.

Recommendation 7-11:

Develop e-mail mailing lists from the vendor database for current bid opportunities.

In conjunction with the purging of the vendor database of record, e-mail address listings can greatly increase the speed and efficiency of the bid process. The Purchasing Office collects some e-mail addresses from vendors; however, only about 50 percent, or 500 of approximately 1,000 active vendors have an e-mail address in the vendor database. By updating e-mail lists through the vendor database, Purchasing staff can easily inform a large number of vendors about upcoming relevant bid opportunities.

One e-mail, with the addresses pulled from the vendor database, can alert vendors what is being offered for bid, and direct them to the Pittsburgh School District Purchasing Web site (when updated) with a hyperlink. Interested vendors could then access the necessary information directly on the Purchasing's Web site. The effect should be a gradual expansion of the pool of vendors receiving information on bid opportunities, and with that expansion, an increase in the options available to the Purchasing Division.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|---------------|
| 1. The Director General Services/Purchasing or Clerk Stenographer should develop e-mail address lists from the vendor database. | October 2005 |
| 2. The Clerk Stenographer should develop a method for obtaining e-mail addresses of vendors by business category. This could be done in conjunction with the update to the vendor database (e.g., vendor mail out, etc). | November 2005 |
| 3. The Specification Specialist should update the vendor database to reflect new or current e-mail addresses from responding vendors. | December 2005 |
| 4. The Clerk Stenographer should instruct all Purchasing staff in the procedure for extracting vendor e-mail addresses from the vendor database of record. | January 2006 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Pittsburgh School District benefits from collaborative purchasing efforts with other government entities such as Allegheny County, the Commonwealth of Pennsylvania Cooperative Purchasing Agreement, Technology Bidding and Purchasing Program (PEPPM), Central Susquehanna Intermediate Unit (CSIU) and U.S. Communities. Started in 1996, the district has recently established collaborative purchasing efforts with the transit (bus) system, airport, housing and water department for office supplies.

Such associations provide for more efficient bidding in terms of operational savings as well as savings due to better pricing. Purchasing staff can “piggyback” on bids of other governmental units instead of developing entirely new bids for items currently on valid bids. The “piggyback” process reduces the amount of time spent on the solicitation process.

COMMENDATION

The Pittsburgh School District is commended for maintaining collaborative purchasing arrangements with other governmental entities. These continuing efforts reduce administrative costs while still encouraging and ensuring competition.

7.2 Surplus Warehousing/Transportation

Efficient warehousing services are essential to timely and effective delivery of support for educational programs. An efficient warehousing and delivery function should have management systems in place to ensure that supplies, equipment, and services are procured from the best source, in the correct quantities, and at the best price for the specified quality. Storage and delivery systems should guarantee the most efficient receipt and distribution processes.

The Pittsburgh School District discontinued the operation of its central supply inventory for school and office supplies in 1984. Therefore, there are no warehouse employees shown on the organization chart. The Pittsburgh School District uses the just-in-time (JIT) delivery model for most items. One storekeeper is responsible for receiving materials which are mainly used by trade staff housed at the warehouse or for loading of mail trucks.

The warehouse inventory for tradesmen's materials was discontinued in 2001 with the implementation of the procurement card system. With the procurement card, tradesmen purchase materials on an as-needed basis. An inventory of these purchased items are housed and maintained in the Facilities Department. However, there is a surplus warehouse located at the old Gladstone Middle School.

The surplus warehouse functions are organizationally within the transportation operation of the Division of Purchasing and Plant Operations in the Facilities Department. The building custodian at Plant Operations oversees the Gladstone facility and is responsible for allowing district staff to deliver and pick up surplus items to and from the facility. The staff in General Services coordinate all pick ups and deliveries with the Plant Operations building custodian. The organizational structure of the surplus warehouse/transportation section is displayed in Exhibit 7-10.

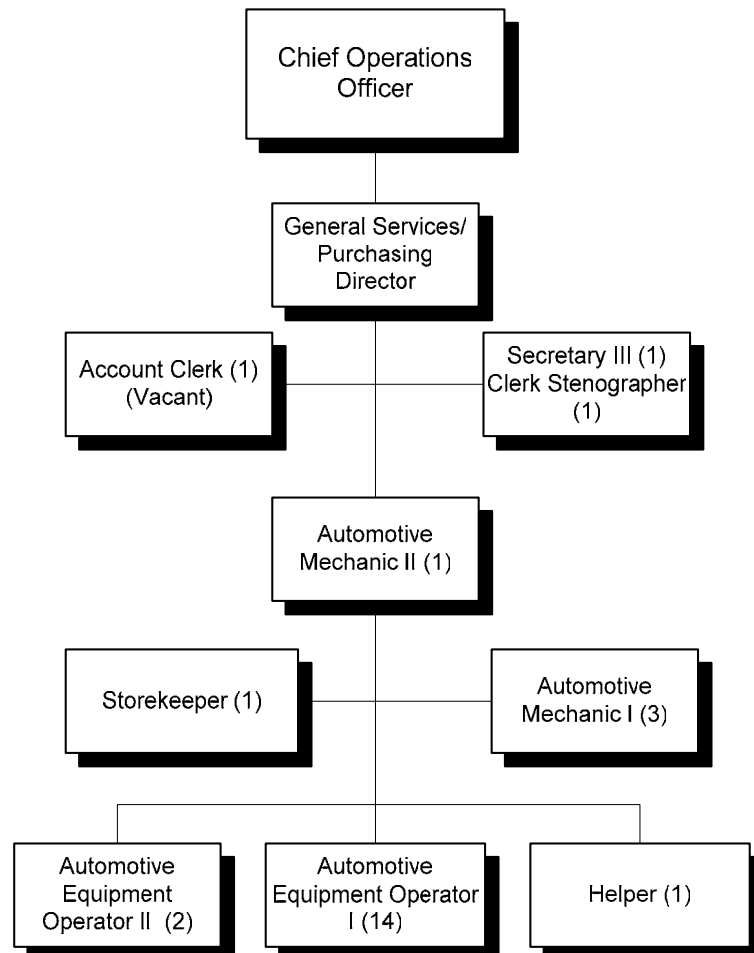
An Auto Mechanic II heads the surplus warehouse/transportation operation. As indicated in the position description, the main function of the Auto Mechanic II is:

...responsible for supervising all aspects of auto repair garage and mechanics. The Auto Mechanic II is also responsible for supervising all department truck drivers.

The main duties of the Auto Mechanic II include, but are not limited to the following:

- calls roll and distributes work assignments and truck details;
- meets with Trades Supervisor to determine what materials or goods need delivered and prioritizes these deliveries;
- checks with mechanics to determine what parts or supplies need to be ordered;
- signs for and inspects all deliveries made to this department;

**EXHIBIT 7-10
PITTSBURGH SCHOOL DISTRICT
DIVISION OF PROCUREMENT SERVICES
SURPLUS WAREHOUSE/TRANSPORTATION SECTION
CURRENT ORGANIZATIONAL STRUCTURE**



Source: Pittsburgh School District, Department of General Services, April 2005.

- handles calls from various schools to arrange for materials or goods to be picked up (DRAYS);
- completes delivery orders for school pick ups (DRAYS);
- uses a computer to assist in diagnosing auto repairs to be made;
- uses a computer to assign and track gas cards provided to drivers;
- drives tow truck to tow vehicles back to garage; and

- supervises all mechanics working in garage and may assist them in making vehicle repairs.
- ensures that repair orders are completed on each vehicle and logs in appropriate book; and
- arranges drivers and helpers for snow removal and other emergencies.

Personnel of the Surplus Warehouse/Transportation Section are responsible for pickup and delivery of surplus furniture and equipment to and from the Gladstone facility, moving furniture and equipment from one school/location to another, the delivery of food services, and mail to all school and office locations. Office and other supplies are directly shipped to the requestor.

Some of the surplus warehouse/transportation staff duties and responsibilities include the following:

- drivers drive specified route to deliver meals to schools;
- bulk food drivers deliver bulk food items on specified days to different schools;
- supply truck drivers deliver all other materials other than food on specified routes to schools (This may include boxes of paper, gasoline cans, furniture etc.);
- pick up materials to be returned to General Services Building for repair storage;
- mail truck drivers run specified route to deliver bags of mail and pick up outgoing mail from schools. They may also deliver musical instruments or other small supplies such as boxes of paper and library books;
- paper to be recycled is picked up and returned to General Services Building;
- overhauls and repairs automobiles, trucks, tractors, grass cutting equipment, and other vehicles;
- inspects vehicles and writes up service order;
- uses a variety of electronic diagnostic equipment to assess damages and repairs necessary;
- uses various hand and power tools to remove parts and make repairs to vehicles;
- performs repairs to vehicle electrical systems, wires etc.;

- hammers out dents in vehicle bodies and performs patch work or welds parts as necessary;
- paints vehicle parts as necessary;
- performs repairs and general maintenance on all other gasoline and diesel engine powered equipment including farm tractors and lawn mowers;
- ensures that repair orders are completed on each vehicle and logs in appropriate book;
- performs state vehicle inspections and affixes stickers when vehicles pass inspection;
- logs inspection records in appropriate book; and
- orders supplies and parts as necessary.

FINDING

As stated previously, schools electronically order school supplies and textbooks through on-line ordering and the steps were previously listed in Section 7.1.2. Textbooks are ordered through the Item ID purchase requisition process after the Curriculum Committee approves new textbook adoptions.

COMMENDATION

The Pittsburgh School District is commended for implementing an on-line textbook requisition program. The direct shipment of textbooks to the schools by the publishers eliminates or minimizes costs associated with textbook storage and delivery.

FINDING

The account clerk's position in administration is vacant. The incumbent has retired and the duties associated with this position have been reassigned to the remaining support staff. The storekeeper has been retained from years past when the district had central warehouse activities. This position primarily supports tradesmen activities in the Facilities Department.

RECOMMENDATION

Recommendation 7-12:

Eliminate the account clerk and transfer the storekeeper to the Facilities Department.

The duties and responsibilities for the account clerk have already been reassigned and shifted to the Secretary III and the Clerk Stenographer. The storekeeper's position is better suited for the Facilities Department, since this department carries an inventory.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Superintendent should direct the Chief Operations Officer to take steps to delete the account clerk's position and transfer the storekeeper from General Services to the Facilities Department. July 2005

2. The Chief Operations Officer should meet with the Director of General Services/Purchasing to establish a schedule to delete the vacant account clerk and transfer the storekeeper position to the Facilities Department. August 2005

3. The Director of General Services/Purchasing, the Procurement Support Manager and the Auto Mechanic II should develop a schedule and reassign duties to remaining staff to effect the change in staffing. September 2005

4. The Superintendent and Board of Education should approve the position deletion and position transfer. October 2005

5. The Director of General Services/Purchasing should eliminate the account clerk and transfer the storekeeper position to the Facilities Department. January 2006

FISCAL IMPACT

By eliminating the account clerk as recommended, the Pittsburgh School District will save a total of \$197,492 over five years, based upon the annual salary of \$43,887 (\$33,759 salary plus 30 percent benefits). Cost savings for the first year is reduced by 50 percent due to a January 2006 implementation.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Eliminate Account Clerk	\$21,944	\$43,887	\$43,887	\$43,887	\$43,887

FINDING

The MGT team conducted a site visit to the surplus warehouse (Gladstone facility) to examine the type of furniture, equipment, and machines that were being housed there. The review team observed thousands of computers, monitors, keyboards, speakers and computer mice being stored, on every floor and in almost every room. The team later found out that the Pittsburgh School District entered into a contract with ITI Solutions to refurbish and test 6,000 machines and monitors for a project called "Digital Divide." The goal is to distribute computers to the families of students in grades 3, 6 and 9 to facilitate the on-line communication with the Pittsburgh School District's communication system,

called "Dashboard." ITI refurbished 6,000 personal computers in the Summer of 2004 and some student workers and Career Technical Education classes rebuilt another 2,000 personal computers.

According to the Office of Information and Technology, approximately 2,000 computers have been distributed to student homes and community/faith-based organizations at no charge. Approximately 6,000 remain, not including new arrivals from schools as they upgrade their equipment. These items are not moving and most have been sitting in the facility since the Summer of 2004.

RECOMMENDATIONS

Recommendation 7-13:

Liquidate surplus personnel computers (PCs) that are stored at Gladstone at three percent of the face value of the goods.

Liquidation can be achieved by holding a public sale for these goods at a minimum of three percent of the original price (i.e. \$45 for a PC that originally cost \$1,500). Prior to the liquidation sale, the Director of General Services/Purchasing should issue a memorandum to appropriate employees to assess the need for these items. At a minimum, it is estimated that there are about 6,000 PCs at the Gladstone facility.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Director of General Services/Purchasing and the Office of Technology Director should meet to discuss liquidating surplus PCs located at Gladstone. July 2005
2. The Director of General Services/Purchasing should advertise the liquidation sale. August 2005
3. The Director of General Services/Purchasing should conduct the liquidation sale. September 2005

FISCAL IMPACT

By implementing this recommendation, there should be a one-time minimum revenue increase of \$270,000, based on a face value of \$9.0 million.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Liquidate Surplus Personal Computers	\$270,000	\$0	\$0	\$0	\$0

Recommendation 7-14:

Establish an on-line auction site, such as e-Bay, to liquidate surplus PCs and other property.

There are several companies that provide service to local governments in which surplus items are listed and sold over the Internet. These auction Web sites function similarly to popular commercial auction sites such as e-Bay. Many of these services can be linked directly into the government Web site so that Web site visitors can view surplus auctions. Once a surplus auction Web site has been established, the effort to maintain the auction process includes assessing the condition of the items, taking a digital picture of the item, uploading it to the on-line auction site, and updating the information Web site.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Chief Operations Officer should collect data on companies that can assist the school district in establishing an Internet surplus auction site. August 2005
2. The Chief Operations Officer should direct the Director of General Services, the Director of the Office of Information and Technology, and the Director of Facilities to establish a process for readying PCs, and other items for auction and getting the information into the Web site. December 2005
3. The Director of General Services/Purchasing should develop a procedure for disposing of surplus items. February 2006
4. The Director of General Services/Purchasing should offer surplus property for auction on the Internet. March 2006

FISCAL IMPACT

The fiscal impact estimate of revenue resulting from the disposal of school surplus property cannot be determined at this time. However, the Pittsburgh School District should experience savings by eliminating excess inventory and reducing surplus warehouse costs.

7.3 Delivery Services

The delivery of mail and packages; delivery service shipments; and interoffice communications, reports, and packages among and between schools and administrative departments is a major support services function of all large organizations. The Pittsburgh School District is no exception. Among the functions performed within the Department of General Services, the Surplus Warehouse and Transportation Section has the responsibility for providing mail, food services and other deliveries to all schools, area offices, and the administration building on a timely and efficient schedule.

Each day, a fleet of three delivery trucks is dispatched from the Service Center to each of the Pittsburgh School District school campuses to pickup and deliver mail, packages, and interoffice communications. A fleet of 10 trucks are dispatched every morning to deliver food services to all school campuses.

Mail trucks are dispatched about 6:30 A.M. Each driver has about 28 stops each day to deliver mail and pickup outbound mail. The trucks deliver mailbags to schools that were picked up the previous day from the mailroom in the Administration Building, pick up outgoing mailbags from the schools, and take outgoing mailbags to the mailroom in Administration Building. The drivers empty out interoffice mail slots in the mail room, place the mail in bags, and then put them on the truck for next day delivery.

RECOMMENDATION

Recommendation 7-15:

Review mail and food services routes on a regular basis to ensure that the most efficient routes are being taken.

With the number of school closings over the last couple of years, routes need to be adjusted annually.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|----------------|
| 1. The Director of General Services/Purchasing and the Auto Mechanic II should identify current routes. | July 2005 |
| 2. The Director of General Services/Purchasing and the Auto Mechanic II should develop alternate routes based of number of miles between stops, total miles driven per day, and other variables (i.e. traffic lights, fuel costs, speed limits, etc.). | July 2005 |
| 3. The Director of General Services/Purchasing and the Auto Mechanic II should compare current routes with alternative routes and determine which routes are more efficient. | August 2003 |
| 4. The Director of General Services/Purchasing should direct the Auto Mechanic II to implement the most efficient and cost effective routes. | September 2005 |
| 5. The Director of General Services/Purchasing should monitor routing on at least an semiannual basis. | Ongoing |

FISCAL IMPACT

This recommendation can be implemented within existing resources, but most likely will result in cost savings as routes can be consolidated.

FINDING

The Surplus Warehouse/Transportation Section is responsible for managing a fleet of about 107 motor vehicles (school police cars, tradesmen vans, trucks, sedans, etc.).

This division is also responsible for 14 other district-owned equipment. There are three mechanics plus the supervisor of the section, the Auto Mechanic II.

The workload is comprised mainly of preventive maintenance service every 3,000 miles and minor automotive repairs. An analysis of the fleet reveals that model years 1985 through 1996 comprise 29.9 percent of the fleet. The remaining fleet is comprised of model years 1997 through 2004, or 70.1 percent. Almost half of the fleet (49.5 percent) is still covered under their respective warranty periods. These vehicles are sent to the dealer for repair work instead of being repaired by the on-site mechanics. This is a fairly new fleet, and therefore, maintenance requirements are not as demanding as with older fleets.

RECOMMENDATION

Recommendation 7-16:

Eliminate one auto mechanic.

In addition to the light demands of the existing workload, the vehicle to mechanic ratio is low at 36:1. The industry standard for this type fleet is 90:1. The need for three mechanics plus the supervisor is not evident. The impact of one less mechanic will be minimal on the workload.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|----------------|
| 1. The Superintendent should direct the Chief Operations Officer to take steps to delete an auto mechanic's position in the Department of General Services. | September 2005 |
| 2. The Chief Operations Officer should meet with the Director of General Services/Purchasing to establish a schedule to delete an Auto Mechanic I position in the Department of General Services | October 2005 |
| 3. The Director of General Services/Purchasing and the Auto Mechanic II should develop a schedule and reassign duties to remaining staff. | November 2005 |
| 4. The Superintendent and Board of Education should approve the position deletion. | December 2005 |
| 5. The Director of General Services/Purchasing should eliminate the Auto Mechanic I's position. | April 2006 |

FISCAL IMPACT

By eliminating the Auto Mechanic's I position, as recommended, the Pittsburgh School District will save a total of \$229,443 over five years, based upon the annual salary of \$57,325 (\$44,096 salary plus 30 percent benefits).

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Eliminate Auto Mechanic	\$14,331	\$57,325	\$57,325	\$57,325	\$57,325

FINDING

The overtime budget for the Department of General Services has increased over the last few years, especially in the Transportation Division. Exhibit 7-11 shows the overtime budget since 2003. Reasons for the high overtime charges include budget cuts, numerous school closings, and bad winter weather (snow plowing).

**EXHIBIT 7-11
GENERAL SERVICES OVERTIME BUDGET
TRANSPORTATION DIVISION**

DESCRIPTION	2003 EXPENDITURES	2004 BUDGET	2005 BUDGET
168 - Comp – Additional Work	\$253,669	\$200,000	\$125,000
178 - Comp – Additional Work	\$363,602	\$220,000	\$300,000
188 - Comp – Additional Work	\$29,670	\$7,000	\$10,000
Total	\$646,941	\$427,000	\$435,000

RECOMMENDATION

Recommendation 7-17:

Monitor overtime usage closely and conduct an analysis to determine if it is more economical to hire temporary staff during times of peak workload.

Anticipated and unanticipated events necessitate the use of overtime by district employees (i.e. school closings, severe weather, etc.). The district must do a more effective job of estimating staff needs for these events, as well the amount of overtime to allow. Past experience, expenditures, and events should be used to project labor needs and costs for upcoming events.

Additionally, the district should conduct a comparison analysis of previous years' costs by event type to determine the feasibility of employing temporary help during peak workload conditions versus the use of overtime. The use of overtime should be closely monitored to ensure that overtime expenditures do not exceed the authorized budget, and that overtime expenditures are the most economical means to accomplish the given tasks.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Chief Operations Officer should direct the Director of General Services/Purchasing to develop an overtime

July 2005

- usage plan.
2. The Director of General Services/Purchasing should meet with the Auto Mechanic II to develop an overtime plan based on anticipated events. August 2005
 3. The Director of General Services/Purchasing should submit the overtime plan to the Chief Operations Officer for approval. September 2005
 4. The Director of General Services/Purchasing should implement the overtime plan. September 2005
 5. The Director of General Services/Purchasing should monitor the effectiveness of the overtime plan on a regular basis. October 2005

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The span of control for the Director of General Services/Purchasing is excessive. Currently, the Director has 14 direct reports. An optimum number for a director would be seven to eight employees. Excessive reports are detrimental to the management of a department and inhibit the performance of typical management type responsibilities.

RECOMMENDATION

Recommendation 7-18:

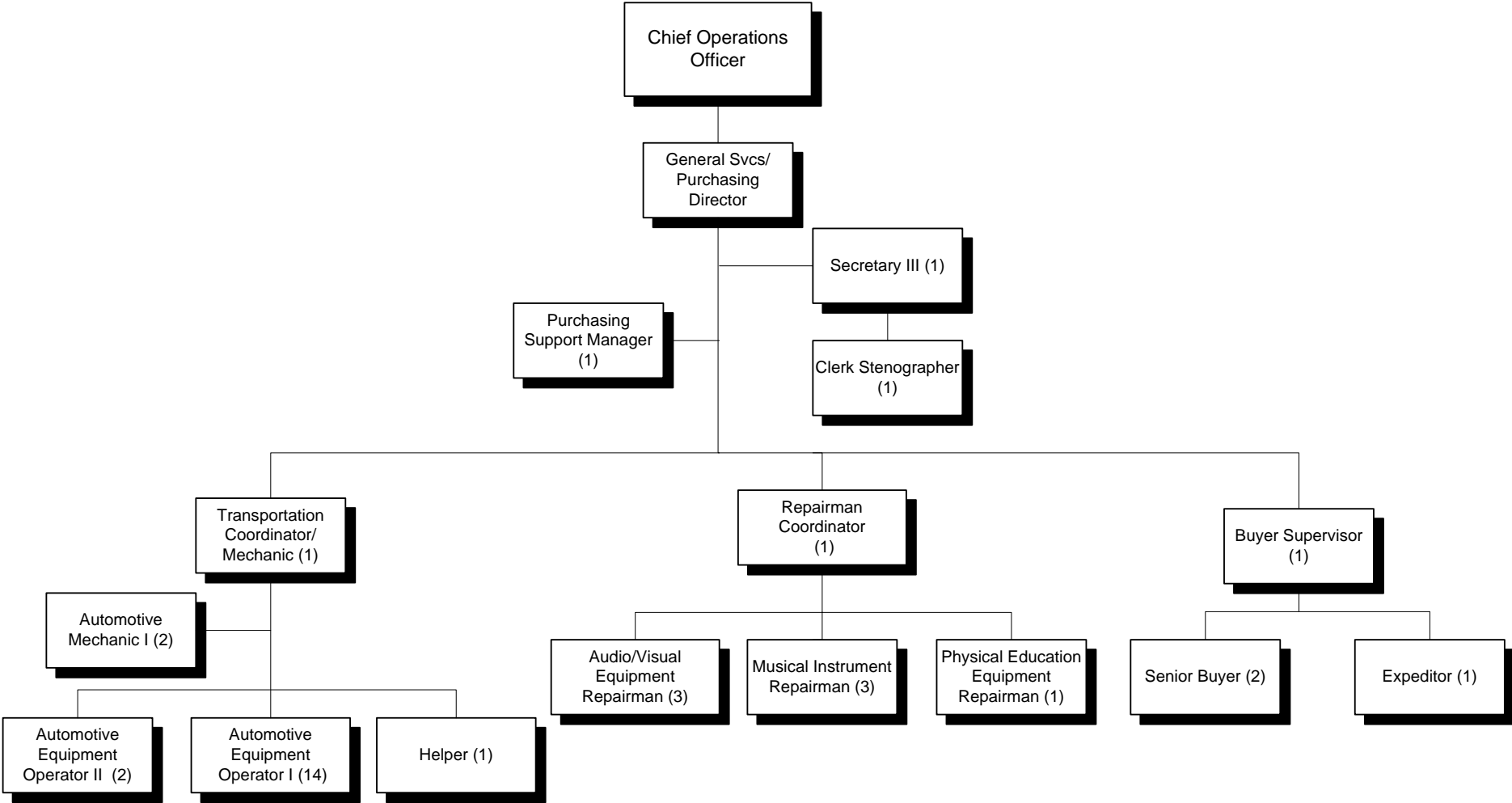
Reorganize the Department of General Services/Purchasing.

The proposed reorganization chart in Exhibit 7-12 reflects the above recommendations for position deletions, two position reclassifications (Auto Mechanic II to Transportation Coordinator/Mechanic, A/V Repairman to Repairman Coordinator), and a reduced span of control for the Director of General Services/Purchasing. The reduced span of control should allow the director to concentrate on the “big picture” versus the day-to-day operation of the organization.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Superintendent should direct the Chief Operations Officer to meet with the Director of General Services/Purchasing to determine the feasibility of reorganization. July 2005
2. The Chief Operations Officer should meet with the Director of General Services/Purchasing to verify viability of recommendations. August 2005

**EXHIBIT 7-12
PROPOSED ORGANIZATION
DEPARTMENT OF GENERAL SERVICES/PURCHASING IN THE PITTSBURGH SCHOOL DISTRICT**



Source: Created by MGT, May 2005.

- | | |
|--|----------------|
| 3. The Director of General Services/Purchasing should develop a schedule to implement the reorganization in the General Services/Purchases Department. | September 2005 |
| 4. The Superintendent and Board of Education should approve the reorganization plan. | October 2005 |
| 5. The Director of General Services/Purchasing should implement the reorganization. | January 2006 |

FISCAL IMPACT

The reclassification of the Mechanic II to a Transportation Coordinator should have no fiscal impact. The impact of the reclassification of the A/V Repairman to a Repairman Coordinator (or some similar position) will have to be determined by the Director of General Services and the Human Resources Department. This can probably be accomplished by increasing the position's current salary by 10 percent. The cost to the district would be approximately \$21,717 over a five-year period, or \$4,826 a year. The cost for the first year is 50 percent of the annual salary increase due to a January 2006 implementation date.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Reclassify the A/V Repairman to Repairman Coordinator	(\$2,413)	(\$4,826)	(\$4,826)	(\$4,826)	(\$4,826)

7.4 Contract Management

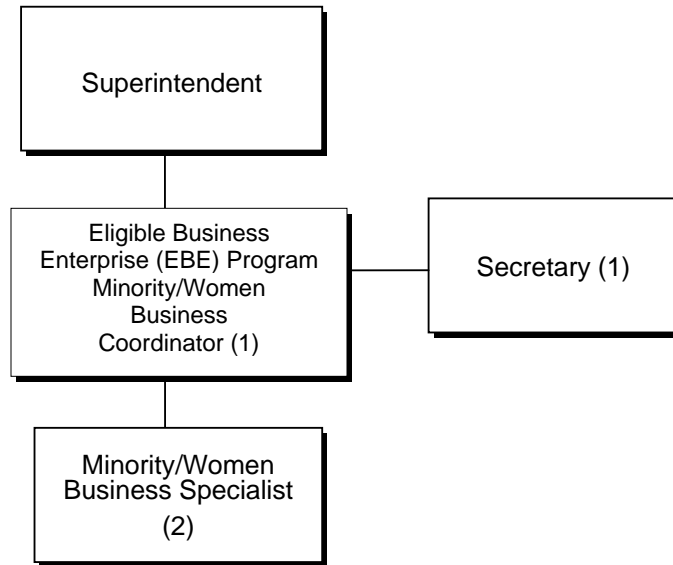
The Business Opportunity Program (BOP) was established by the Pittsburgh School District Board of Commissioners to:

...promote and encourage full and open competition in the procurement of goods and services by the Pittsburgh Public Schools (District); encourage all District personnel involved with procurement and contracting activities to maintain good faith efforts and appropriate purchasing procedures; protect the District from becoming a passive participant in any unlawful discrimination; and to spur economic development in the public and private sectors of the local economy.

Exhibit 7-13 shows the current organizational structure of the Contract Management Office.

The Business Opportunity Program or the Eligible Business Enterprise (EBE) Program, is headed by a Minority/Women Business Coordinator who reports to the Chief of Staff in the Office of the Superintendent. EBE is the term for all Minority, Women, Hispanic and Disadvantaged-owned Business Enterprises. The Minority/Women Business Coordinator is responsible for the day-to-day operations of the office.

**EXHIBIT 7-13
BUSINESS OPPORTUNITY PROGRAM
CURRENT ORGANIZATIONAL STRUCTURE**



Source: Pittsburgh School District, Business Opportunity Program, April 2005.

According to the job description, the function of the Minority/Women Business Coordinator is:

...to lead and manage the Minority/Women Business Enterprise Program. The Minority/Women Business Coordinator is responsible for ensuring that discrimination does not occur against business based on race, color, national origin, gender and for promoting full inclusion of businesses in the district's contracting practices.

A sample of the primary duties and responsibilities of Minority/Business Coordinator include, but are not limited to:

- encouraging full and open competition in the district's facilities, procurement and purchasing activities, and enhancing contract opportunities for all businesses;
- promote equal employment opportunities among the various contractors and vendors who do business with the district;
- assist in the identification of minority/women business enterprises qualified to compete for contracting activities;
- administer a process to qualify minority/women business enterprises using specific criteria and objective rating procedures as well as

ensuring the provision of certification assistance services for interested businesses;

- conduct sessions in a wide variety of venues to orient prospective minority/women businesses on bidding and selection processes;
- provide pre-bid information services and other types of professional assistance as appropriate to minority/women businesses who are completing bids for the district facilities, procurement and purchasing activities;
- monitor the overall implementation of the Minority/Women Business Program;
- prepare monthly reports for the Board of Education on achievements of the Minority/Women Business Program as related to its goals including Minority/Women Business Contract Award Transactions in the areas of facilities, transportation, and purchasing;
- prepare other regular reports on various aspects of the program as necessary; and
- responsible for outreach efforts and for providing feedback to unsuccessful bidders.

The Minority/Business Coordinator is supported by a Secretary and two Minority/Business Specialist positions.

In accordance with the provisions of the Business Opportunity Program (BOP):

...for all bids/proposals valued at \$10,000 or more, the District will conduct a compliance review to determine if the otherwise eligible Participant is responsive with regard to the Business Opportunity Program requirements of the Pittsburgh School District. Accordingly, responsive Participants are required to furnish information demonstrating satisfaction of the Business Opportunity Program requirements of this solicitation with the submission of their bid/proposal packet.

The BOP Office is charged with the responsibility of conducting activities that will increase the participation of minority/women owned businesses which will ultimately diversify the district's supplier base. A staff of four monitors all expenditures within the district to ensure that parity exists, and conduct activities (e.g. goal setting, site visits, compliance determinations) to increase the number of contracts awarded to minority/women owned firms. This is a difficult task in a decentralized purchasing environment.

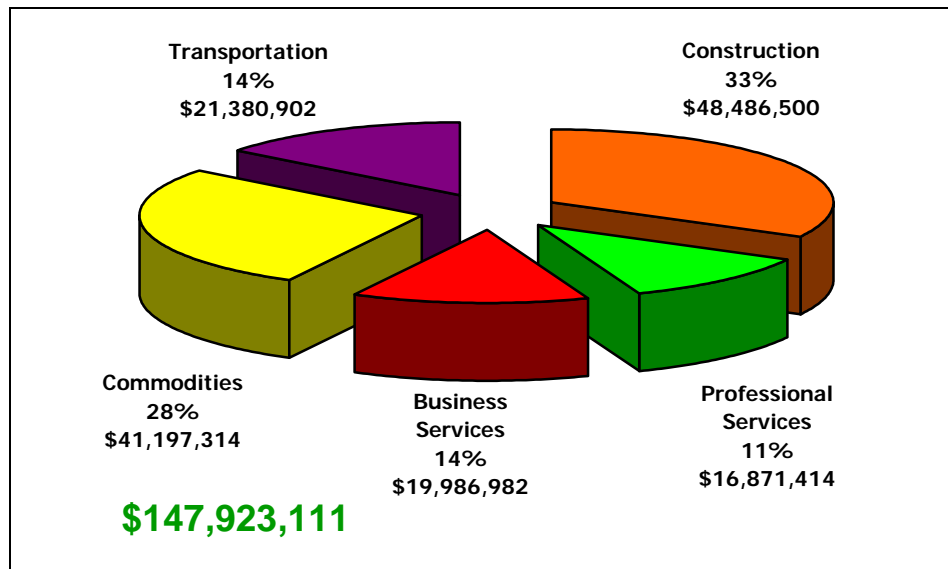
The following procedures outline the compliance review process for contract award:

- Purchase requests that are \$10,000 or more are submitted to the Minority/Women Business Coordinator for EBE goal assessment.

- The EBE goal is determined.
- The goal determination is returned to requestor.
- The bid is advertised.
- The vendor bids are received.
- The low bidder is identified.
- The low bidder's bid/proposal is sent to the Minority/Women Business Coordinator for a compliance review.
- If the bid/proposal is compliant, it is returned to the requestor with approval. If not, it is returned to requestor with recommendation to go to the next lowest bid/proposal.
- The proposal then sent to the Board for approval. If approved, a contract/Purchase Order is prepared and routed for approval.
- The Minority/Women Business Coordinator receives contract/purchase order with subcontractor agreement for review.
- If package is complete, then Minority/Women Business Coordinator signs off and forwards as appropriate.

As shown below in Exhibit 7-14, in 2003, most contract opportunities occurred in the areas of construction and commodities, at 33 percent and 28 percent, respectively.

**EXHIBIT 7-14
PITTSBURGH SCHOOL DISTRICT
2003 CONTRACT OPPORTUNITIES**



Source: Pittsburgh School District, Business Opportunity Office, April 2005.

According to the BOP Office, in FY 2003 approximately \$148.0 million was spent in contract opportunities.

FINDING

Some confusion regarding the current program, which has been in operation since 2002, and how it differs from its predecessor. Interviewees were not familiar with the new goals for contracts and indicated that the process treated some contractors unfairly regarding their ability to submit proposals and effectively compete for contract awards.

RECOMMENDATION

Recommendation 7-19:

Offer semi-annual contract compliance training for district contract management staff.

Training is currently being offered quarterly to EBEs to explain the program and provide technical assistance for successful bidding. District staff should have the opportunity to discuss current compliance policies and procedures and resolve any misunderstandings. All persons involved with contracts management and awards should plan to attend at least annually.

IMPLEMENTATION STRATEGIES AND TIME LINE

- | | |
|--|-------------------------------|
| 1. The Minority/Women Business Coordinator should develop a schedule to provide BOP training for district staff involved with contract management and bid award. | July 2005 |
| 2. The Business Opportunity Program Coordinator should ensure that training slots and schedules are available for staff to sign up. | July 2005 |
| 3. The Business Opportunity Program Office should conduct EBE compliance training for contract management staff. | August 2005 –
January 2006 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

As stated earlier in this chapter, the Purchasing Office maintains a vendor database in the PeopleSoft financial system for current and new vendors to dispatch purchase orders. This database does not include bidder or potential bidder data. Also included in this database is anyone who receives a payment from the district. These data include a school or person who receives a petty cash or travel reimbursement check.

The Business Opportunity Program Office maintains an EBE vendor database separate and apart from the Purchasing Department vendor database. This database

incorporates vendors who are not currently doing business with the District, but are interested in doing so. BOP includes vendors who have been certified by the County, vendors from the Pittsburgh Regional Minority Purchasing Council, the Black Contractors Association, and other states. There are approximately 1,300 vendors in this database, of which about 350 are currently certified.

RECOMMENDATION

Recommendation 7-20:

Consolidate the vendor databases into one master vendor database.

This consolidation would diversify the database and assist the district in setting goals based on minority/women owned business availability. Purchasing staff would have more vendors to choose from for small purchases. This information would increase vendor availability and opportunities for EBEs.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|-------------|
| 1. The Chief Operations Officer, the Director of the Department of General Services/Purchasing and the Director of Information & Technology should meet to discuss the feasibility of consolidating the two databases. | July 2005 |
| 2. The Director of General Services/Purchasing should coordinate efforts between all parties and develop a schedule for database consolidation. | July 2005 |
| 3. The Director of General Services/Purchasing should Consolidate databases into a single master database. | August 2005 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Purchasing Department is in the process of implementing a robust e-Procurement system. A series of new modules are currently being implemented. The final module to be installed is called eStrategic Sourcing. This will allow electronic bidding by vendors through the Internet. Vendors will be able to view, respond, and submit on-line bids.

There are some concerns that some EBEs may not be technologically advanced enough to participate in the new electronic bidding process. Some bidders may not meet system requirements and others may not have the computer skills necessary to interact with the electronic bidding system. As a result, some EBEs (equipment, supplies and food services) may be excluded and will not be able to participate when the new e-Procurement system is implemented.

RECOMMENDATION

Recommendation 7-21:

Establish a provision that would allow EBEs to continue to submit bids manually until they are able to do so electronically.

A dual system should be maintained for at least one year after full implementation. Having a dual system would give small business owners time to upgrade their systems and advance their computer skills.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|----------------|
| 1. The Chief Operations Officer, the Director of the Department of General Services/Purchasing, and the Director of Information & Technology should meet to discuss the feasibility of operating dual systems (manual and electronic) for a specified period of time. | July 2005 |
| 2. The Director of General Services/Purchasing and the Director of Information & Technology should meet and determine how data will be merged between the two systems. | July 2005 |
| 3. The Director of General Services/Purchasing should meet with staff and develop procedures to maintain dual systems. | August 2005 |
| 4. The Director of General Services/Purchasing should allow dual systems upon implementation of e-Strategic Sourcing (electronic bidding) for a minimum of one year after implementation. | September 2005 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Business Opportunity Program (BOP) Office is responsible for producing reports for the Board of Education each month. These reports are labor intensive but necessary in order to gather the data required for statistical reporting. An inefficient allocation of time is spent developing required reports manually that can be avoided through improved automated reports.

RECOMMENDATION

Recommendation 7-22:

Develop management reports for the Business Opportunity Program (BOP) Office that are program specific and user friendly.

Reports should contain statistical summary information, by category, for ease of analysis and reference. Data should be used to prepare quarterly and annual reports for the BOP. At a minimum, data elements should include:

- purchases and contracts placed with EBEs;
- number of majority subcontractors participating, and award amount;
- prompt payment data;
- all expenditures less than \$10,000;
- data by department, amount, and description;
- percentage to the total of purchases and contracts; and
- percentage of subcontractors that are minority and/or women-owned businesses.

IMPLEMENTATION STRATEGIES AND TIME LINE

- | | |
|--|----------------|
| 1. The Chief Operations Officer, the Minority/Women Business Coordinator and the Director of Information & Technology should meet to outline the components of specific reports for the Business Opportunity Program (BOP) Office. | August 2005 |
| 2. The Minority/Women Business Coordinator and the Director of Information & Technology should meet to develop the requirements and the specifications of the desired management reports. | September 2005 |
| 3. The Director of Information & Technology should allocate resources to develop the management reports. | October 2005 |
| 4. Information Technology staff should develop and implement the programming to produce the new reports. | November 2005 |
| 5. Information Technology staff should produce and distribute the new management reports to the Business Opportunity Program Office. | December 2005 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

8.0 FACILITY USE AND MANAGEMENT

8.0 FACILITY USE AND MANAGEMENT

This chapter presents the results of the review of facility use and management and related policies and procedures in the Pittsburgh School District. The five sections in this chapter are:

- 8.1 Organizational Structure
- 8.2 Capital Planning and Construction
- 8.3 Maintenance
- 8.4 Operations and Custodial Services
- 8.5 Energy Management

A comprehensive facilities management program should coordinate all the physical resources of a school district to ensure the most efficient and economical facilities operation. The administration of the program must effectively integrate facilities planning with the other aspects of institutional planning including identified instructional priorities. To be effective, facility planners and managers should be involved in the school district's strategic planning activities.

Well-planned facilities are based on the educational program and on accurate enrollment projections. The design process should have input from all stakeholders, including administrators, teachers, security specialists, parents, students and the maintenance and operations staff. The maintenance and operation of the facilities must be accomplished in an efficient and effective manner in order to provide a safe and secure environment that supports the educational program.

Background

The Pittsburgh School District is composed of 86 school sites which contain 7,892,891 gross square feet of permanent space. The district also has 12 closed school sites which contain 790,706 gross square feet, and six administrative sites (including one storage facility) containing 663,486 gross square feet.

The district has been experiencing a declining student enrollment. The student population has declined to 32,661 in 2004 from 37,612 in 2001. In response, the district has closed 10 schools in recent years and is considering the realignment of school feeder patterns and the closure of additional schools.

In September 2002, the Mayor of Pittsburgh established a commission of 38 individuals to examine various issues regarding the conditions of the city's public schools. The Commission published its findings and recommendations in September 2003 in a report titled, *Keeping the Promise, The Case for Reform in the Pittsburgh School District*. Among other findings, the Commission concluded, "...a mayor appointed Board of Education with the expertise and the will to close unneeded schools could save the district more than \$10 million a year....."

During the diagnostic review, MGT conducted a survey of teachers, principals, and administrators. The results of this survey provide important information to collaborate various findings in this chapter. Exhibit 8-1 presents the response to questions regarding facilities use and management.

**EXHIBIT 8-1
COMPARISON SURVEY RESPONSES
WITHIN THE PITTSBURGH SCHOOL DISTRICT**

STATEMENT	(%A + SA) / (%D + SD) ¹		
	ADMINISTRATORS	PRINCIPALS	TEACHERS
Our schools are safe and secure from crime.	48/26	76/10	43/39
Our schools have sufficient space and facilities to support the instructional programs.	69/14	61/33	45/43
I have adequate facilities in which to conduct my work.	79/9	77/14	74/19
STATEMENT	(%A + SA) / (%D + SD) ²		
	ADMINISTRATORS	PRINCIPALS	TEACHERS
The cleanliness and maintenance of facilities in the Pittsburgh School District.	71/27	69/31	44/55

¹Percent responding *Agree* or *Strongly Agree*/Percent responding *Disagree* or *Strongly Disagree*

²Percent responding *Good* or *Excellent* / Percent responding *Fair* or *Poor*.

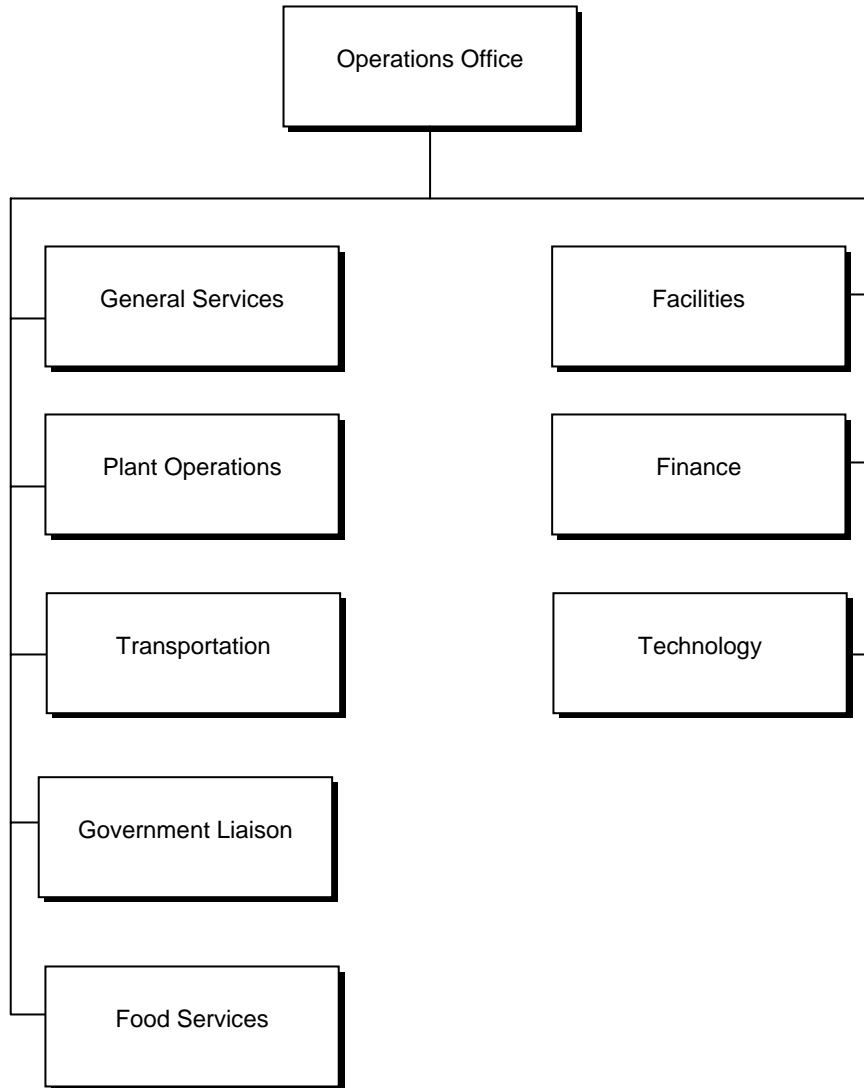
8.1 Organizational Structure

Facilities management is organized within the Operations Office and is led by an Chief Operations Officer. The Operations Office is organized into ten divisions. As shown in Exhibit 8-2, these include:

- General Services
- Plant Operations
- Transportation
- Government Liaison
- Food Services
- Facilities
- Finance
- Technology

The overall organization of the Operations Office is in Chapter 4 in this report. Exhibit 8-2 shows that facilities use and management-related functions are organized into two divisions within the Operations Department, Facilities and Plant Operations. The Technology Department also plays a role in facilities planning by assisting with enrollment projections and school feeder patterns.

**EXHIBIT 8-2
PITTSBURGH SCHOOL DISTRICT
ORGANIZATIONAL CHART OF OPERATIONS OFFICE
APRIL 2005**



Source: Pittsburgh School District, April 2005.

The Facility Division is responsible for:

- planning and design of renovation;
- repair and improvement projects;
- the planning, design, and property acquisition for large capital projects;

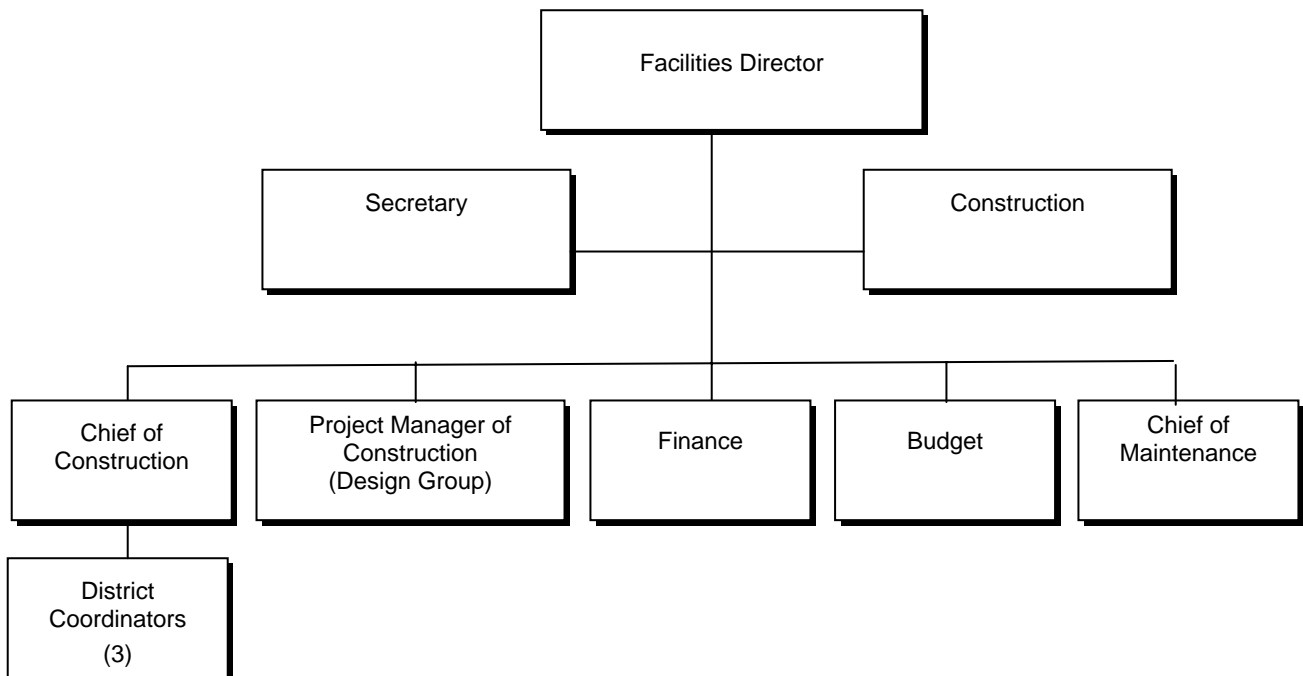
- the management, scheduling, coordination, and inspection of the construction of all capital improvement and major maintenance projects;
- data management,
- capital and operating budget; and
- the maintenance of all district facilities.

The primary departments in the Facilities Division are:

- Construction;
- Design;
- Finance;
- Budget; and
- Maintenance.

Exhibit 8-3 presents the organizational structure of the Facilities Division.

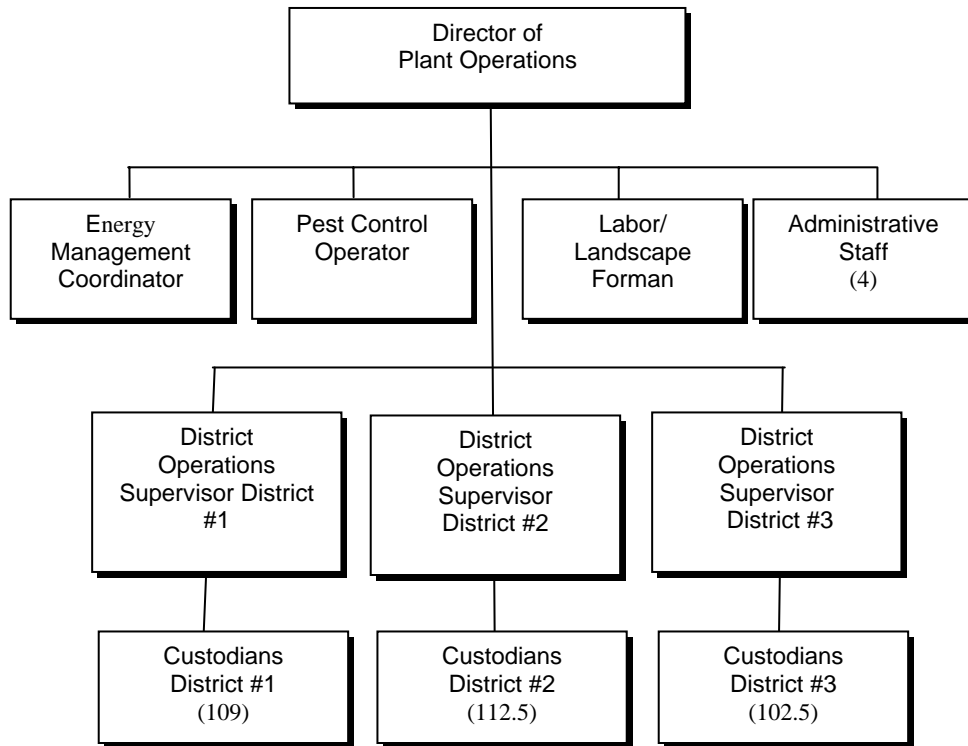
**EXHIBIT 8-3
FACILITIES DIVISION
ORGANIZATIONAL CHART
APRIL 2005**



Source: Pittsburgh School District, Facilities Division, April 2005.

The Plant Operations Division is responsible for the energy management program, custodial services, grounds maintenance (which includes athletic facilities and snow removal), and pest control. This division is the responsibility of the Director of Plant Operations who also reports to the Chief Operations Officer. Exhibit 8-4 shows the organizational chart for the Plant Operations Division.

**EXHIBIT 8-4
PLANT OPERATIONS DIVISION
ORGANIZATIONAL CHART
APRIL 2005**



Source: Pittsburgh School District, Plant Operations Division, April 2005.

FINDING

The Pittsburgh School District has organized the facility use and management functions in two separate divisions, Facilities and Plant Operations, which both report directly to the Chief Operations Officer. The responsibilities of these two divisions are closely related and need to be well-coordinated for effective operations.

The responsibilities of custodians overlap with those of maintenance workers and the design and construction staff. For instance, the custodians are charged with operating and performing preventive maintenance on boilers, while maintenance mechanics are responsible for maintaining and repairing boilers. Custodians are responsible for mowing the grounds adjacent to the school buildings, while landscape workers are responsible for mowing the play fields and athletic fields. In addition, custodians, maintenance

mechanics, and energy management staff operate and maintain buildings that are that designed and constructed by the facilities staff.

In order to facilitate good communications between the Facilities Division and the Plant Operations Division, and with school site administrators, the Facilities Division has created the position of District Coordinator (see Exhibit 8-3). The responsibilities of a District Coordinator include regularly visiting schools and determining school facility needs. The coordinators visit with the custodians, principals, and teachers to determine the needs of each school whether they include repairs or capital improvements. The identified needs are prioritized, and depending on the size of the project, are either submitted as a work order or put on the Capital Improvements Program.

RECOMMENDATION

Recommendation 8-1:

Fill the third District Coordinator position which is currently vacant.

The Pittsburgh School District currently has three District Coordinator positions of which one is vacant. This void puts a greater burden on the other two District Coordinators and results in each District Coordinator being responsible for more than 40 schools each. The fact that the District Coordinators have a difficult time communicating with all their constituents is evidenced by the fact that the president of one PTA did not even know that the position existed.

The filling of the third District Coordinator's position should improve communications between school site staff and the Facilities Division. In addition, the Director of Facilities should instruct the District Coordinators to coordinate the review of all capital improvement construction documents with school site staff, including custodians and maintenance mechanics. This action should eliminate problems arising from the inappropriate selection of finishes and materials, such as the use of matt finish paint in the corridors at the CAPA School which is difficult to clean and maintain.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Director of Facilities should direct the Personnel Department to advertise for the position of District Coordinator. July 2005
2. The Personnel Department should advertise for the position and send all qualified resumes and applications to the Facilities Division. July 2005
3. The Facilities Division should follow appropriate procedures for interviewing and selecting a candidate. August 2005

FISCAL IMPACT

Filling the vacant position can be accomplished with the existing resources, since this position is already budgeted for in the existing budget.

8.2 Capital Planning and Construction

The responsibilities for capital planning and construction fall under the Operations Office and the Information and Technology Office. The Information and Technology Office assists the Operations Office with enrollment projections and the establishment of feeder patterns or attendance boundaries. Within the Operations Office, the Facilities Division is responsible for the design and construction of projects. The division has four departments to handle these activities, the Construction Department, the Design Department, Finance, and Budget. Exhibit 8-5 presents the organizational chart for these functions.

Capital Planning

Two important steps in capital planning for school districts are the development of enrollment projections and the analysis of facility utilization. The Pittsburgh School District develops enrollment projections on an annual basis for one year in advance. The district uses a cohort survival method taking into account birth rates, kindergarten start date, and changes in housing capacities. Exhibit 8-6 presents the enrollment projections for the last five years in comparison to actual enrollments.

The analysis of school facility utilization first calculates the capacity of each facility and then compares that to the actual enrollment. Capacity calculations are conducted in a number of ways, but generally start with a desired student teacher ratio or class size. The class size will vary depending on the type of class. Desired class sizes in high schools are often larger than in elementary schools. Special education class sizes are typically smaller than general class sizes. Some classrooms will not be assigned a capacity. For instance, an elementary art room will usually not be assigned a capacity because the students are only in the art room when they are not in their home room. For this reason, the art room may not contribute to the capacity of the school.

The Pittsburgh School District has developed a formula for calculating the capacity of its elementary, middle, and high schools. The State of Pennsylvania has also developed a capacity formula which it uses to establish capacity for its PlanCon Program. Exhibit 8-7 presents a comparison of the district's and the state's capacity formulas.

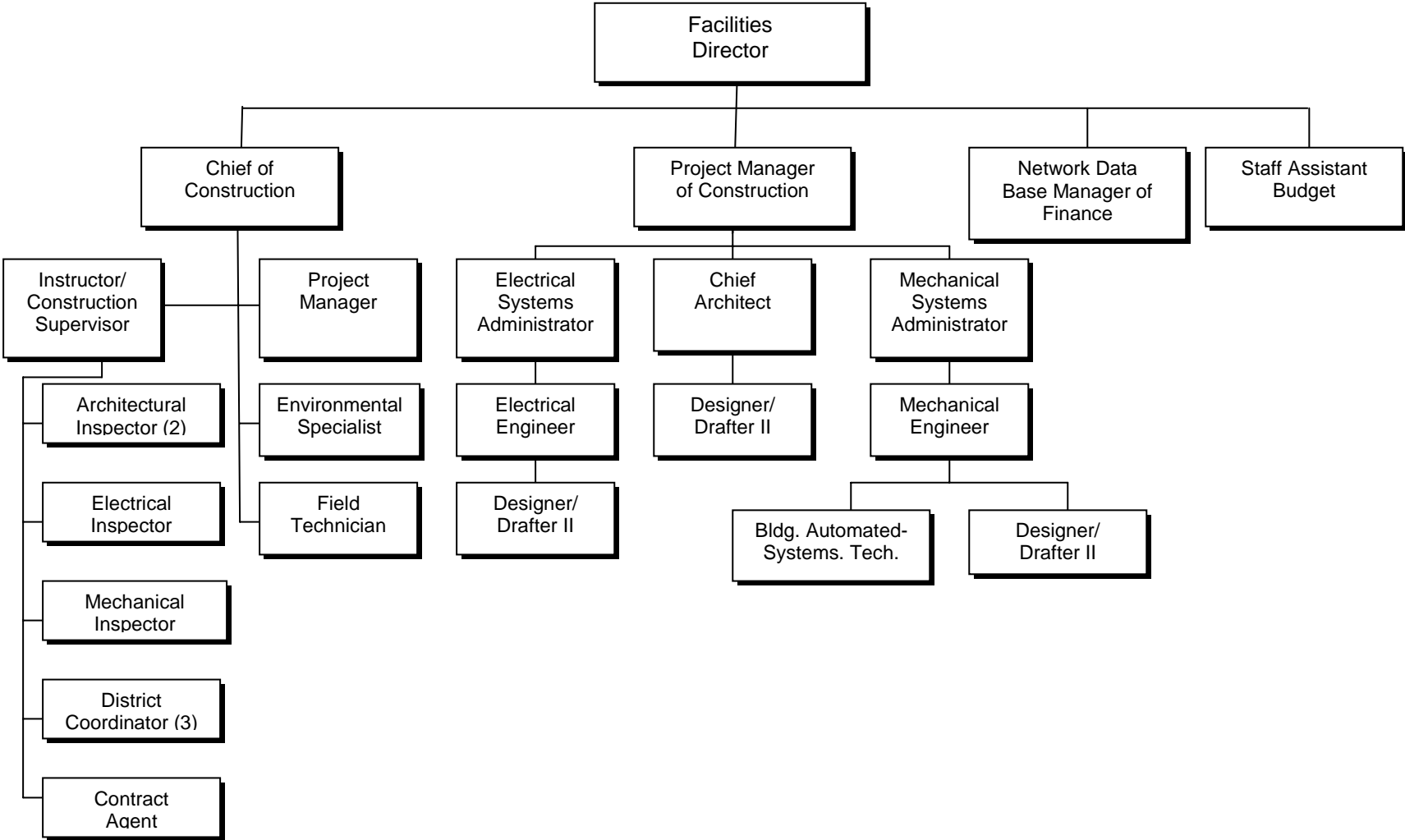
Exhibit 8-7 indicates that the district's capacity formula results in a capacity calculation somewhat smaller than the state's calculation. This is largely due to the smaller class size that the district uses (23 instead of 25). If the class sizes were the same, the district's capacity would be larger since it includes capacity for spaces such as science, art, and social studies.

FINDING

Exhibit 8-8 presents the results of a comparison of the capacities of the schools in the Pittsburgh School District with the projected enrollments for 2005. Both the capacities and the enrollments were calculated by school district staff.

This comparison indicates that the district has an excess capacity at the elementary level of approximately 7,200 students or 17 schools (based on an average school size of 406 students). The excess capacity at the middle school level is almost 3,900 students or seven schools (based on an average school size of 550 students). The excess capacity at the high school level is approximately 1,300 students or one high school (based on an average school size of 1,072 students).

**EXHIBIT 8-5
FACILITIES DIVISION – CAPITAL PLANNING AND CONSTRUCTION FUNCTIONS
ORGANIZATIONAL CHART
APRIL 2005**



Source: Pittsburgh School District, Plant Operations Division, April 2005.

**EXHIBIT 8-6
STUDENT ENROLLMENT PROJECTIONS VERSUS ACTUAL ENROLLMENTS
PITTSBURGH SCHOOL DISTRICT
1999 – 2004**

LEVEL	1999	2000	2001	2002	2003	2004
Elementary Projected Enrollment July	19,912	18,671	18,293	17,631	16,255	16,046
Elementary Official Enrollment October	19,179	18,828	18,010	16,513	15,943	15,254
Difference	(733)	157	(283)	(1,118)	(312)	(792)
Middle Projected Enrollment July	8,107	7,991	8,091	7,855	7,426	7,072
Middle Official Enrollment October	7,914	8,089	7,965	7,601	7,505	6,630
Difference	(193)	98	(126)	(254)	79	(442)
Secondary Projected Enrollment July	11,105	11,048	10,906	10,970	10,408	10,058
Secondary Official Enrollment October	10,964	10,897	10,912	10,422	10,478	10,220
Difference	(141)	(151)	6	(548)	70	162
Total Projected Enrollment July	39,124	37,710	37,290	36,456	34,089	33,176
Total Official Enrollment October	38,057	37,814	36,887	34,536	33,926	32,104
Difference	(1,067)	104	(403)	(1,920)	(163)	(1,072)
Percent Variation	2.7%	0.3%	1.1%	5.3%	0.5%	3.2%
Average Variation	-753.5	2%	2%	2%	1%	1%

Source: Pittsburgh School District, Operations Office, April 2005.

**EXHIBIT 8-7
COMPARISON OF PITTSBURGH SCHOOL DISTRICT AND STATE OF
PENNSYLVANIA CAPACITY FORMULAS
APRIL 2005**

TYPE OF SPACE	PlanCon**** CAPACITY	DISTRICT CAPACITY	CAPACITY FOR THREE-SECTION SCHOOL ***	
			PlanCon**** CAPACITY	DISTRICT CAPACITY
Kindergarten	25	23	75	69
Standard Classroom*	25	23	375	345
Small Classroom**	0	12	NA	NA
Pre-kindergarten	0	20	NA	NA
Head Start	0	20	NA	NA
Standard Special Education*	25	12	25	12
Small Special Education**	0	6	0	12
Computer Lab	0	0	0	0
Science Room	0	23	NA	NA
Social Studies Classroom	0	23	NA	NA
Art Room	0	23	0	23
Music Room	0	0	0	0
Multi-purpose/gym	0	0	0	0
Natorium	0	0	NA	NA
In-House Suspension (Standard)*	25	0	25	0
Library	0	0	0	0
PERC/Conference 660 sf +	0	0	0	0
Vacant Classroom	25	25	NA	NA
Other	0	0	NA	NA
Building Total			500	461
Difference			39	7.8%

Source: Pittsburgh School District, Facilities Division, April 2005.

* Standard classroom is defined as a room larger than 660 sq. ft.

** Small classroom is defined as a room less than 660 sq. ft.

*** Assumes three-section, K-5 school with no head start, no pre-kindergarten, no science room, no social studies room, no auditorium.

****Plan Con Program – State of Pennsylvania capacity formula program.

**EXHIBIT 8-8
COMPARISON OF PITTSBURGH SCHOOL DISTRICT CAPACITIES
AND PROJECTED STUDENT ENROLLMENTS
APRIL 2005**

SCHOOL	FUNCTIONAL CAPACITY	PROJECTED 7/1/05 ENROLLMENT	EXCESS CAPACITY
ELEMENTARY			
Allegheny Elementary	478	399	79
Arlington Elementary	514	306	208
Banksville Elementary	265	206	59
Beechwood Elementary	312	251	61
Bon Air Elementary	116	90	26
Brookline Elementary	485	366	119
Burgwin Elementary	441	222	219
Carmalt Elementary	790	609	181
Chatham Elementary	248	175	73
Clayton Elementary	340	183	157
Colfax Elementary	490	348	142
Concord Elementary	271	288	-17
Crescent Elementary	437	262	175
Dilworth Elementary	438	318	120
East Hills Elementary	691	272	419
Fort Pitt Elementary	602	250	352
Friendship Elementary	346	216	130
Fulton Elementary	412	215	197
Grandview Elementary	328	293	35
Greenfield Elementary	508	480	28
Homewood Elementary	559	373	186
Homewood (Belmar) Montessori	432	251	181
King Elementary	752	279	473
Knoxville Elementary/Middle	421	294	127
Lemington Elementary	355	205	150
Liberty Elementary	443	401	42
Lincoln Elementary	428	225	203
Linden Elementary	449	409	40
Madison Elementary	392	154	238
Manchester Elementary	513	257	256
Mann Elementary	396	239	157
McCleary Elementary	138	132	6
Mifflin Elementary	545	326	219
Miller Elementary	380	254	126
Minadeo Elementary	539	414	125
Morningside Elementary	274	203	71
Morrow Elementary	456	313	143
Murray Elementary	470	310	160
Northview Heights	605	271	334
Phillips Elementary	271	300	-29
Prospect Elementary	392	299	93
Roosevelt Elementary	340	319	21
Schaeffer Elementary	219	179	40
Sheraden Elementary	322	209	113
Spring Hill Elementary	299	284	15

**EXHIBIT 8-8 (Continued)
COMPARISON OF PITTSBURGH SCHOOL DISTRICT CAPACITIES
AND PROJECTED ENROLLMENTS
APRIL 2005**

SCHOOL	FUNCTIONAL CAPACITY	PROJECTED 7/1/05 ENROLLMENT	EXCESS CAPACITY
Stevens Elementary	438	308	130
Sunnyside Elementary	375	288	87
Vann Elementary	436	186	250
Weil Elementary	484	217	267
West Liberty Elementary	294	272	22
Westwood Elementary	406	308	98
Whittier Elementary	267	163	104
Woolslair Elementary	345	321	24
Elementary School Total	21,947	14,712	7,235
Average Elementary Capacity	406		
MIDDLE SCHOOLS			
Allegheny Middle	490	259	231
Arsenal Middle	792	360	432
Columbus Middle	554	292	262
Frick Middle	761	606	155
Greenway Middle	788	321	467
Knoxville Middle	455	280	175
Middle Alternative (Baxter)	173	25	148
Milliones Middle	937	369	568
Pittsburgh Classical Acad.	351	331	20
Prospect Middle	475	256	219
Reizenstein Middle	1,441	588	853
Rogers C.A.P.A.	374	292	82
Rooney Middle	467	272	195
Schiller Traditional Academy	328	329	-1
South Brook Middle	346	416	-70
South Hills Mid. (Brashear)	507	395	112
Sterrett Classical	276	364	-88
Washington Polytech	393	254	139
Middle School Total	9,908	6,009	3,899
Average Middle Capacity	550		
HIGH SCHOOLS			
Allderdice High	1,913	1,507	406
Brashear High	1,564	1,390	174
Carrick High	1,122	1,352	-230
Langley High	972	769	203
Letsche (Baxter)	311	161	150
Oliver High	1,080	956	124
Peabody High	1,113	644	469
Perry High	933	1,059	-126
Pittsburgh C.A.P.A.	468	540	-72
Schenley High	1,308	1,374	-66
Westinghouse High	1,003	648	355
High School Total	11,787	10,400	1,387
Average High Capacity	1,072		

Source: Pittsburgh School District, Operations Office, April 2005.

The Pittsburgh School District recently considered closing several schools and in fact did close 10 schools. During the process of considering those closures, the district staff prepared financial calculations projecting the savings realized by closing the schools. These calculations included savings realized from cutbacks in personnel, plant operations and utilities, and transportation costs.

Exhibit 8-9 presents a summary of those calculations and the resultant projected average savings per student seat (capacity).

**EXHIBIT 8-9
SUMMARY OF CALCULATIONS AND THE RESULTANT PROJECTED AVERAGE
SAVINGS PER STUDENT SEAT**

RECOMMENDED SCHOOL CLOSURES	FUNCTIONAL CAPACITY (STUDENT SEATS)	PROJECTED GENERAL FUND SAVINGS
Elementary Schools		
Belmar	539	\$199,892
Beltzhoover	431	\$608,101
Bon air	145	\$599,240
Chartiers	169	\$499,880
Homewood Montessori	240	\$122,470
Mann	347	\$484,317
Regent Square	239	\$371,598
Schaeffer	202	\$458,365
Spring Garden	177	\$418,869
Total	2,489	\$3,762,732
Savings per seat		\$1,512
Middle Schools		
Arlington	251	\$410,837
Savings per seat		\$1,637
High Schools		
South	909	\$1,165,516
Savings per Seat		\$1,282

Source: Pittsburgh School District, Plant Operations Division, April 2005.

RECOMMENDATION

Recommendation 8-2:

Close schools to a level that the projected enrollment is approximately 90 percent of capacity.

Many school districts are faced with the necessity of closing schools and it is never an easy task. However, the alternatives are even less desirable. Districts operating with significant excess capacity are either wasting valuable taxpayer dollars which could be spent on the education of children, or will be forced to raise taxes to pay for the inefficiencies.

The Pittsburgh School District should follow procedures that they have used in the past. These procedures included staff recommendations, public comment and review, Board of Education recommendations, additional public comment and review, and then Board adoption.

During the current year, the Pittsburgh School District has started the process to study possible closing.

Reducing the capacity so that the enrollment is within 90 percent will allow for enrollment fluctuations and some flexibility in feeder patterns. At the elementary level, this will require reducing capacity by about 5,600 seats or 13 schools. (Note: This is calculated based on Exhibit 8-8, using Column 2 (projected 7/1/15 enrollment) as representing the 90 percent figure). At the middle school level, the reductions would be about 3,200 seats or six schools. The high school level would be reduced by approximately 230 seats, which is less than one school so a school closure would be impractical.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|----------------------|
| 1. The Chief Operations Officer should prepare draft recommendations for school closures and feeder pattern adjustments and a fiscal analysis. | Summer 2005 |
| 2. The Chief Operations Officer should present the draft recommendations and analysis to the public for review, comment, suggestions for alternatives. | September 2005 |
| 3. The Chief Operations Officer, after considering all public comment, should present the resulting recommendations and analysis to the Board of Education for review and comment. | Fall 2005 |
| 4. The Board should make a preliminary decision on school closures. | Spring 2005 |
| 5. The Board should receive public comment and review suggested alternatives. | March–
April 2005 |
| 6. The Board of Education should vote on which schools to close and direct the Chief Operations Officer to make the necessary preparations to close schools. | May 2006 |

FISCAL IMPACT

The fiscal impact of closing schools will depend on how many and which schools are closed. However, the maximum projected savings can be calculated using the analysis previously prepared by district staff.

Exhibit 8-10 presents a calculation of projected savings.

**EXHIBIT 8-10
PROJECTED SAVINGS FROM SCHOOL CLOSURES**

LEVEL	CAPACITY REDUCTION	SAVINGS PER SEAT REDUCTION	TOTAL SAVINGS
Elementary	5,600	\$1,500	\$8,400,000
Middle	3,200	\$1,600	\$5,120,000
High	0	\$1,200	\$0
Projected Total Savings			\$13,520,000

Source: Pittsburgh School District, Operations Office and MGT of America, April 2005.

As Exhibit 8-10 shows, the Pittsburgh School District can expect to realize a maximum of approximately \$13,520,000 in ongoing savings. These savings are a maximum because they will be offset by factors that are incapable of being calculated until specific schools are selected for closing. These factors include:

- increased transportation costs – since there will be fewer schools, students may require additional bus routes;
- variation in staffing reductions – staffing reductions will vary depending on the number of educational rounds at the selected schools (including the assistant principals recommended in Recommendation 4-12); and
- one-time costs – there will be one-time costs for moving supplies and equipment, and reconfiguration of space to accommodate additional enrollment.

It should be noted, however, that this cost savings does not include the revenue generated from a sale of the buildings. It is projected that the savings will start in the 2007-08 school year.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Close Schools and Eliminate Excess Capacity	\$0	\$0	\$13,520,000	\$13,520,000	\$13,520,000

Capital Design

The Design Section is responsible for the planning and design of renovation, repair and improvement projects. These responsibilities include:

- planning and design;
- budgeting;
- cost estimating;
- project evaluation;
- code and usage compliance;
- post-construction review; and
- archiving construction documents.

The Design Section is also responsible for the planning, design and site acquisition for large capital projects. These responsibilities include:

- architectural programming;
- budgeting;
- oversight of consultants;
- review of construction documents;
- review and recommendation of bid awards; and
- processing of contracts.

Renovation, repair, and improvement projects are typically identified by the District Coordinators through input from central administrators, school site administrators, maintenance staff, and custodians. The design group prioritizes the projects, creates budgets, and incorporates them in to the five-year capital plan. The design of smaller projects is handled in-house, while larger projects are assigned to outside architects who act as on-call consultants on two-year contracts.

Larger capital projects, such as new schools, follow similar procedures with a greater degree of central administration and community input. The design services of an outside architect are acquired through a Request for Proposals (RFP) process. The review of proposals for design services includes a review of each professional's past performance and an analysis of the amount of effort (hours) for the proposed fee.

The Design Group oversees the design process, working with educators, parents, community members, and staff. The programmatic needs are identified by the school principal and his/her executive, and cost estimates are reviewed at the 25 percent phase and at the completion of construction documents. Finished construction documents are put out for bid following industry standard procedures.

The bids received are reviewed by the Construction Supervisor to ensure they meet all submittal requirements and by the Director of Facilities. The apparent low bid is submitted to the EBE Board for review and then to the Board of Education for approval. The bid is also reviewed by the district's law department, and the school district's Controller, who is also the Controller for the City, and the contract is approved. The approval process can take 6-10 weeks.

FINDING

The Pittsburgh School District does not have written design guidelines or standards for the design of school facilities. The Facilities Division is in the process of developing guidelines and does have a consultant checklist which identifies items that need to be addressed during the preparation of contract documents. The State of Pennsylvania does have regulations for the design of school facilities which must be followed for districts to receive state funding; however, these regulations deal more with procedures than with the physical design of a facility.

School facility design guidelines are a critical element in the design process to ensure that the completed facility meets the needs of the district and can support the education program that the facility is intended to house. Design guidelines ensure equity across the district's facilities and that the educational needs are met in a cost-effective manner.

In addition to design guidelines, each design project should begin with the development of an education specification. While the district does work with the central administration, the principal, and the community to establish a program, it does not develop a written educational specification. The educational specification identifies the specific programmatic needs for the individual school facility and ensures that the final design will meet those needs. The educational specification is a guide for the architect to ensure the final design meets the functional requirements of the educational program.

RECOMMENDATION

Recommendation 8-3:

Complete the facility design guidelines and implement a formal educational specification process.

The Facilities Division has begun the process of developing facility design guidelines. This process should be prioritized and completed. The facilities staff should review guidelines from other entities such as the Ohio School Facilities Commission and the Wake County School District in North Carolina. The process to develop the guidelines should include input from educators and the community.

At a minimum, design guidelines will address the following areas:

- site size;
- required site amenities such as play fields, play equipment, athletic fields, and athletic courts;
- site functional requirements such as vehicular/pedestrian traffic patterns, parking, bus loading zones, fencing, and lighting;
- amount of gross square footage of space per student;
- types and quantities of building spaces;
- minimum sizes of spaces;
- space adjacencies;
- fixed equipment;
- design requirements such as life cycle costs, energy efficiency, and sustainability;
- capacity formulas; and
- building performance requirements for acoustics, lighting, heating and air conditioning.

The Facilities Division should implement a formal educational specification process. An educational specification should be produced for each major capital project. The

specification should identify the functional needs of the educational program and detail the physical needs of each space in the building and site. Common elements included in the educational specifications are:

- project rationale;
- community data;
- educational plans;
- general building considerations that include:
 - Circulation, vehicle access and parking, building security, technology and communications, community use, maintenance and energy conservation;
- site considerations; and
- descriptions of instructional and activity areas to include program philosophy and goals, program activities, relationships to other areas, utilities, surfaces, storage, furniture and equipment, and future needs.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Director of Facilities should direct the Project Manager of Construction to prioritize the completion of design guidelines and the implementation of an educational specification process. July 2005
2. The Project Manager of Construction should develop design guidelines and a framework for educational specifications using a process that incorporates input from local educators, the community, and custodial and maintenance staff. The process should also review guidelines from other entities. July –
September 2005
3. The Director of Facilities should submit the final design guidelines and educational specifications for review and approval by the Pittsburgh Board of Education. October 2005

FISCAL IMPACT

This recommendation can be implemented within the existing resources of the district.

FINDING

The Facilities Division does not perform a formal value engineering process conducted by a third-party consultant. The district is starting to use a procedure called “Constructionability” which is not the same as value engineering.

Value engineering is the process where the design of a facility is analyzed to determine if the best value is being received for the cost. Value engineers assess the function performed by each building system and calculate if the same or more value can be achieved through alternative means which costs less in initial and long range costs. The Division does make decisions about the cost and performance of building systems based on their staff's professional experience. However, the department does not have a formal process that uses professional value engineers and life cycle cost analyses.

RECOMMENDATION

Recommendation 8-4:

Implement a formal value engineering process.

A formal value engineering process should include the hiring of certified value engineers to conduct a review of a project. The review can take place at the conceptual, schematic or design development phase of the design process. Typically, the earlier the review takes place, the greater the return on the investment.

Typical industry standards for value engineering fees are .5 percent of the project costs. The return on the investment is typically ten dollars for every dollar of fee. As an example, in recent value engineering studies conducted for the Wyoming School Facilities Commission, the return has averaged \$45 for every dollar invested in fees.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|---------------------------|
| 1. The Facilities Director should direct the Project Manager of Construction to issue an RFP for value engineering services. Services can be acquired on a project basis or under a blanket contract. | July 2005 |
| 2. The Project Manager of Construction should contract with the most qualified Value Engineers. | August 2005 |
| 3. The Value Engineers should conduct reviews of all major capital improvement projects for the next five years. | August 2005 – August 2009 |
| 4. The Director of Facilities should report to the Board the results of the process on an annual basis. | Ongoing |

FISCAL IMPACT

The fiscal impact of this recommendation will be based on the cost of the value engineering fees and the savings realized. Major construction projects in the Pittsburgh School District have averaged \$26,000,000 per year for the last five years. Value engineering fees calculated at .5 percent would amount to \$130,000. If a savings ratio of 10 to 1 is realized, the average annual savings would equal approximately \$1,170,000. (\$1,300,000 - \$130,000 = \$1,170,000)

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Contract With Value Engineers	(\$130,000)	(\$130,000)	(\$130,000)	(\$130,000)	(\$130,000)
Realize Return On Value Engineering	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000
Net Savings	\$1,170,000	\$1,170,000	\$1,170,000	\$1,170,000	\$1,170,000

Capital Construction

The Construction Section of the Facilities Division is responsible for overseeing all construction projects within the school district. These responsibilities include the daily management, scheduling, coordination, and inspection activities for all major PlanCon projects, and all other capital improvement and major maintenance projects.

The Construction Section is also responsible for reviewing bids and contracts for compliance with district policies, execution of contracts, payment of requisitions, the review of materials and subcontractors, processing change orders, and close-out of all projects. The organizational chart for the Construction Section was presented earlier in this chapter in Exhibit 8-3.

Major capital improvement projects for which the district can apply for partial state reimbursement fall under the State of Pennsylvania PlanCon Program. The state has rules and regulations regarding the eligibility, design, and construction of these projects. Any given building can only receive state funds once every 20 years, so these projects tend to be major renovations or additions. The Construction Section has a project manager who is responsible for the coordination of these projects with the state.

The Facilities Division has developed a five-year Capital Program which guides the work of the Construction Section. The program identifies projects by type, by school, and by year. Currently the district has 128 projects which are less than 90 percent complete worth \$60,333,089, and 88 projects which are greater than 90 percent complete worth \$41,704,689. Exhibit 8-11 presents the yearly estimated totals for the Capital Program.

**EXHIBIT 8-11
SUMMARY OF FIVE-YEAR CAPITAL PROGRAM**

	2005	2006	2007	2008	2009	TOTAL
ESTIMATED CAPITAL PROGRAM EXPENDITURES	\$40,566,000	\$45,214,000	\$35,788,000	\$29,048,000	\$24,248,000	\$174,864,000

Source: Pittsburgh School District, Facilities Division, April 2005.

FINDING

As mentioned earlier in this chapter, the Construction Section has designated the position of District Coordinator to act as a liaison between the Facilities Division and the schools. The District Coordinators are responsible for visiting the schools and identifying

needed facility repairs, renovations, and improvements. The Coordinators visit schools on a regular basis, visit with the principal and custodians, and inspect the schools. Projects are identified and prioritized, and once approved, are added to the Capital Program.

The District Coordinators act as a point of contact for school staff with the Facilities Division. School staff are able to report facility needs on a regular basis. Because the Coordinators work with a number of schools, they are able to see the big picture and prioritize projects in an equitable manner.

COMMENDATION

The Pittsburgh School District is commended for establishing an effective facility needs assessment protocol.

FINDING

Costs per square foot and the percentage of change in construction costs from the original contract can be measures of how well a construction project was designed and managed. Poorly designed or managed projects will often have excessive square footage costs and high change order percentages. Change orders can be initiated by the contractor, architect, or school district, and are sometimes necessary. However, change orders should be minimized because changes to a design typically cost more during the construction phase of a project than in the planning stage.

The Council of Educational Facility Planners International (CEFPI) recommends that a reasonable change order budget is three to four percent of the construction budget. Renovation projects will typically have somewhat higher rates (6 to 8%) due to the unknown conditions in existing construction.

The Construction Section has overseen the construction of several major projects over the last five years. Exhibit 8-12 presents the record of estimates, contract amounts, and change orders for these projects. The data presented in the exhibit indicate an average change order rate of approximately 12 percent. This is an indication that improvements can be made in the design and construction processes that the district uses.

RECOMMENDATION

Recommendation 8-5:

Reduce the change order rate to an average of six percent for all major projects.

The Facilities Division, including both the Design Section and the Construction Section, should examine the policies and procedures that are being used. Currently, the state requires the use of multiple prime contracts on all PlanCon projects. Consequently, there is no one responsible party for issues that arise during the construction process. This situation requires a greater level of scrutiny of the quality and completeness of construction documents to avoid conflicts and omissions.

**EXHIBIT 8-12
FIVE-YEAR HISTORY OF MAJOR PROJECTS
APRIL 2005**

PROJECT	PROJECT ESTIMATE	CONTRACT AMOUNT	NO. OF CHANGE ORDERS	VALUE OF CHANGE ORDERS	CHANGE ORDERS AS A PERCENT OF CONTRACT AMOUNT	PROJECT COST PER SQUARE FEET	PERCENT COMPLETE
Brookline ES Renovation	\$4,100,000	\$5,288,077	2	\$291,243	6%	\$97.49	10%
CAPA HS New Const. and Renovation	\$37,000,000	\$31,356,700	280	\$4,449,479	14%	\$212.07*	99%
CAPA HS Renovation	\$3,406,000	\$2,973,700	33	\$235,275	8%	\$92.78*	73%
Carrick HS Addition and Renovation	\$23,495,350	\$22,248,700	227	\$2,184,788	10%	\$123.84	100%
Greenfield ES Renovation	\$1,600,000	\$1,734,900	43	\$226,587	13%	\$23.19	100%
Homewood ES – New	\$13,600,000	\$12,302,676	104	\$1,934,385	16%	\$211	100%
Lincoln ES Addition and Renovation	\$2,330,000	\$4,348,200	95	\$551,735	13%	\$108.53	100%
Mifflin ES Addition and Renovation	\$7,700,000	\$7,450,620	104	\$471,395	6%	\$95.11	100%
Morningside ES Renovation.	\$744,000	\$696,780	25	\$165,670	24%	\$25.97	100%
Rooney MS Addition and Renovation	\$3,000,000	\$2,639,000	44	\$266,634	10%	\$43.43	100%
Roosevelt ES Renovation	\$3,575,000	\$4,430,942	40	\$531,129	12%	\$138.97	100%
Southbrook MS/Pioneer EC New and Renovation	\$10,400,000	\$9,571,033	99	\$795,709	8%	\$130.05	100%
Weil Tech. Renovation.	\$4,086,000	\$4,018,146	44	\$325,071	8%	\$58.27	100%
Westinghouse High School Addition and Renovation	\$22,000,000	\$20,341,133	409	\$3,289,566**	16%	\$78.42*	100%
Total/Average	\$137,036,350	\$129,400,607	111	\$12,429,100	12%		

Source: Pittsburgh School District, Facilities Division, April 2005.

* Construction cost only

** Includes repair work completed by contractors due to fire.

Areas that should be reviewed for improvements include (Note: some of these areas have already been discussed previously in this chapter and the district has started to implement some of them):

- development of facility design guidelines/standards;
- incorporation of educational specifications;
- further development of the “Consultant Checklist”;
- implementation of a formal value engineering process;
- implementation of a formal constructability review process;
- review of inspection procedures; and
- review of change order policies and procedures.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|------------------------------|
| 1. The Facilities Director should assemble a team of staff members from the Design Section and the Construction Section to review policies and procedures currently used in the design and construction process. | July 2005 |
| 2. Facilities staff should prioritize the implementation of recommendations in this report. | August –
September 2005 |
| 3. Facilities staff should contact peer districts to review their policies and procedures. | August –
September 2005 |
| 4. Facilities staff should make recommendations to the Facilities Director of changes in policies and procedures that should reduce the change order rate. | October 2005 |
| 5. The Facilities Director should oversee the implementation of the approved recommendations. | October 2005 to
June 2006 |
| 6. The Facilities Director should report to the Board of Education on the change order rate as a result of the implemented recommendations. | July 2006 |

FISCAL IMPACT

The fiscal impact of this recommendation will depend on the dollar amount of construction undertaken in the next five years and the improvement in the change order rate. If the volume of construction remains about the same, and the change order rate is reduced from 12 percent to 6 percent, the savings will amount to approximately \$7.8 million over five years or \$1,560,000 annually. (Five-year construction volume of \$130,000,000 x 6 percent = \$ 7,800,000 / 5 = \$1,560,000) with one-half the savings being projected in the 2005-06 school year.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Reduce Change Order Rate	\$780,000	\$1,560,000	\$1,560,000	\$1,560,000	\$1,560,000

8.3 Maintenance

The proper maintenance of facilities is critical to ensuring support for an effective instructional program. Research has shown that appropriate heating and cooling levels, building and room appearances, condition of rest rooms and other facilities, as well as safety concerns, all impact how students and faculty/staff are able to carry out their respective responsibilities. Ineffective or inadequate maintenance provisions have proven to lead to increased costs of facility operations by shortening the useful life span of equipment and buildings. Many school districts have adopted rigorous preventive maintenance programs and maintain a record of the performance of equipment and the costs of regular maintenance against which they measure the effectiveness of programs.

The Maintenance Section is responsible for the preventive, routine, and emergency maintenance of school facilities. The section has 79 positions and an annual budget of approximately \$7.1 million. Exhibit 8-13 presents an organizational chart of the Maintenance Section.

The Maintenance Section follows a typical work order procedure for receiving, assigning, and completing work requests from schools. Exhibit 8-14 presents the work order work flow process.

In the 2004 calendar year, the Maintenance Section completed 9,806 work requests and 7,742 emergency work requests. As of mid-April 2005, the Maintenance Section had a backlog of 5,057 work requests and 988 emergency work requests. Exhibit 8-15 presents a breakdown of the work request backlog by trade.

The fact that the Maintenance Section has a backlog of 6,000 work requests in mid-April and that almost 1,000 of these are emergency requests is somewhat alarming. However, since 17,500 work requests were completed in 2004, this number seems proportionate. In addition, interviews with school administrators and custodians indicated that the Maintenance Section had a good response record.

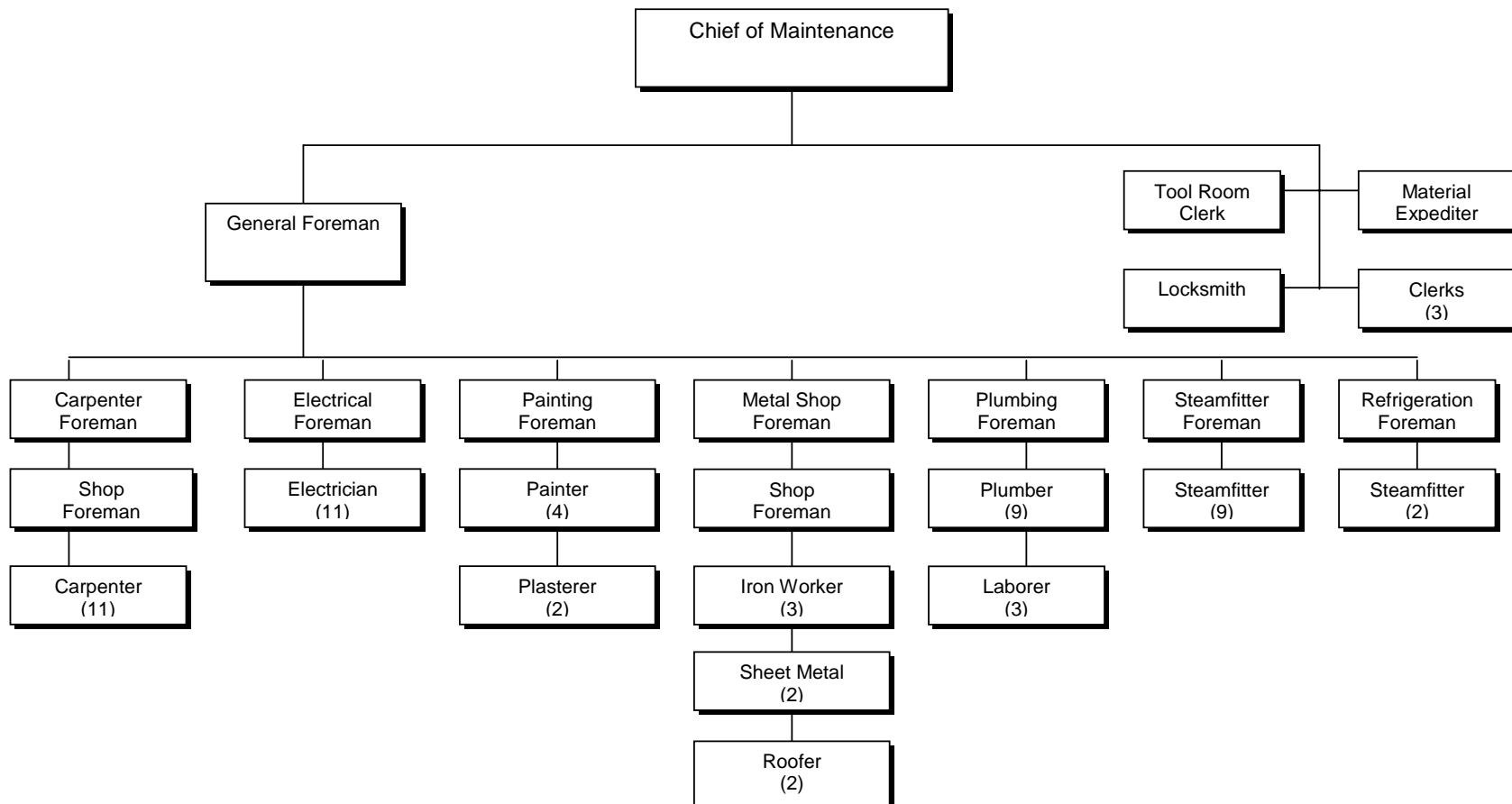
The Pittsburgh School District has adopted a procurement card (P-card) system of purchasing materials. This system minimizes the amount of materials that are kept in the inventory. All maintenance staff have P-cards and can purchase materials at local supply houses as they need them. Each P-card has a daily limit, the amount depends on the level of the employee.

The Maintenance Section does have a work order software program that can produce reports on the status of work requests. However, all data must be entered manually. Work requests are hand written by custodians and delivered manually to the Maintenance Section. Materials and labor used on a work order must be entered manually. The software does not keep track of the materials inventory; this is also done manually.

FINDING

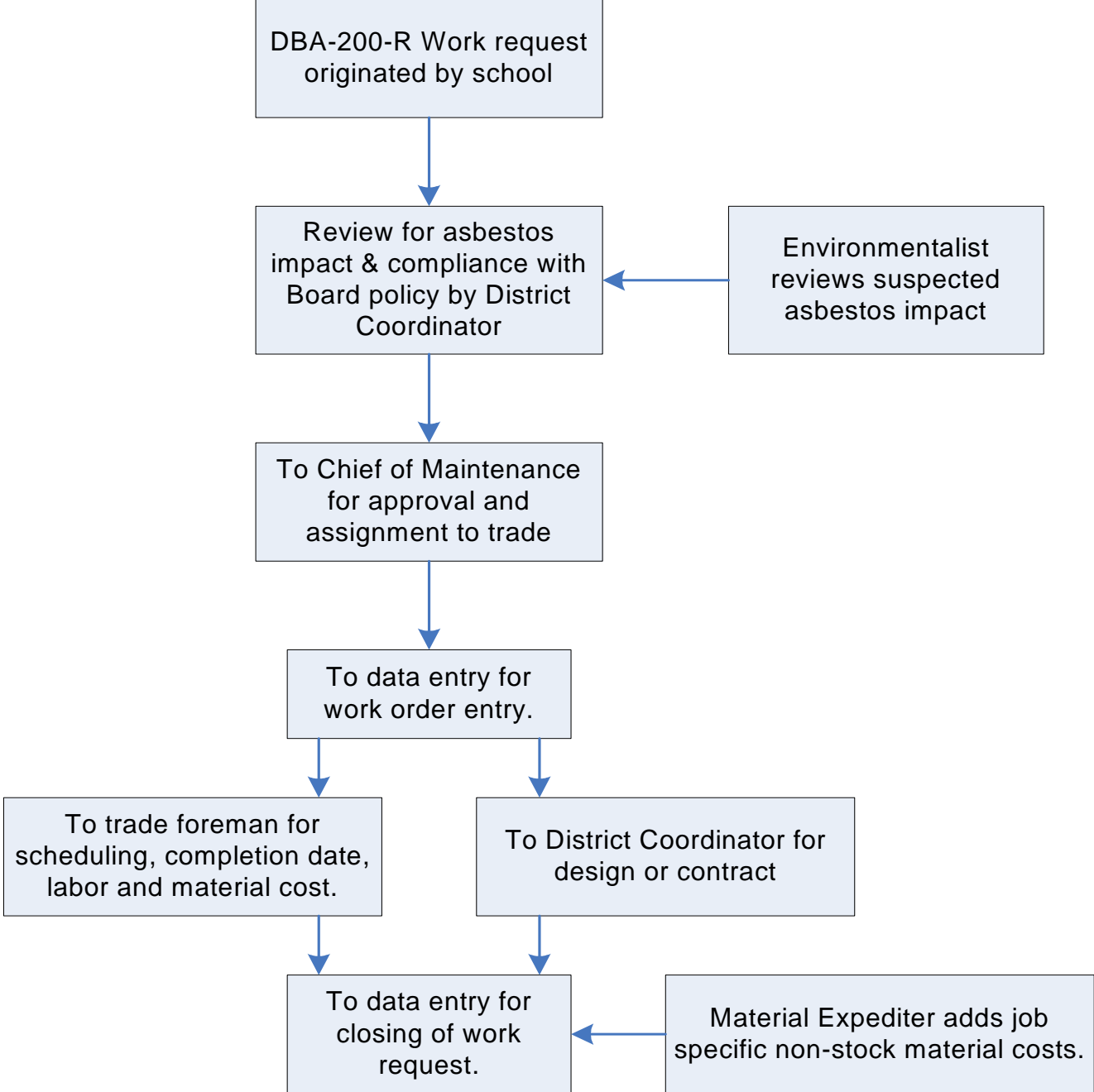
The 2005 budget for maintenance is \$7,056,648. The district maintains 9,346,473 gross square feet (GSF) of permanent facilities and 33,393 gross square feet of portable buildings for a total of 9,379,866 GSF. This equates to approximately \$0.76 per GSF.

**EXHIBIT 8-13
PITTSBURGH SCHOOL DISTRICT
MAINTENANCE SECTION ORGANIZATIONAL CHART
APRIL 2005**



Source: Pittsburgh School District, Facilities Division, April 2005.

**EXHIBIT 8-14
PITTSBURGH SCHOOL DISTRICT
WORK ORDER WORK FLOW PROCESS
APRIL 2005**



Source: Pittsburgh School District, Facilities Division, April 2005.

**EXHIBIT 8-15
WORK REQUEST BACKLOG BY TRADE
APRIL 2005**

TRADES	DBA-200 WORK REQUEST BACKLOG	EMERGENCY WORK REQUEST BACKLOG	TOTAL BY TRADE
Building Labor	161	19	180
Carpenters	1162	91	1253
Electricians	617	1	618
Glaziers	67	6	73
Iron Workers	480	112	592
Locksmiths	172	68	240
Painters	291	21	312
Plasterers	193	10	203
Plumbers	859	96	955
Refrigeration	11	153	164
Roofers	134	176	310
Sheet Metal	474	195	669
Steamfitters	436	40	476
Totals	5,057	988	6,045

Source: Pittsburgh School District, Maintenance Section, April 2005.

**EXHIBIT 8-16
COMPARISON OF MAINTENANCE EXPENDITURES
APRIL 2005**

COST RATIOS	NATIONAL MEDIAN	SCHOOLS > 3500 STUDENTS	PITTSBURGH SCHOOL DISTRICT	DIFFERENCE OVER / (UNDER)
Maintenance dollars per square foot	\$0.59	\$0.64	\$0.70	\$0.06
Maintenance dollars per student	\$104.64	\$98.19	\$211.11	\$112.92

Sources: Pittsburgh School District, Facilities Division, and *American School & University Magazine*, 2004 M&O Survey.

American School and University (AS&U) Magazine publishes an annual cost study of maintenance and operations costs for school districts. Exhibit 8-16 shows how the Pittsburgh School District compares with school districts nationally. The Pittsburgh School District Maintenance budget has been adjusted to \$0.70 per GSF by subtracting the budget categories defined as "other," which are separated in the AS&U Study.

As the exhibit shows, the Pittsburgh School District spends approximately 9 percent more per square foot than the median for districts of its size. At the same time, the district spends approximately 115 percent more per student than the median for similarly sized districts. The range between 9 percent and 115 percent is largely due to the fact that the district is maintaining a significant amount of excess space given its current student enrollment.

RECOMMENDATION

Recommendation 8-6:

Reduce the maintenance budget proportionately to the reduction in excess facility space.

Earlier in this chapter, a recommendation was made to reduce the district's excess facility space. If that recommendation is implemented, it would reduce elementary space by about 825,000 gross square feet (GSF), middle school space by about 630,000 GSF, for a total reduction of 1,455,000 GSF.

IMPLEMENTATION STRATEGY AND TIMELINE

- | | |
|--|---------------|
| 1. Upon implementation of the recommendation to close schools, the Chief Operations Officer should direct the Maintenance Chief to prepare and submit a revised budget reflecting the reduction in the amount of facilities to maintain. | January 2006 |
| 2. The Board of Education should review and approve the revised budget. | February 2006 |

FISCAL IMPACT

The fiscal impact of this recommendation will depend on the number of facilities closed. If we assume the recommendation is fully implemented, a reduction of 1,455,000 GSF will occur over two years. This should result in a maintenance budget reduction of approximately \$1.1 million (1,455,000 GSF x \$0.76 / GSF = \$1,105,800).

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Reduce Maintenance Budget	\$0	\$0	\$1,100,000	\$1,100,000	\$1,100,000

FINDING

The Pittsburgh School District's largely manual work order and inventory system for the Maintenance Section is inefficient, ineffective, prone to errors, and susceptible to corruption. Maintaining the inventory of maintenance materials and parts manually is so cumbersome that it has not been updated for several years. The district does not accurately know how many materials it has on hand and if those materials have been properly accounted for. The district reportedly has studied this issue many times over the past 13 years, but has not solved the problem.

A review of completed work orders by the MGT review team uncovered inaccuracies in the materials and costs associated with work orders. For instance, a work order to furnish and install a sink in an art room included a \$1,608.58 charge for materials. (\$900.00 of these charges were the foreman's estimate that was never taken off the

work order, thereby inflating the cost of the work). A review of the invoice for actual materials charged to the work order revealed the purchase of 20 quarter turn angle valves, 12 p-traps, 24 trap adapters, two adjustable wrenches, and \$33.08 for alkaline batteries.

RECOMMENDATION

Recommendation 8-7:

Acquire a computerized work order and inventory software program and implement accountability procedures.

A computerized work order and inventory system will facilitate an up-to-date and accurate inventory of materials and parts. Typical errors, such as those discussed above, can be eliminated by programmed safeguards. At the same time, procedures must be implemented to insure accurate data are input into the system. Trades foreman must review all P-card purchases to insure materials are being appropriately attributed to work orders.

The MGT review team was told that the district may already own software that can be modified for use in the Maintenance Section. This possibility should be investigated as this will obviously reduce the cost.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-----------------------------|
| 1. The Chief of Maintenance should investigate district-owned software programs to determine if one is adaptable for the Maintenance Section. | July 2005 |
| 2. The Chief of Maintenance should make a recommendation to the Facilities Director for the acquisition of a software program. | August 2005 |
| 3. The Maintenance Section should acquire a software program and training for the Maintenance staff. | September 2005 |
| 4. The Facilities Director and the Chief of Maintenance should develop accountability procedures and implement the software program. | September –
October 2005 |

FISCAL IMPACT

The fiscal impact of this recommendation is not possible to determine until the district determines if it owns a program that can be adapted to the needs of the Maintenance Section. Once operational, however, significant savings should occur.

8.4 Operations and Custodial Services

Safe, clean, and sanitary facilities are essential elements in today's schooling environment. School districts vary in how these functions are delivered. Typically, school boards either contract out (outsource) custodial and other services, or organize a comprehensive in-house system of services. Personnel may be employed by either the Board or the outsource company. Management responsibility, if the program is operational totally in-house, may reside either partially or wholly with the central office or the individual school or cost center. The decision to determine the desired structure is usually based on a number of criteria including minimizing costs to the school district, improving services to schools, and reducing the span of control of district or school-based administrators.

Responsibility for school operations and custodial services falls under the Plant Operations Division which is under the Chief Operations Officer. Plant Operations is responsible for operating and cleaning 9,346,473 gross square feet of facilities and 436.35 acres of sites. The division is comprised of 352 positions and has an annual budget of \$26,672,599. Exhibit 8-4, shown previously, presents an organizational chart for the Plant Operations Division.

The Plant Operations Division is responsible for the following functions:

- Building Custodial Services;
- Pest Control Services;
- Grounds Maintenance;
- Energy Management; and
- Snow removal.

The Pittsburgh School District is divided into three custodial districts with one supervisor and approximately 100 custodians per district. Custodians are responsible for cleaning the facilities, maintaining the grounds adjacent to the facility, and operating and maintaining the HVAC systems and the swimming pool filtering systems.

Custodians can receive training in at least seven different areas. These include:

- Housekeeping;
- Firemanship (Boiler maintenance);
- Custodial Management;
- H.V.A.C.;
- Pool Certification;
- Pesticide Application and Certification; and
- Computer Training.

Certification in boiler maintenance, pool maintenance, and pesticide application are required for certain levels of custodial responsibility. Plant Operations also offers training in energy management and environmentally safe cleaning products.

FINDING

The Pittsburgh School District provides a well-balanced training program to the custodial staff. The training program provides extensive training in basic custodial skills and the

effectiveness is evident in the condition of the schools. In addition, the training program provides an opportunity for custodians to increase their skills in areas such as boiler maintenance and pest control so that they are more effective employees.

COMMENDATION

The Pittsburgh School District is commended for providing a high quality custodial training program.

FINDING

The Plant Operations Division uses a fairly complex formula for determining the number of custodians assigned to a building. This formula is in conformance with the bargaining agreement between the Pittsburgh School District and AFSCME 297. There are eight classifications of custodians; each classification is assigned a different amount of work units. A work unit is the amount of time required to complete a given cleaning duty. This formula allows the conversion of various types of work to a single equivalent, which can be applied to all schools.

In 1997, 94 custodial positions were cut from the division. This action necessitated the development of an "A" and "B" day cleaning schedule, where cleaning duties are minimized every other day. A focus group of custodians generally agreed that the A and B schedule doesn't work because it is difficult to do a complete cleaning job every other day. In addition, the group complained about having no substitute custodians to cover for custodians out on sick leave. Random visits to schools by the MGT review team found the facilities to be generally clean and well-maintained.

In previous performance studies, MGT has seen school districts assign an average of between 12,600 square feet and 23,000 square feet per custodian. Based on these averages, MGT has determined that the best practice for custodial cleaning staff is approximately 19,000 gross square feet per custodian plus .5 FTE for elementary schools, .75 FTE for middle schools, and 1.0 FTE for high schools.

Exhibit 8-17 presents a comparison of Pittsburgh School District's staffing formula with this best practice. The comparison in Exhibit 8-17 shows the Pittsburgh School District to be staffing custodial crews at about 169 positions below best practices.

RECOMMENDATION

Recommendation 8-8:

Monitor cleanliness of schools to determine if custodial staffing levels are sufficient.

It appears from a limited view that the current level of custodial staffing is sufficient to maintain schools in clean state and perform the other assigned duties. However, since the staffing levels are considerably below best practice levels, a more prolonged and comprehensive review is warranted.

**EXHIBIT 8-17
COMPARISON OF CUSTODIAL STAFFING FORMULAS
APRIL 2005**

SCHOOL	PERMANENT GROSS SQUARE FEET	PORTABLE GROSS SQUARE FEET	TOTAL GROSS SQUARE FEET	CURRENT CUSTODIAL POSITIONS	SQUARE FEET PER CUSTODIAN	STAFFING FORMULA (19,000 GROSS SQUARE FEET/ CUSTODIAN)	OVER OR (UNDER) BEST PRACTICE
ELEMENTARY							
Arlington Elementary	49,672		49,672	3	16,557	3.0	0
Banksville Elementary	32,600		32,600	2	16,300	3.0	(1)
Beechwood Elementary	61,800	Oct-09	65,382	3	21,794	4.0	(1)
Belmar Montessori	58,832		58,832	2	29,416	3.5	(1.50)
Bon Air Elementary	14,563		14,563	1	14,563	3.5	(2.50)
Brookline Elementary	62,045	3,582	65,627	3	21,876	4.0	(0.95)
Burgwin Elementary	67,081		67,081	2.5	26,832	4.0	(1.53)
Carmalt Elementary	109,888		109,888	5.5	19,980	6.5	(1)
Chatham Elementary	45,887	1,791	47,678	2	23,839	3.0	(1.01)
Clayton Elementary	53,459	2016	55,475	2	27,738	3.5	(1.50)
Colfax Elementary	62,886		62,886	2.6	24,187	4.0	(1.40)
Concord Elementary	33,540	1,504	35,044	2	17,522	2.5	(0.50)
Conroy Education Center	123,677		123,677	4	30,919	7.0	(3.01)
Crescent Elementary	65,695	3,582	69,277	2.5	27,711	4.0	(1.50)
Dilworth Elementary	56,965		56,965	2	28,483	3.5	(1.50)
East Hills Elementary	92,975		92,975	3	30,992	5.5	(2.50)
Fort Pitt Elementary	88,760		88,760	3	29,587	5.0	(2)
Friendship Elementary	45,527	1,791	47,318	2	23,659	3.0	(0.99)
Fulton Elementary	46,044		46,044	2	23,022	3.0	(1)
Grandview Elementary	45,059	1,791	46,850	2.5	18,740	3.0	(0.47)
Greenfield Elementary	88,228		88,228	3	29,409	5.0	(2)
Homewood Elementary	74,615		74,615	5	14,923	4.5	0.50
King Elementary	123,002		123,002	5.5	22,364	7.0	(1.47)
Lemington Elementary	44,172		44,172	2.5	17,669	3.0	(0.50)
Liberty Elementary	52,071		52,071	2	26,036	3.0	(1)
Lincoln Elementary	48,851		48,851	3	16,284	3.0	0
Linden Elementary	60,252		60,252	2.4	25,105	3.5	(1.10)

**EXHIBIT 8-17 (Continued)
COMPARISON OF CUSTODIAL STAFFING FORMULAS
APRIL 2005**

SCHOOL	PERMANENT GROSS SQUARE FEET	PORTABLE GROSS SQUARE FEET	TOTAL GROSS SQUARE FEET	CURRENT CUSTODIAL POSITIONS	SQUARE FEET PER CUSTODIAN	STAFFING FORMULA (19,000 GROSS SQUARE FEET/ CUSTODIAN	OVER OR (UNDER) BEST PRACTICE
Madison Elementary	46,453	1,791	48,244	2	24,122	3.0	(1.04)
Manchester Elementary	76,087		76,087	3	25,362	4.5	(1.50)
Mann Elementary	56,759		56,759	2	28,380	3.5	(1.49)
McCleary Elementary	25,097	1,791	26,888	1.5	17,925	2.0	(0.50)
McNaugher	58,909		58,909	2	29,455	3.5	(1.50)
Mifflin Elementary	83,001		83,001	4.5	18,445	5.0	(0.50)
Miller Elementary	50,729		50,729	2.5	20,292	3.0	(0.50)
Minadeo Elementary	81,160		81,160	3	27,053	5.0	(2)
Morningside Elementary	36,191		36,191	1.7	21,289	2.5	(0.80)
Morrow Elementary	72,875		72,875	3	24,292	4.5	(1.50)
Murray Elementary	78,168		78,168	2.5	31,267	4.5	(2)
Northview Heights	69,405		69,405	3	23,135	4.0	(1)
Phillips Elementary	27,736		27,736	2	13,868	2.0	0.04
Pioneer	29,136		29,136		#DIV/0!	2.0	(2.03)
Prospect	129,161		129,161	5.5	23,484	7.5	(2)
Roosevelt (old) ***	13,946		13,946	1	13,946	1.0	0
Roosevelt Elementary	38,210		38,210	2.5	15,284	2.5	(0.01)
Schaeffer Elementary	26,780	1504	28,284	1.5	18,856	2.0	(0.49)
Sheraden Elementary	30,890	1,791	32,681	2	16,341	2.0	0
South Annex	47,024		47,024	4	11,756	3.0	1.03
Spring Hill Elementary	37,123		37,123	2	18,562	2.5	(0.45)
Stevens Elementary	64,079		64,079	2	32,040	4.0	(2)
Sunnyside Elementary	48,691	1,504	50,195	2	25,098	3.0	(1)
Vann Elementary	68,054		68,054	2.5	27,222	4.0	(1.50)
Weil Elementary	80,747		80,747	3	26,916	4.5	(1.50)
West Liberty Elementary	36,099		36,099	2.5	14,440	2.5	0
Westwood Elementary	63,178		63,178	2.5	25,271	4.0	(1.50)
Whittier Elementary	45,346		45,346	2	22,673	3.0	(1)
Woolslair Elementary	44,193		44,193	1.5	29,462	3.0	(1.50)
Total				144.2		204.9	(60.68)

**EXHIBIT 8-17 (Continued)
COMPARISON OF CUSTODIAL STAFFING FORMULAS
APRIL 2005**

SCHOOL	PERMANENT GROSS SQUARE FEET	PORTABLE GROSS SQUARE FEET	TOTAL GROSS SQUARE FEET	CURRENT CUSTODIAL POSITIONS	SQUARE FEET PER CUSTODIAN	STAFFING FORMULA (19,000 GROSS SQUARE FEET/ CUSTODIAN)	OVER OR (UNDER) BEST PRACTICE
MIDDLE SCHOOL							
Allegheny Elementary/Middle	147,453		147,453	6	24,576	8.5	(2.51)
Arsenal Middle	167,962		167,962	6.5	25,840	9.5	(3)
Columbus Middle	99,155		99,155	3	33,052	6.0	(2.97)
Frick Middle	160,610		160,610	5.5	29,202	9.0	(3.50)
Greenway Middle	224,105		224,105	8	28,013	12.5	(4.55)
Knoxville Elem/Middle	132,684	1,791	134,475	6.5	20,688	8.0	(1.50)
Middle Alternative (Baxter)	86,539		86,539	2.5	34,616	5.5	(3)
Milliones Middle	149,651		149,651	7	21,379	8.5	(1.50)
Pittsburgh Classical Acad.			0		#DIV/0!	1.0	(1)
Prospect Elem/Middle	129,161		129,161	5.5	23,484	7.5	(2.05)
Reizenstein Middle	232,735		232,735	7	33,248	13.0	(6)
Rogers C.A.P.A.	60,598		60,598	2	30,299	4.0	(2)
Rooney Middle	71,792		71,792	4	17,948	4.5	(0.53)
Schiller Traditional Academy	46,114		46,114	2	23,057	3.0	(1)
South Brook Middle	55,435		55,435	4	13,859	3.5	0.50
South Hills Mid. (Brashear)	70,498		70,498	0	see Brashear HS		0
Sterrett Classical	45,191		45,191	2	22,596	3.0	(1)
Washington Polytech	91,852		91,852	3	30,617	5.5	(2.50)
Total				74.5		112.6	(38.10)
HIGH SCHOOL							
Allderdice High	292,341		292,341	9.5	30,773	16.5	(7)
Brashear High	332,559		332,559	12.5	26,605	18.5	(6)
Carrick High	209,400		209,400	8	26,175	12.0	(4.02)
Langley High	261,589		261,589	7.5	34,879	15.0	(7.50)
Oliver High	282,136		282,136	7	40,305	16.0	(9)
Peabody High	300,000		300,000	8.3	36,145	17.0	(8.70)
Perry High	222,822		222,822	7	31,832	12.5	(5.50)
Pittsburgh C.A.P.A.	172,380		172,380	7	24,626	10.0	(3)
Schenley High	320,000		320,000	7.5	42,667	18.0	(10.50)
Westinghouse High	311,000		311,000	8.5	36,588	17.5	(9)
Total				82.8		153.0	(70.22)

Source: Pittsburgh School District, Plant Operations Division and MGT of America, April 2005.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|-----------|
| 1. The Director of Plant Operations should develop a concise questionnaire to be administered to school principals. The questionnaire should rate different aspects of the custodial responsibilities and should have a summary rating of excellent, good, fair, poor, and unsatisfactory. | July 2005 |
| 2. The District Operations Supervisor should administer the questionnaires on a monthly basis to principals in their respective districts. | Ongoing |
| 3. The District Operations Supervisor should compile the results of questionnaires and report them regularly to the Pittsburgh Board of Education. | Ongoing |
| 4. If any school receives a rating of poor, or if the majority schools receive ratings of fair or worse, the Board of Education should direct the Director of Operations to correct the problem by possibly increasing staffing appropriately. | Ongoing |

FISCAL IMPACT

This recommendation can be implemented within the existing resources of the district.

FINDING

Cleaning supplies are ordered by the custodial staff on as needed basis. Exhibit 8-18 shows the cost of cleaning supplies at each school and the cost per gross square foot.

Exhibit 8-18 shows that while the cost of cleaning supplies averages \$0.06 per gross square foot, actual costs vary from \$0.01 to \$0.45 per gross square foot. This wide fluctuation in the costs of cleaning supplies indicates that consistent procedures in the use of cleaning supplies are not being followed.

RECOMMENDATION

Recommendation 8-9:

Regulate the use of cleaning supplies to a maximum of \$0.06 per gross square foot of facility space.

Most schools appear to be managing the use of cleaning supplies in a cost effective manner. However, cleaning supplies can be misused and wasted. By putting each school on a budget, standard procedures can be enforced. Allowances should be made for unusual occurrences and emergencies.

**EXHIBIT 8-18
COST OF CLEANING SUPPLIES
APRIL 2005**

SCHOOL	PERMANENT GROSS SQUARE FEET	PORTABLE GROSS SQUARE FEET	TOTAL GROSS SQUARE FEET	TOTAL COST OF CLEANING SUPPLIES	COST PER GROSS SQUARE FEET (GSF)	DOLLARS IN EXCESS OF \$.06 AVERAGE
ELEMENTARY						
Arlington Elementary	49,672		49,672	\$3,137.98	0.06	\$157.66
Banksville Elementary	32,600		32,600	\$1,595.47	0.05	
Beechwood Elementary	61,800	Oct-09	65,382	\$3,833.01	0.06	
Belmar Montessori	58,832		58,832	\$2,626.75	0.04	
Bon Air Elementary	14,563		14,563	\$2,517.88	0.17	\$1,644.10
Brookline Elementary	62,045	3,582	65,627	\$5,278.49	0.08	\$1,340.87
Burgwin Elementary	67,081		67,081	\$2,710.79	0.04	
Carmalt Elementary	109,888		109,888	\$15,888.57	0.14	\$9,295.29
Chatham Elementary	45,887	1,791	47,678	\$1,741.61	0.04	
Clayton Elementary	53,459	2016	55,475	\$5,004.77	0.09	\$1,676.27
Colfax Elementary	62,886		62,886	\$2,097.20	0.03	
Concord Elementary	33,540	1,504	35,044	\$192.62	0.01	
Conroy Education Center	123,677		123,677	\$1,690.27	0.01	
Crescent Elementary	65,695	3,582	69,277	\$1,517.97	0.02	
Dilworth Elementary	56,965		56,965	\$1,715.97	0.03	
East Hills Elementary	92,975		92,975	\$2,827.48	0.03	
Fort Pitt Elementary	88,760		88,760	\$4,255.30	0.05	
Friendship Elementary	45,527	1,791	47,318	\$2,407.48	0.05	
Fulton Elementary	46,044		46,044	\$848.31	0.02	
Grandview Elementary	45,059	1,791	46,850	\$2,776.97	0.06	
Greenfield Elementary	88,228		88,228	\$3,467.78	0.04	
Homewood Elementary	74,615		74,615	\$7,106.35	0.10	\$2,629.45
King Elementary	123,002		123,002	\$5,221.60	0.04	
Lemington Elementary	44,172		44,172	\$2,444.23	0.06	
Liberty Elementary	52,071		52,071	\$4,329.62	0.08	\$1,205.36
Lincoln Elementary	48,851		48,851	\$3,398.81	0.07	\$467.75
Linden Elementary	60,252		60,252	\$842.20	0.01	
Madison Elementary	46,453	1,791	48,244	\$6,488.71	0.13	\$3,594.07
Manchester Elementary	76,087		76,087	\$4,615.94	0.06	\$50.72
Mann Elementary	56,759		56,759	\$1,688.93	0.03	
McCleary Elementary	25,097	1,791	26,888	\$12,176.57	0.45	\$10,563.29
McNaugher	58,909		58,909	\$9,194.26	0.16	\$5,659.72
Mifflin Elementary	83,001		83,001	\$5,570.71	0.07	\$590.65
Miller Elementary	50,729		50,729	\$2,344.82	0.05	
Minadeo Elementary	81,160		81,160	\$5,866.64	0.07	\$997.04
Morningside Elementary	36,191		36,191	\$3,348.58	0.09	\$1,177.12
Morrow Elementary	72,875		72,875	\$4,484.38	0.06	\$111.88
Murray Elementary	78,168		78,168	\$9,287.83	0.12	\$4,597.75
Northview Heights	69,405		69,405	\$4,675.77	0.07	\$511.47
Phillips Elementary	27,736		27,736	\$3,469.25	0.13	\$1,805.09
Pioneer	29,136		29,136	\$1,152.84	0.04	
Prospect	129,161		129,161	\$10,741.86	0.08	\$2,992.20
Roosevelt (old) ***	13,946		13,946	\$-	-	
Roosevelt Elementary	38,210		38,210	\$4,777.84	0.13	\$2,485.24
Schaeffer Elementary	26,780	1504	28,284	\$1,637.29	0.06	
Sheraden Elementary	30,890	1,791	32,681	\$387.21	0.01	
South Annex	47,024		47,024	\$6,252.88	0.13	\$3,431.44
Spring Hill Elementary	37,123		37,123	\$2,970.72	0.08	\$743.34
Stevens Elementary	64,079		64,079	\$2,363.32	0.04	

**EXHIBIT 8-18 (Continued)
COST OF CLEANING SUPPLIES
APRIL 2005**

SCHOOL	PERMANENT GROSS SQUARE FEET	PORTABLE GROSS SQUARE FEET	TOTAL GROSS SQUARE FEET	TOTAL COST OF CLEANING SUPPLIES	COST PER GROSS SQUARE FEET (GSF)	DOLLARS IN EXCESS OF \$.06 AVERAGE
Sunnyside Elementary	48,691	1,504	50,195	\$974.23	0.02	
Vann Elementary	68,054		68,054	\$2,674.22	0.04	
Weil Elementary	80,747		80,747	\$3,562.93	0.04	
West Liberty Elementary	36,099		36,099	\$2,729.65	0.08	\$563.71
Westwood Elementary	63,178		63,178	\$2,655.19	0.04	
Whittier Elementary	45,346		45,346	\$2,160.50	0.05	
Woolslair Elementary	44,193		44,193	\$1,037.97	0.02	
Total Elementary			3,301,393	\$210,766.52	0.06	\$58,291.48
MIDDLE						
Allegheny Elem/Middle	147,453		147,453	\$2,070.97	0.01	
Arsenal Middle	167,962		167,962	\$24,095.80	0.14	\$14,018.08
Columbus Middle	99,155		99,155	\$2,133.68	0.02	
Frick Middle	160,610		160,610	\$10,243.62	0.06	\$607.02
Greenway Middle	224,105		224,105	\$10,945.46	0.05	
Knoxville Elem/Middle	132,684	1,791	134,475	\$9,261.85	0.07	\$1,193.35
Middle Alternative (Baxter)	86,539		86,539	\$-	-	
Milliones Middle	149,651		149,651	\$7,250.11	0.05	
Prospect Elem/Middle	129,161		129,161	\$10,471.86	0.08	\$2,722.20
Reizenstein Middle	232,735		232,735	\$4,444.81	0.02	
Rogers C.A.P.A.	60,598		60,598	\$4,085.73	0.07	\$449.85
Rooney Middle	71,792		71,792	\$21,804.75	0.30	\$17,497.23
Schiller Traditional Academy	46,114		46,114	\$1,848.64	0.04	
South Brook Middle	55,435		55,435	\$6,718.22	0.12	\$3,392.12
South Hills Mid. (Brashear)	70,498		70,498	\$-	-	
Sterrett Classical	45,191		45,191	\$1,771.80	0.04	
Washington Polytech	91,852		91,852	\$5,897.93	0.06	\$386.81
Total Middle			1,973,326	\$123,045.23	0.06	\$40,266.66
HIGH						
Allderdice High	292,341		292,341	\$5,260.94	0.02	
Brashear High	332,559		332,559	\$27,144.96	0.08	\$7,191.42
Carrick High	209,400		209,400	\$7,946.92	0.04	
Langley High	261,589		261,589	\$9,497.81	0.04	
Oliver High	282,136		282,136	\$13,620.03	0.05	
Peabody High	300,000		300,000	\$21,067.58	0.07	\$3,067.58
Perry High	222,822		222,822	\$6,745.42	0.03	
Pittsburgh C.A.P.A.	172,380		172,380	\$12,976.81	0.08	\$2,634.01
Schenley High	320,000		320,000	\$20,982.34	0.07	\$1,782.34
Westinghouse High	311,000		311,000	\$5,897.93	0.02	
Total High			2,704,227	\$131,140.74	0.05	\$14,675.35
				Total Excess		\$113,233.49

Source: Pittsburgh School District, Plant Operations Division, April 2005.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|--------------|
| 1. The Director of Plant Operations should review the cleaning supply budgets of each school and determine how each school can conform to a budget of \$0.06 per square foot. | July 2005 |
| 2. The Director of Plant Operations should direct the District Operations Supervisors to enforce the budgets and monitor the cleanliness of the schools. | Ongoing |
| 3. The Director of Plant Operations should report to the Superintendent on the status of cleaning supply budgets and the cleanliness of schools after six months. | January 2006 |

FISCAL IMPACT

This recommendation will realize a savings of approximately \$100,000 per year based in the costs shown in Exhibit 8-18.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Reduce Cleaning Supply Budget	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000

8.5 Energy Management

With the advent of increased costs for energy to provide fuels for HVAC systems, transportation vehicles, food service operations, and other related activities, school districts have established numerous and varied policies, procedures, and methods for increasing efficiencies in energy consumption and reducing operating costs. Policies typically describe the Board's specific desire to ensure that maximum resources are available for instructional purposes and charge the administration with developing related procedures.

Procedures generally prescribe a range of measures and activities to be implemented and a specific means for computing the results. Some school districts develop incentive systems to reward employees for actions or recommendations that have resulted in substantial savings or improvement in the performance of energy consuming equipment.

Energy management methods range from sophisticated, centralized, computer controls over HVAC systems and other energy consumption devices to simple manual procedures for turning thermostats down and lights off during periods of minimal building or room utilization.

FINDING

The Pittsburgh School District is actively pursuing energy conservation measures. The district has developed educational programs, invested in energy savings infrastructure, audited energy bills, and been creative in the purchase of energy resources.

Energy management is the responsibility of the Energy Management Coordinator within the Plant Operations Division. The Energy Management Coordinator is responsible for the school district's energy usage, including natural gas, electricity, heating oil, water, and sewage.

The major energy conservation efforts within the district include:

- performance contracting;
- third-party natural gas purchasing;
- third-party electric generation purchasing;
- energy conservation;
- energy star partnership;
- utility invoice auditing; and
- computer controlled maintenance systems.

Performance Contracting

The performance contracting has involved three phases. Each of the three phases involved the retrofitting of light fixtures to energy efficient fixtures with electronic ballasts. Each phase also included non-lighting energy conservation measures which included:

- installation of pool covers;
- reduction of run time on mechanical equipment used to maintain humidity levels;
- installation of DDC controls for HVAC equipment to provide scheduling and night setbacks;
- installation of variable frequency drives on air handler fans, hot water, and chilled water pumps to reduce motor speeds and save electrical energy;
- installation of cooling tower deduct meters to provide evaporation credits for the sewage bills;
- installation of heat recovery units; and
- replacement of steam boilers with more efficient hot water boilers.

The performance contracting has produced annual savings (estimated) of approximately \$1,000,000.

Third-Party Energy Purchases

The Pittsburgh School District has begun purchasing natural gas and electricity from third parties. The gas program started in 1987 and the electricity program started in 1997. These programs allow the district to purchase energy at the lowest costs available on the open market. Calculating the savings for these programs is difficult since energy prices fluctuate regularly. However, it is obvious that the district is saving when current rates are compared. For instance, the district is paying an average of \$6.559/Mcf for

natural gas versus the going rate of \$7.50Mcf. In another example, the district is paying \$0.0439/kWh for electricity versus the current market cost of \$0.07/kWh.

Energy Conservation Program

The Plant Operations Division oversees the Student/Employee/Community/Teamed for Energy Management program (S.E.C.T.E.M.). This is an educational program to get students and the community more involved with energy conservation. The program is teamed with the Energy Star Program established by the US Environmental Protection Agency (EPA). The goal of the program is to encourage energy conservation behaviors in the schools. Participants are recognized with monetary rewards for meeting energy conservation goals. Students are recognized for producing creative energy conservation posters. Educational and promotional materials are made available to schools to promote the program.

Utility Invoice Auditing

The Pittsburgh School District has contracted with a private company to audit its utility bills. This is a widely used practice among school districts, and surprisingly, it always saves money. In the last year, the Pittsburgh School District realized a savings of \$696,245.

COMMENDATION

The Pittsburgh School District is commended for pursuing an aggressive energy management program.

9.0 TRANSPORTATION

9.0 TRANSPORTATION

Each year, the nation's buses average almost one billion miles carrying approximately five million students. School bus transportation services throughout the country continue to operate one of the safest forms of transportation. School bus transportation has fewer accidents than any other form of mass transit (air, rail, bus, or train) and is safer than automobile transport. For example, school bus fatalities throughout the country for the 2003-04 school year were 12 passengers in comparison to the several thousand of school-aged children killed in passenger cars (Source: *School Bus Fleet*).

When a picture or replica of a yellow school bus is seen or observed, the most common reaction is for one to think about school. The school bus is perhaps the most significant logo for America's educational system, because each day thousands of school buses move students from towns, cities, hamlets, and rural areas to and from school. The Pittsburgh School District is one of several thousand school districts performing this important service.

The Pittsburgh School District is unique because it one of the few school districts using private carriers exclusively in providing student transportation services. The school district does not provide bus transportation for any students. It relies on services provided by 16 private bus contractors to transport over 27,000 students to and from school during the school year. This chapter is devoted to assessing the efficiency of the transportation operation of the Pittsburgh School District in providing student services.

The General Assembly of Pennsylvania Senate Resolution No. 331 expressed concern about rising costs and declining enrollment in the Pittsburgh School District. The Resolution made the following observations:

- the Pittsburgh School District has one of the highest operating expenditures in the Commonwealth;
- decreased enrollment has forced the district to close schools and facilities;
- the student population has declined, as well as the work force of most rank and file instructional positions; and
- despite high spending level, the district has not produced a commensurate level of student performance.

The above concerns and observations enumerated in Resolution 331 may not fully apply to the transportation function of the Pittsburgh School District. The Resolution does not take into consideration that Pennsylvania law requires the school district to provide student transportation services for all students including public, charter, parochial and non-public school children. The Commonwealth of Pennsylvania is one of only a few states in the nation to require transportation service for all students. Such a demand places significant burdens on district superintendents, administrators and directors of pupil transportation services in the Commonwealth of Pennsylvania. For example, although the Pittsburgh School District has declining enrollment, this does not

automatically equate to reduced transportation costs. It is important to emphasize that significant numbers of students have left the school district to attend parochial, non-public, and charter schools. When these decisions are made to leave the district for private, charter and other non-public schools, those students are still entitled to transportation services. This usually means they are transported at public expense at the greater distances than while in public school. This is done at increased costs. A more detailed presentation of this problem is discussed in a subsequent section in this chapter.

Of equal concern is the impact of a declining population. With the recessions of the 1970s, Pittsburgh steel mills were unable to compete on the world market and many of them closed down. The ripple effect impacted on practically every business in the Pittsburgh area. Families faced hard financial choices and many of them left the Pittsburgh area and sought employment elsewhere. The decline of population in Pittsburgh during the past 35 years has had a negative impact on the school transportation function. To highlight this point, Exhibit 9-1 shows census and population data for the Commonwealth of Pennsylvania and the Greater Metropolitan Pittsburgh Area since 1970.

**EXHIBIT 9-1
CENSUS POPULATION DATA FOR
COMMONWEALTH OF PENNSYLVANIA AND
GREATER METROPOLITAN PITTSBURGH AREA
FROM 1970 TO 2003**

CENSUS FIGURE YEARS	COMMONWEALTH OF PENNSYLVANIA POPULATION FIGURES	PERCENT CHANGE PENNSYLVANIA COMMONWEALTH POPULATION	TOTAL POPULATION CHANGE FOR PENNSYLVANIA	GREATER AREA METROPOLITAN PITTSBURGH POPULATION FIGURES	PERCENT CHANGE GREATER PITTSBURGH AREA	POPULATION CHANGE FOR METROPOLITAN PITTSBURGH
1970	11,800,766			2,683,853	0.0	-5,561
1980	11,864,720	-0.1	-63,964	2,571,223	-0.4	112,630
1990	11,882,842	0.1	16,850	2,394,811	-0.7	176,412
2000	12,281,054	0.1	17,249	2,358,695	-0.2	-36,116
2001	12,298,363	0.1	17,309	2,349,949	-0.4	-8,746
2002	12,328,827	0.2	30,464	2,344,507	-0.2	-5,442
2003	12,365,455	0.3	36,628	2,338,671	-0.2	-5,836
AVERAGE	12,117,432	0.1	7,791	2,434,530	-0.3	32,477

Source: U.S Census Bureau and Commonwealth of Pennsylvania Data, 2003-04.

Overall, the population increase from 1970 to 2003 of 316,666 is unremarkable for the Commonwealth of Pennsylvania. It is only 0.95 percent or almost a one percent growth rate factor. Conversely, the population of the Greater Metropolitan Pittsburgh Area has been in decline every year since 1970 when the population was 2,683,853 to its 2003 year population figure of 2,338,671. Over the 33-year period, there has been a loss of 345,182 persons. With this in mind, when focusing on the Pupil Transportation Department, an examination of the population history for the City of Pittsburgh is essential. Exhibit 9-2 shows both the population for the Greater Area Metropolitan Pittsburgh Area and the City of Pittsburgh. Also reflected in the chart are public school and non-public school students transported from 1970 to 2003.

**EXHIBIT 9-2
CENSUS POPULATION DATA FOR
GREATER AREA METROPOLITAN PITTSBURGH
CITY OF PITTSBURGH
PUBLIC AND NON PUBLIC STUDENTS TRANSPORTED
FROM 1970 TO 2003**

YEARS	GREATER AREA METROPOLITAN PITTSBURGH POPULATION FIGURES	CITY OF PITTSBURGH POPULATION FIGURES	PUBLIC SCHOOL STUDENTS TRANSPORTED	NON-PUBLIC STUDENTS TRANSPORTED
1970	2,683,853	540,025	n/a	n/a
1980	2,571,223	423,938	16,951	6,049
1990	2,394,811	369,879	24,020	7,200
2000	2,358,695	334,563	17,025	6,020
2001	2,349,949	334,201	19,906	6,504
2002	2,344,507	334,563	16,210	6,155
2003	2,338,671	325,337	17,163	5,277
AVERAGE	2,434,530	337,501	15,896*	5,315**

Source: U.S Census Bureau and Commonwealth of Pennsylvania and Pittsburgh School District Data, 2005.

*Includes charter.

**Includes parochial and other non-public categories.

From 1970 to 2003, the population for the City of Pittsburgh declined from 540,025 to 325,337 for a loss of 214,688 or 60 percent. It should be noted that the most dramatic population loss for the Greater Area Metropolitan Pittsburgh area occurred during the period from 1970 to 1980 when the decline was 116,087 persons. From 1980 to 2003, the population reductions have not been as dramatic. However, most recently (from 2002 to 2003), for the City of Pittsburgh - the 9,226 person population loss has demographers moving away from earlier predictions that recovery may be in sight and population increases may have reached a turnaround point for the City of Pittsburgh.

One common misperception is that the Pittsburgh School District are transporting fewer students and using more resources. Though the number of students transported may be in slight decline, there exists a corresponding increase in the number of schools using the Pittsburgh School District transportation services. Exhibit 9-3 shows current and relevant increases in the number of schools (charter, parochial and non-public) in addition to public schools in the Pittsburgh School District area of responsibility. Exhibit 9-3 shows the number of schools provided transportation services by the school district since the 1999-2000 school year. This shows that, in spite of declining enrollments in the public schools, the number of schools placing transportation demands on the transportation assets of the district increased during the four-year period. The exhibit points out that, although student enrollments may decline in the Pittsburgh School District, the non-public sector of schools continues to grow and require transportation for increasing number of schools and distances to transport students. This important variable must be taken into consideration when assessing and evaluating the efficiency and effectiveness of transportation in the Pittsburgh School District.

**EXHIBIT 9-3
TOTAL NUMBER OF SCHOOLS IN THE PITTSBURGH SCHOOL DISTRICT
PROVIDED STUDENT TRANSPORTATION SERVICES
1999-2000 THROUGH 2002-03 SCHOOL YEARS**

SCHOOL YEAR	NUMBER OF SCHOOLS PROVIDED PSD TRANSPORTATION
1999-2000	377
2000-01	381
2001-02	382
2002-03	406

Source: Pittsburgh School District, Pupil Transportation Department, 2005.

Formulas used to report transportation expenditures can inadvertently conceal costs. For example, in Exhibit 9-2, when an examination of public school students transported, there is no indication that it reflects two categories. The two categories are for those students attending public school and those attending charter schools. Though they are both reported as being the same, this is not the case. What is not shown is that the average daily cost to transport a public school student in PSD is \$4.06; while the average daily cost to transport a charter school student in PSD is \$7.44 daily. These and other challenges to the Pupil Transportation Department in the Pittsburgh School District are addressed in subsequent sections of this chapter.

This chapter presents the major findings, observations, commendations, and recommendations for the transportation function in the Pittsburgh School District. The five major sections of this chapter are:

- Organization and Management
- Routing and Scheduling
- Vehicle Maintenance
- Private Vendor Contracts
- Safety and Training

This performance study of the transportation operation was accomplished by conducting on-site observations, surveys and interviews, review of records and reports, and direct observations. Surveys and interviews included responses from administrators, principals, transportation personnel, and teachers. MGT consultants reviewed records, reports and past audits including the most recent Transportation System Efficiency Study conducted in 2004. Direct observations over a one-week period by the evaluators were made of all facets of pupil transportation as stipulated in the statement of work for this review.

The primary mission of Pupil Transportation in the Pittsburgh School District “to transport regular and special education/needs students from their point of origin to school and return them to their point of origin or other designated location.” This is accomplished by supervising 16 private contractors for bus support; ensuring that bus routes compiled by the district are efficient; restricting bus use to authorized patrons and purposes; enforcing accident prevention and safety programs; and ensuring that special requirements are responded to in a timely and effective manner.

Pupil Transportation in the Pittsburgh School District complies with various sections of Pennsylvania Public School Code of 1949 and School Code 1361 and 1362 which sets maximum walking distance to a school and providing transportation services for public and non public students. Additionally, Pennsylvania State Board Regulations Section 23.4 outlines the responsibility for school district board of directors and Section 23.5 states who is eligible for school transportation. Pennsylvania policies, procedures, court orders and the Individuals with Disabilities Education Act (IDEA), 20 U.S.C. 1400 *et seq.* and its implementing regulations require the school district to provide special education (to include transportation) for special education/needs students. These policies, laws and subsequent procedures demand that the school district provide transportation between home and school, from school to home and other training locations.

According to data provided by the Director of Transportation, Pittsburgh School District transportation services are provided for approximately 27,032 students (24,032 regular students and 2,736 special education students using 767 vehicles (buses and vans). The Director of Transportation indicated that the transportation budget for 2004-05 school year is over \$28 million for regular and special education transportation.

A survey of Pittsburgh administrators, principals, teachers, was conducted as part of this performance study. Employees were asked to rate punctuality of student arrival and departure to and from school. They were asked to evaluate and rate the function as *needs major improvement, needs some improvement, is adequate, or is outstanding*. In rating transportation in the Pittsburgh School District 23 percent of administrators, 25 percent of principals, and 31 percent of teachers stated that the transportation function *needs some improvement or need major improvement*. Conversely, 57 percent of administrators, 71 percent of principals and 39 percent of teachers state that transportation services are *adequate or outstanding*.

Exhibit 9-4 benchmarks these survey ratings. As the exhibit shows, the majority of administrators, principals and teachers in the school district rate the transportation function as *adequate or outstanding*.

**EXHIBIT 9-4
TRANSPORTATION COMPARISON SURVEY RESPONSES OF
ADMINISTRATORS, PRINCIPALS AND TEACHERS
IN THE PITTSBURGH SCHOOLS DISTRICT**

RESPONDENT GROUP	PERCENT INDICATING NEEDS SOME OR MAJOR IMPROVEMENT	PERCENT INDICATING ADEQUATE OR OUTSTANDING
Principals	25%	71%
Administrators	23%	57%
Teachers	31%	39%

Source: MGT Surveys of School Systems, 2005.

Throughout this chapter, the Pittsburgh School District is compared to five other school districts. As was stated in Chapter 2, these are:

- Kansas City 33, Missouri
- Buffalo Public Schools, New York
- Rochester City School District, New York

- Toledo Public Schools, Ohio
- Milwaukee Public Schools, Wisconsin

To provide a basis for this comparison, a series of exhibits provide data on the selected peer school districts and the Pittsburgh School District. Unless otherwise noted, exhibits in this chapter examine trends, transportation budgets, and transportation expenditure per student. Data also compare regular students, special education students, yearly mileage and total transportation costs.

School transportation data and information for 2002-03 may, in some instances, be the most recent provided in the national database for peer comparisons. More recent data in some comparisons were not available. However, in correspondence and teleconferences with administrators, technicians and staff of these comparison districts, some more recent and relevant data was found. Therefore, comparative analysis with the five school districts will use the most relevant information as provided from these sources. More recent data, information, exhibits and reports are identified as such and marked accordingly.

Exhibit 9-5 shows the peer comparison districts and their population for both the city and school student population. This exhibit provides a baseline for understanding city and school populations of peer comparisons and their similarity to the Pittsburgh School District.

**EXHIBIT 9-5
PEER POPULATION COMPARISONS
WITH PITTSBURGH SCHOOL DISTRICT
2003-04 SCHOOL YEAR**

COMPARISON SCHOOL SYSTEM	CITY POPULATION	STUDENT POPULATION
Pittsburgh School District, PA	334,363	32,661
Kansas City 33, MO	441,545	30,368
Buffalo Public Schools, NY	292,648	39,184
Rochester City School District, NY	219,773	33,832
Toledo Public Schools, OH	313,619	34,349
Milwaukee Public Schools, WI	596,974	95,730
PEER SCHOOL DISTRICT AVERAGE	372,971	46,693

Source: Comparison School Districts and Census Tracts, 2005.

A significant variable confronting administrators and managers of student transportation services is how much is being spent to transport a student on a daily basis to and from school. MGT examined data on comparative costs per student rider. We then tabulated and compared what the Pittsburgh School District spends on a yearly basis to transport a regular education student against the peer average.

Exhibit 9-6 compares the Pittsburgh School District with peer districts for regular education transportation. As can be seen, the Pittsburgh School District is spending \$802.44 per student on an annual basis to transport regular education students to and from school whereas the average cost in comparison with peer population city schools districts is \$642.04. The Pittsburgh School District transports its regular student population at a higher cost of \$180.40 than the comparison school districts.

**EXHIBIT 9-6
REGULAR EDUCATION TRANSPORTATION
PEER COST COMPARISONS WITH
PITTSBURGH SCHOOL DISTRICT
2003-04 SCHOOL YEAR**

COMPARISON SCHOOL SYSTEM	REGULAR STUDENTS TRANSPORTED	COST PER PUPIL	ANNUAL TRANSPORTATION COST
Pittsburgh School District, PA	24,736	\$802.44	\$19,849,225
Kansas City 33, MO	16,733	\$608.27	\$10,178,153
Buffalo Public Schools, NY	25,444	\$873.28	\$22,728,499
Rochester City School District, NY	26,590	\$854.78	\$22,726,924
Toledo Public Schools, OH	21,185	\$330.42	\$7,000,000
Milwaukee Public Schools, WI	51,949	\$543.43	\$28,230,785
PEER SCHOOL DISTRICT AVERAGE	28,380	\$642.04	\$18,172,872

Source: Transportation Data from Peer School Districts, 2005.

Similarly, one of the most significant cost variables associated with student transportation is providing transportation for special education students. Costs associated with transporting these students are significant. Exhibit 9-7 compares the Pittsburgh School District with peer districts providing exclusive/special education transportation. The Pittsburgh School District is spending \$3,221.53 per student on an annual basis to transport its special education students whereas the average costs in comparison with peer population school districts are \$3,967.17. The Pittsburgh School District transports its special education students at a significant lower cost than the average of the comparison school districts.

**EXHIBIT 9-7
EXCLUSIVE/SPECIAL EDUCATION TRANSPORTATION
PEER COST COMPARISONS WITH
PITTSBURGH SCHOOL DISTRICT
2003-04 SCHOOL YEAR**

COMPARISON SCHOOL SYSTEM	SPECIAL EDUCATION STUDENTS TRANSPORTED	COST PER PUPIL	ANNUAL TRANSPORTATION COST
Pittsburgh School District, PA	2,296	\$3,221.53	\$7,396,638
Kansas City 33, MO	162	\$2,538.68	\$411,266
Buffalo Public Schools, NY	1,930	\$5,361.10	\$10,346,924
Rochester City School District, NY	1,340	\$5,489.45	\$7,355,866
Toledo Public Schools, OH	2,039	\$3,285.92	\$6,700,000
Milwaukee Public Schools, WI	3,819	\$3,160.69	\$11,070,675
PEER SCHOOL DISTRICT AVERAGE	1,858	\$3,967.17	\$7,176,946

Source: Transportation Data from Peer School District or State Departments of Education, 2005.

The number of buses in the fleet used to transport students in school districts is an important cost factor. Bus capacity and mix of buses are also important variables as school administrators and transportation directors make efforts to reduce costs. Exhibit 9-8 shows the number of buses used in the Pittsburgh School District to carry out its transportation responsibilities compared to the peer districts. Also shown are the buses in the peer comparison districts that comprise their respective fleets.

**EXHIBIT 9-8
NUMBER OF BUSES USED
FOR REGULAR AND SPECIAL EDUCATION STUDENTS
IN COMPARISON PEER SCHOOL DISTRICTS
PITTSBURGH SCHOOL DISTRICT
2003-04 SCHOOL YEAR**

COMPARISON SCHOOL SYSTEM	REGULAR EDUCATION BUSES	SPECIAL EDUCATION STUDENT BUSES	TOTAL NUMBER OF BUSES	TOTAL REGULAR AND SPECIAL EDUCATION STUDENTS TRANSPORTED
Pittsburgh School District, PA	502	261	763	27,032
Kansas City 33, MO	304	10	402	17,754
Buffalo Public Schools, NY	375	186	561	27,374
Rochester City School District, NY	760	270	1,030	27,930
Toledo Public Schools, OH	114	34	148	23,224
Milwaukee Public Schools, WI	855	95	950	55,768
PEER SCHOOL DISTRICT AVERAGE	482	119	610	30,410

Source: Transportation Data from Peer School Systems or State Departments of Education, 2003-04.

*Director of Transportation reports 304 buses for regular and 10 buses for special students for a total of 314 buses. Remaining 88 buses transport early childhood, contract schools, head-start and late activities.

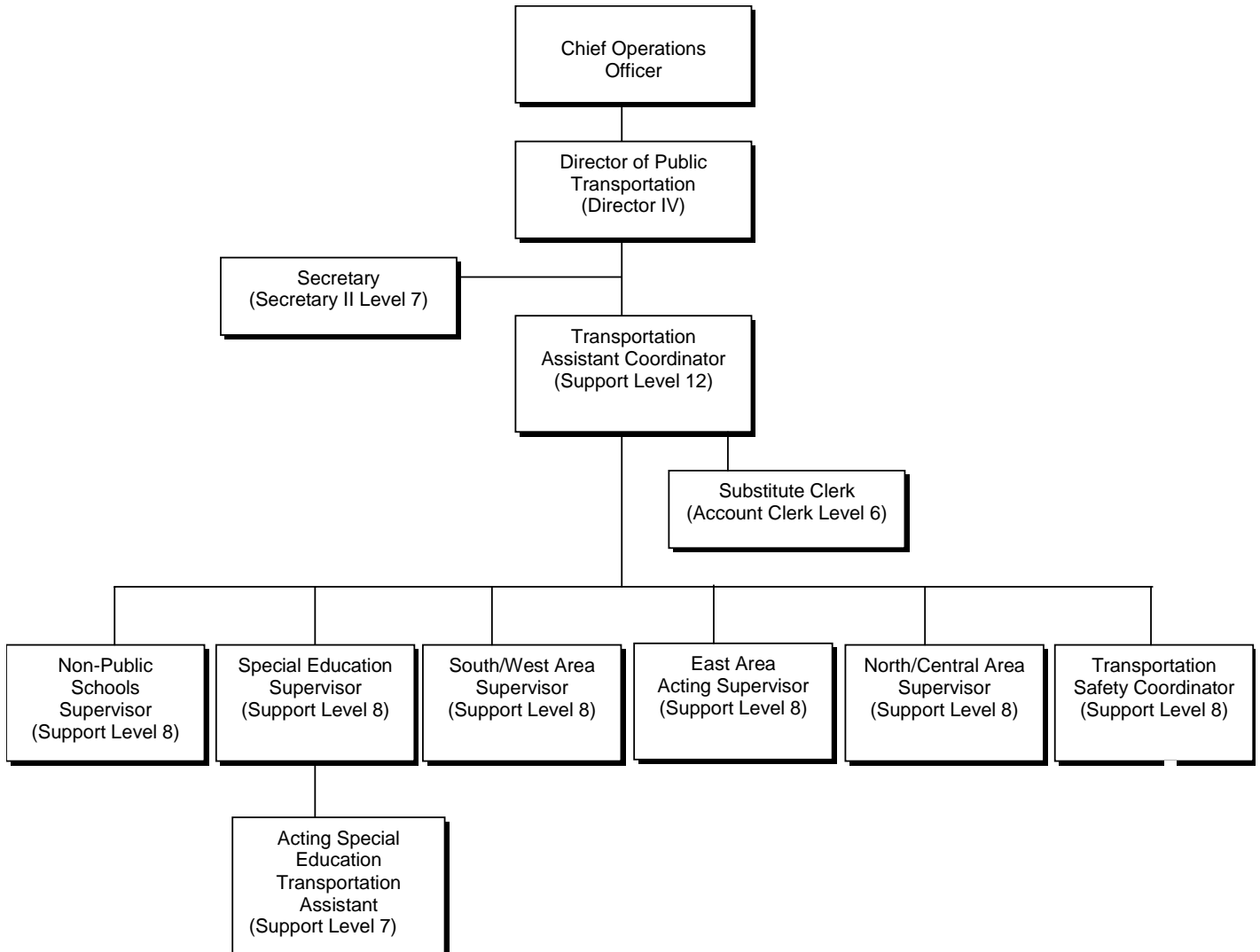
Exhibit 9-8 shows that of the 767 contract buses in the fleet, that 763 of them are used daily according to the Director of Transportation to move students to and from school. It should be noted in this exhibit that varying number of vehicles are used in the other districts for transportation services. The peer average is 601 for total number of buses with the average for regular buses at 482 and the average for special education at 119 vehicles. Bell time, routes, maintenance, personnel and other variables impact on the number of buses required for efficient transportation. These and other variables as they apply to the Pittsburgh School District are discussed and evaluated in subsequent sections of this chapter.

During the MGT on-site visit it was noted that a culture of “we have always done it that way” exists among the carriers providing contracted student transportation services to the Pittsburgh School District. A more proactive position may need to be taken by the Pittsburgh Board of Education with contracted carriers to ensure contract actions and responsibilities are being executed according to the contractual agreement. This is addressed in the sections which follow.

9.1 Organization and Management

Exhibit 9-9 shows how the Transportation Department in the Pittsburgh School District is structured to accomplish daily operations. The structure has been in place during the tenure of the current director. The Transportation Director reports to the Chief Operations Officer. When the Director is absent, the Transportation Coordinator is next in the line of authority.

**EXHIBIT 9-9
ORGANIZATIONAL STRUCTURE
TRANSPORTATION OPERATIONS
PITTSBURGH SCHOOL DISTRICT
2004-05 SCHOOL YEAR**



Source: Pittsburgh School District, Pupil Transportation Department, 2005.

Critical to accomplishing that transportation function effectively and efficiently are two major tasks:

- monitoring contract carrier performance and compliance with the each service agreement; and
- integrating efficiently the pupil transportation requirements of the Pittsburgh School District, public and nonpublic (parochial and charter schools), and the special education and gifted program.

As shown in Exhibit 9-9, the Director of Transportation accomplishes the core function through geographic area supervisors, the non-public supervisor, and the special education/gifted program supervisor. The accounts clerk shown on the chart is a temporary position.

The Supervisors have the following roles and responsibilities:

- coordinate schedules for all schools, interact with school administrators, information processors and the school automated STARS system to establish and maintain current information for the transportation requirements;
- set up and maintain the transportation routes and pupil transportation data on the Trapeze automated system;
- set up the routes for students via contract carriers and Port Authority for Allegheny County (PAT);
- establish the bus hook-ups and feeder patterns to optimize use of bus capacity and thus minimize costs;
- work daily with contract dispatchers, safety personnel, and drivers to transport the students;
- monitor carrier vehicle operations to ensure proper procedures are used with students;
- maintain surveillance of vehicles throughout the school year to ensure routes are running as per contract; and
- assist in supporting other activities within the school district such as extracurricular activities.

These essential functions include recurring and trouble-shooting operations in the office, surveillance on the routes, and coordination with the schools served, and assisting the Director of Pupil Transportation in ensuring contract carrier compliance with the service agreement.

Exhibit 9-10 shows the distribution of the daily transportation requirements by area and program.

Over the past 20 years, the number of students transported has decreased by approximately 3,000, but the number of schools served by transportation has increased. The increase is primarily the result of the advent of the charter schools, plus the new schools built during the interim. There are more non-public schools than public schools serving regular students. This suggests a real challenge in designing a cost effective transportation system since every school is a destination and potentially a separate route unless the planning integrates feeder patterns, coordination of buses regardless of whether students are public or non-public, and systemwide school bell times. The section on Routing and Scheduling will discuss these effects on costs.

**EXHIBIT 9-10
AREA/PROGRAM AND NUMBER OF SCHOOL SERVED
PITTSBURGH SCHOOL DISTRICT
2004-05 SCHOOL YEAR**

AREA AND PROGRAM	NUMBER OF SCHOOLS	NUMBER OF STUDENTS TRANSPORTED
Southwest Area	33	5,617
North Central Area	27	5,513
Eastern Area	34	6,819
Special Education/Gifted	114	2,000
Non-Public	119	5,107
TOTAL	327	25,056

Source: Pittsburgh School District, Pupil Transportation Department, 2005.

Twenty years ago, there were 20 employees in the Pupil Transportation Office. In 2005, the permanent staff is 10 employees. The reduction included three Clerks and four Field Agents, but one of the Field Agent losses has been offset by the Safety Coordinator position. The use of the Trapeze automated routing system and other office software has eliminated many of the requirements for clerical support. The Assistant for Special Education supports the Supervisor in providing the services to the 2000 students routed to 114 schools, including the Magnet schools. From 2002 to the present there has been minimal turnover in the Transportation Office—only two, a retirement and the death of a staff member.

FINDING

The basic organizational structure of the Transportation Department has been stable over the past 20 years. Experience and the excellent use of technology have justified the decrease in staffing, with one exception. Providing managerial oversight for 16 carriers and servicing the schools and students in a 55-square mile, geographically widespread urban area is a major challenge. While the division does well in servicing the schools and students, it does not have the capacity to manage the routes and daily troubleshoot the problems that are common to all systems and, at the same time, perform well the oversight of the contract carriers.

There is a need for an Assistant to the Transportation Safety Coordinator to increase the checks as well as random visits to carrier facilities to check critical records such as the random substance abuse testing, state trooper vehicle inspection results, and actual driver training as required by the Service Agreement.

RECOMMENDATION

Recommendation 9-1:

Hire transportation assistant whose primary function is to assist the Director of Pupil Transportation in ensuring contract carrier compliance with the Service Agreement to ensure safe and efficient pupil transportation.

According to the Service Agreement between the Transportation Office and the contract carriers, the Director of Pupil Transportation is required to conduct a semi-annual review with all 16 carriers to assess contractor performance prior to renewing a carrier contract. The Service Agreement specifies performance criteria and the possible sanctions for non-compliance, to include termination of a contract. The Director of Pupil Transportation cannot adequately meet the requirements for surveillance and inspections with the existing staff, nor are adequate records maintained to support a disciplined semi-annual review.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|--------------|
| 1. The Director of Pupil Transportation should submit the request, justification, and job description for the hiring of the Transportation Assistant to the Chief Operations Officer. | July 2005 |
| 2. The Chief Operating Officer and Superintendent should obtain authorization for the hiring of the Transportation Assistant from the Board of Education. | August 2005 |
| 3. The Director of Transportation should hire and begin training the Transportation Assistant. | October 2005 |

FISCAL IMPACT

This action will cost \$46,876 annually in salary and benefits. For the first year, the salary is prorated.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Hire Transportation Assistant	(\$30,157)	(\$46,876)	(\$46,876)	(\$46,876)	(\$46,876)

FINDING

In the Pittsburgh School District Strategic Plan, Pupil Transportation was given a single goal:

...provide the most cost effective, non-public transportation. The measure of success is the reduction of dollars spent on non-public transportation.

Targeted results include saving the buses used by increasing non-public student riders on Port Authority for Allegheny County (PAT), riding public and non-public students on shared buses, and coordinating bell times to optimize use of a single bus for multiple runs. Interviews indicated that management has tried to do all of these, but with limited success. Exhibit 9-11 illustrates the cost savings that can be achieved just by increasing non-public student riders on PAT buses.

Reassigning 650 non-public high school students from carrier-provided transportation to PAT for their daily transportation could generate a significant cost savings.

**EXHIBIT 9-11
COST COMPARISON FOR POTENTIAL SAVINGS USING
PITTSBURGH SCHOOL DISTRICT CONTRACT CARRIERS
AND PORT AUTHORITY TRANSPORTATION (PAT)
2003-04 SCHOOL YEAR**

HIGH SCHOOL	CURRENT MONTHLY PER STUDENT	NUMBER OF STUDENTS	CURRENT SCHOOL YEAR COSTS USING PSD CARRIERS	MONTHLY PORT AUTHORITY COST (PAT)	PROJECTED SCHOOL YEAR COST USING PAT	SCHOOL YEAR COST SAVINGS USING PAT
Langley	\$ 82	48	\$23,484	\$68	\$19,584	\$3,900
Peabody	\$ 93	47	\$ 26,096	\$68	\$19,176	\$6,920
Bishop Canevan	\$170	132	\$135,020	\$68	\$53,856	\$81,164
Serra (Zone 2)	\$134	26	\$20,838	\$86	\$13,416	\$7,422
North Catholic	\$ 76	201	\$91,137	\$68	\$82,008	\$9,129
Vincention (Zone 2)	\$152	26	\$23,712	\$86	\$13,416	\$10,296
Shady Side Academy	\$118	170	\$121,024	\$68	\$69,360	\$51,664
TOTALS	\$825	650	\$441,311	\$512	\$270,816	\$170,495

Source: Pittsburgh School District, Pupil Transportation Department, 2005.

RECOMMENDATION

Recommendation 9-2:

Obtain agreement from the non-public schools listed in Exhibit 9-11 for the shift of the 650 students to PAT buses for daily transportation to and from their schools.

The shift of 650 non-public school students to Pittsburgh Authority of Allegheny County (PAT) buses is a cost-effective means for reducing the dollars spent on non-public school transportation. This shift supports the district's Strategic Plan goal for the Transportation Department. State reimbursements to the district for student transportation are greater when PAT is used instead of the contract carrier buses.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Director of Transportation (through the Chief Operations Officer and the Superintendent) should obtain Board of Education approval to shift students from carrier to PAT transportation to achieve the cost savings. July 2005
2. The Director of Transportation should coordinate the changes with the non-public transportation administrators, PAT, and the carriers affected by the change. August 2005
3. The Director of Transportation should ensure the change becomes effective and students use PAT transportation. September 2005

FISCAL IMPACT

By obtaining agreement to shift 650 high school students to PAT for their daily transportation to and from their respective schools, the Pittsburgh School District and taxpayers would save \$170,495 annually or \$852,475 over a five-year period.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Shift Non-Public High School Students to PAT	\$170,495	\$170,495	\$170,495	\$170,495	\$170,495

FINDING

The Pupil Transportation Department has not considered certain factors in analyzing transportation costs. These factors include efficient planning of school start/bell times across the system (public and non-public); feeder pattern changes for the magnet schools; and maximum uses of PAT to transport students at lower costs. A mix of actions in these areas can result in significant savings because they reduce the number of buses required to accomplish the transportation mission. However, Board-level leadership will be necessary to gain consensus on the management actions to be taken to achieve the potential savings.

Many of these factors are mandated actions by the state and federal government and Board of Education policies. MGT consultants discussed the following factors to determine what actions have been taken or considered to reduce pupil transportation costs. These include:

- School “bell” times are critical to optimizing the cost saving potential of the Trapeze automated routing system. Non-public school transportation (parochial and charter) is least controllable because the Pittsburgh School District cannot control bell times, thus vehicles cannot be coordinated to reduce the total number of buses used. Furthermore, ACT 372 dictates that bell times for non-public and charter schools are set by each individual school (see Recommendation 9-4).
- Special education students must be transported to where their needs can be served, and sometimes there is a special vehicle requirement.
- Magnet School Program students, subject to Commonwealth walking distance requirements, receive transportation support regardless of distance and home location.
- Transportation of ill children. If a child becomes ill at school and parents are not able to pick up the student, transportation is provided at Board of Education expense.
- *No Child Left Behind*. Homeless children sheltered outside of the city must be transported to Pittsburgh schools.
- Port Authority Transportation (PAT) can reduce costs and have the added advantage of generating greater reimbursements from the state.

RECOMMENDATION

Recommendation 9-3:

Develop courses of action for achieving savings and prepare a presentation for the Board of Education by the Superintendent for Board action to gain consensus on cost saving options.

The transportation system does not operate as an integrated system. Non-public schools, which include charter schools, control their bell times which are a critical factor in using transportation efficiently to reduce system-wide costs.

The potential cost savings of the TRAPEZE automated software for routing and scheduling cannot be realized if cost savings courses of action, such as coordinated bell times, shared feeder patterns, multiple use of the same bus to transport all students, are not managed as a single student transportation system. Significant savings can be realized if there is districtwide integration to reduce transportation costs.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Director of Pupil Transportation should prepare an analysis of factors affecting transportation costs and prepare a presentation for the Board of Education with concurrence of the Chief Operations Officer and the Superintendent. July 2005
2. The Superintendent, assisted by the Director of Pupil Transportation, should present cost saving options to the Board of Education for decision and implementation. October 2005
3. The Pittsburgh Board of Education, led by the Superintendent should convene a forum for all stakeholders in the school district served and secures agreement on cost saving actions to be implemented in 2006-07. February 2006

FISCAL IMPACT

The cost savings can be significant, but best can not be quantified at this time.

FINDING

MGT consultants examined policies and procedures and found them to be excellent documents. As with all policies and procedures, an organization must have the capacity and diligence to ensure the intent of the policy or procedure.

The Transportation Guidelines Manual (revised February 2005) gives eligibility criteria and exceptions; responsibilities of the school transportation contract regarding both drivers and students, including discipline and the handling of complaints; and other elements of the Pupil Transportation Program. In some school districts, the MGT on-site

consultants usually have to search through multiple documents to ascertain what procedures are in place.

The Transportation Guidelines document is well written easily understood and shows a tremendous effort in its preparation.

COMMENDATION

The Transportation Guidelines is an excellent document that details clear language the basic information necessary for a well-integrated pupil transportation program.

9.2 Routing and Scheduling

Efficient and effective bus routing is critical to the success of any school transportation system. Optimizing bus routes minimize the amount of time students must spend on buses and ensures they arrive at school not fatigued by excessive time spent on buses. In addition, some of the largest potential cost savings or losses in student ride times and decreases in the total number of buses needed to transport student populations are realized through effective and efficient routing and scheduling programs.

An effective and efficient routing and scheduling transportation operation using available technology is absolutely essential for a quality school transportation program. It is imperative that school districts take full advantage of automated scheduling and routing technology to deliver better planning, efficiency, productivity, and reporting as they relate to routing and scheduling. The benefits from using technology for routing and scheduling are more accurate information about the transit area, safer transportation, better planning to transport students, and lower costs. Automated routing also reduces the time for route planning using manual processes and improves the efficiency of the fleet of vehicles.

Effective routing and scheduling systems can impact:

- efficiencies pertaining to student start and end times in coordination with bell times;
- bus routes average ridership and miles driven;
- ride times for regular students and special education (exclusive) students;
- efficiency of regular routes; and,
- efficiency of special education routes.

School opening times are a driving force that impact daily routing of school transportation services. The Pittsburgh School District, like school districts throughout the nation, traditionally have elementary schools starting at a particular time, middle schools at another time, and high schools at another time. It is not unusual to find that proper consideration may not be given to the overall impact of school start times and the impact on the transportation system. As school districts are increasingly forced to look

for cost savings in all functions of the system, effective and efficient start or “bell times” can have positive effects and reduce costs. Start times or bell times are discussed in this section along with how they may generate cost savings.

FINDING

The Pittsburgh School District can implement a more efficient bell schedule to make more effective use of the school bus fleet.

As enumerated earlier, school opening times are driving factors dictating the patterns that buses should follow to and from schools. The Pittsburgh School District currently uses a staggered bus schedule to transport elementary, middle and high school students. The unique problems encountered in the school district are the different bell times for the many other schools provided student transportation services. There is responsibility for public students (those classified as attending both public and charter schools) and non-public students (those attending parochial, denominational, and other schools classified as non public). Furthermore, ACT 372 dictates that bell times for non-public and charter schools are set by each individual school.

The Pittsburgh School District needs to take the initiative to ensure that bell times are coordinated for public and non-public schools placing transportation demands on the Pittsburgh School District. Exhibit 9-12 provides an example that could effectively and efficiently change the bell schedule. When coordinated and approved by the Board of Education, a modified and coordinated bell schedule should improve transportation services and save costs.

**EXHIBIT 9-12
EXAMPLE OF A COORDINATED BELL SCHEDULE**

GRADE LEVEL	SCHEDULE
High School (Public) and Charter Schools	7:45 – 2:15
Middle School (Public) and Charter Schools	8:15 – 3:15
Elementary School (Public) and Charter Schools	8:30 – 2:45
High School (Non-Public)	7:30 – 2:30
Middle School (Non-Public)	8:00 – 2:45
Elementary School (Non-Public)	9:00 – 3:40

Source: Created by MGT, 2005.

RECOMMENDATION

Recommendation 9-4:

Implement coordinated start and end times for public and non-public schools in the Pittsburgh School District.

The Director of Pupil Transportation should begin working with the state, district administrators, charter schools, bus contractors and other non-public schools providing transportation services with the goal to adjust school start and end times. As the modified schedule is finalized, it should allow for greater flexibility (allowing buses and vans to be used consecutively to conduct more routes) which would be greater utilization of the transportation fleet.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|-----------------------------|
| 1. The Director of Pupil Transportation should work with bus contractors, administrators, the state and other non-public school providers and determine the most effective bell schedule. A Task Force should be created for this purpose. | Fall 2005 |
| 2. The Task Force should make recommendations to the Director of Pupil Transportation. | December 2005 |
| 3. The Director of Pupil Transportation should secure approval by the Chief Operations Officer and Board of Education of the bell schedule, and work to modify ACT 372 with the Legislature. | Spring 2005 |
| 4. The Director of Transportation should propose that the new bell schedule becomes effective for the 2006-07 school year. | September 2006 |
| 5. The Director of Pupil Transportation should make necessary adjustments in demand for buses provided by bus contractors. | October 2006
and Ongoing |

FISCAL IMPACT

MGT experience has shown that when effective bell schedules are developed, at least a five percent reduction in the bus fleet can be achieved. Though those costs associated with bus purchases would not be realized (those bus purchase costs are borne by the carriers), there are operational costs that would be eliminated in the Pittsburgh School District. The yearly operational cost for one bus is \$38,200. Operational cost reduction for 38 buses would be \$1,451,600 each year of the budget cycle for a total cost savings of \$5,806,400.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Implement New Bell Schedule and Reduce Need of 38 Buses	\$0	\$1,451,600	\$1,451,600	\$1,451,600	\$1,451,600

FINDING

The Non-Public Schools Specialist and the Special Education Supervisor, in particular, have implemented the Trapeze routing and scheduling system in the Pittsburgh School District in an outstanding manner. Of the many school districts MGT has evaluated over the past decade, the efficiency and effectiveness of their effort is exceptional.

The following is a brief synopsis of how the routing and scheduling system works in the Pittsburgh School District.

- Data forms for student transportation are distributed to the schools.

- The requests are completed on students requiring transportation services and sent electronically to Pupil Transportation for processing.
- The Transportation Specialist uses Trapeze and input pertinent data on the student (name, address, and other variables) into the system.
- The automated system assigns the student to a particular route giving pickup, transit time, and when he/she will arrive at school or home. This information is provided to the school, the student's guardian, and the servicing contractor for the route.
- Computerized changes are made as they become necessary.

COMMENDATION

The Pupil Transportation Department is commended for implementing the Trapeze automated technology for planning, coordinating and executing bus routes in an efficient and effective manner.

9.3 Vehicle Maintenance

The Pittsburgh School District's transportation fleet consists of 767 buses and vans that are contractor-operated and maintained. Exhibit 9-13 provides a list of the 16 contractors performing this service for the Pittsburgh School District. Contractors are responsible for all maintenance and operations for their respective vehicles. As a result, there are in fact 16 different maintenance systems of varying degrees of competence serving these buses.

**EXHIBIT 9-13
CONTRACTOR VEHICLES*
PITTSBURGH SCHOOL DISTRICT
2004-05 SCHOOL YEAR**

CONTRACTOR	NUMBER OF BUSES
Action Transit Enterprises, Inc.	103
AKS, Inc.	24
First Student	61
Laidlaw	243
MIL Transit, Inc.	66
Monark Student Transportation Corporation	45
Owens	0
A.J. Myers and Sons	4
Peoples	0
Pennsylvania Coach Line, Inc.	29
P.M. Transit	13
Ricketts Transportation	12
W.L. Roenigk, Inc.	119
T and T Transit, Inc.	15
Transportation Solutions	10
R&T Transit	23
TOTAL	767

Source: Pittsburgh School District, Pupil Transportation Department, 2005.
*contracted as of December 2004.

FINDING

Verification of maintenance performed by contractors on buses and vans providing student transportation service is not consistent and in some cases is unsatisfactory.

During the MGT on-site visit, six contractors were randomly selected and their maintenance and operations procedures evaluated. MGT found that each contractor had significantly different maintenance systems in operation, the ratios of mechanics to vehicle varied, and the maintenance records and repair parts inventory varied significantly. There are no records of any routine or scheduled inspections of contractor maintenance operations performed by the Pittsburgh School District. Each contract facility is able to demonstrate how they perform maintenance, but they do not have any verification or any recent evaluations by the school district, nor are there any records indicating that maintenance evaluations were conducted.

RECOMMENDATION

Recommendation 9-5:

Take immediate steps to implement procedures to conduct evaluations and inspections of contractor maintenance operations.

An effective evaluation of maintenance performed on buses and vans transporting students in the district must be assured. This recommendation should be an addendum to the terms and agreement of the Pupil Transportation Agreement signed by each contractor. At present, the Pittsburgh School District does not have validation that an effective maintenance program is being executed by contractors. The Pittsburgh School District should develop an inspection checklist to be used to conduct the inspections.

IMPLEMENTATION STRATEGIES AND TIMELINE

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|--|----------------|
| 1. The Director of Pupil Transportation should develop a maintenance inspection checklist designed to evaluate the competency of maintenance operations performed by contractors (Exhibit 9-14 provides a sample checklist). | June 2005 |
| 2. The Director of Pupil Transportation should obtain approval by the Chief Operations Office for the maintenance inspection checklist. | July 2005 |
| 3. The Director of Pupil Transportation should use the checklist to conduct maintenance inspections on operations performed by contractors. | September 2005 |
| 4. The Director of Pupil Transportation should make any necessary adjustments to the maintenance inspection checklist from data gained from initial inspections. | December 2005 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

**EXHIBIT 9-14
EXAMPLE OF A
CARRIER COMPLIANCE CHECKLIST
PITTSBURGH SCHOOL DISTRICT**

AREA OF CONCERN	COMPLIANCE EVALUATORS
Carrier Contract Review	<ul style="list-style-type: none"> ■ Review all carrier contracts every six months for compliance with the agreement. ■ Ensure revisions or updates to the contract are properly documented and included as contract addenda.
Invoices and Billings	<ul style="list-style-type: none"> ■ Determine if invoices and billings submitted are accurate and legitimate and in compliance with the agreement. ■ Ensure that carriers are paid promptly for services rendered as stipulated in the agreement.
Required Carrier Reports	<ul style="list-style-type: none"> ■ Evaluate accuracy of required reporting submitted by carriers for compliance with the agreement. ■ Determine compliance with special reporting requirements.
School Board Report	<ul style="list-style-type: none"> ■ Provide the Board of Education with quarterly updates on carrier performance.

Source: Created by MGT of America, 2005.

FINDING

Standard maintenance operating procedures do not exist for bus contractors.

Inspections are conducted annually on contractor buses by the Commonwealth of Pennsylvania. However, as noted above, there are no annual preventive maintenance inspections conducted by the Pittsburgh School District on any of the buses or vans owned by the contractors. Normally, these inspections examine specific maintenance items or verify that bus an oil changes are being done in compliance with stipulated maintenance. For example, it may be dictated that an oil change will be completed for a van or bus every 3,000 miles.

The vehicle maintenance records maintained by several contractors do not provide adequate information to determine annual maintenance cost per bus per year. Vehicle maintenance records with few exceptions are prepared manually. Repair orders do not contain part numbers nor the costs of repair parts, lack the amount of time required to affect a repair, and do not show the name of the person performing the repair. No standard maintenance operating procedure was available in the maintenance garages examined by the MGT consultant team.

In several contract maintenance shops equipment was not being inventoried. In two instances, the manner in which parts were scattered throughout the room was deplorable. Overall, the physical conditions of most maintenance shops need improvement (with the notable exception of Monark, Laidlaw and First Student where records and reports were exceptional).

RECOMMENDATION

Recommendation 9-6:

Prepare and require use of standard maintenance operating procedures for all contractors.

Written procedures covering vehicle maintenance, repair parts purchasing and management, inventory control, performance reporting, environmental protection, safety, and security to properly manage the bus fleet should be developed. This recommendation should be an addendum to the terms and agreement of Pupil Transportation Agreement signed by contractors.

A standard maintenance operating procedure will permit the capture of key fiscal data on vehicle repairs, and ensure equipment accountability and compliance with environmental rules and regulations. This procedure will also provide some assurance that maintenance procedures are being performed on buses and vans transporting the students in the Pittsburgh School District.

Exhibit 9-15 provides guidelines for use by the Pittsburgh School District in preparing a maintenance standard operating procedures.

**EXHIBIT 9-15
GUIDELINE FOR ESTABLISHING
STANDARD OPERATING PROCEDURES FOR BUS MAINTENANCE**

SUBJECT AREA	RECOMMENDED TOPICS
Facility	<ul style="list-style-type: none"> • Cleanliness of the facility • Safety boards • Bulletin boards • Operations office • Bus driver break rooms • Classroom
Shop Operations	<ul style="list-style-type: none"> • Scheduled maintenance program for all vehicles • Records for monthly and annual inspections • Schedule for oil changes • Parts operations and controls • Use of technology for controlling maintenance operations and programmed maintenance • Fuel and oil control procedures • Cleanliness of the shop • Shop safety procedures • Accident prevention program • Accident prevention procedures • Environmental controls and oil/gas disposal procedures
Outside Facility	<ul style="list-style-type: none"> • Cleanliness of the outside area • Vehicle parking and safety • Environmental controls and oil/gas disposal procedures • Disposal of vehicles and equipment no longer in use • Safety and accident procedures

Source: Created by MGT of America, Inc., April 2005.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Director of Transportation should prepare a detailed Standard Operating Procedure for Maintenance to be used by all contractors providing student transportation services to the Pittsburgh School District. July 2005
2. The Chief Operations Officer should approve the Standard Maintenance Operating Procedure. August 2005
3. The Director of Transportation should provide the standard operating procedure to all contractors providing student transportation services for implementation and use. September 2005
4. The Director of Transportation should ensure that the procedure has been implemented. Ongoing

FISCAL IMPACT

There is no fiscal impact associated with this recommendation since it can be accomplished within current resources.

FINDING

The Maintenance Department has no formal performance monitoring program to ensure service quality, effectiveness, and efficiency performed by contractors providing student transportation services. Some contract carrier do not have formal performance-monitoring programs to ensure service quality, effectiveness and efficiency, and the Transportation Department does not have a maintenance staff function that could provide and oversight.

It is common practice for districts to use indicators to assess ongoing performance in key management areas. Performance indicators allow departments of transportation to track service quality and make adjustments where required. Improvements in performance can be documented to demonstrate progress. Accurate and timely performance indicators help management allocate scarce resources to the most critical needs.

Performance indicators typically used by school districts are shown in Exhibit 9-16. These indicators could help the department to consistently track and monitor the performance of contractors in the Pittsburgh School District.

RECOMMENDATION

Recommendation 9-7:

Ensure that contractors providing student transportation services collect data on key performance indicators set by the Pittsburgh Board of Education that measure and monitor their performance in compliance with transportation standards.

**EXHIBIT 9-16
RECOMMENDED PERFORMANCE INDICATORS**

PERFORMANCE AREA	PERFORMANCE INDICATOR
Safety	<ul style="list-style-type: none"> ■ Accidents per 100,000 miles ■ Incidents per 100,000 miles
Cost-Efficiency	<ul style="list-style-type: none"> ■ Operation cost per mile ■ Annual operation costs per route
Cost-Effectiveness	<ul style="list-style-type: none"> ■ On-time performance ■ Open routes due to unfilled positions ■ Driver absentee rate ■ Average rider trip time in minutes
Maintenance Performance	<ul style="list-style-type: none"> ■ Miles between road calls ■ Percent of preventative maintenance completed on time ■ Turnover time per bus repair ■ Operational rate for regular buses

Source: Created by MGT of America, April 2005.

Performance indicators should be used to assess performance with emphasis in the key areas of training, safety and accident prevention. This is particularly important in the Pittsburgh School District where there are 16 different carriers providing transportation services. The evaluation of carriers using these indicators will help to determine carrier performance. It also provides the Director of Transportation with a valuable management tool to ensure that carriers transporting students in the Pittsburgh School District perform the function in a safe and efficient manner.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|---------------------------------------|
| <p>1. The Director of Transportation should prepare detailed performance indicators that measure and monitor performance of contractors providing student transportation services.</p> | <p>Summer 2005</p> |
| <p>2. The Chief Operations Officer and Superintendent should approve the performance indicators, and submit to the Pittsburgh Board of Education for approval.</p> | <p>August 2005</p> |
| <p>3. The Director of Transportation should ensure the performance indicators are issued to all contractors providing student transportation services and made an addendum to the terms and agreement of Pupil Transportation Agreement signed by contractors.</p> | <p>September 2005
and Ongoing</p> |

FISCAL IMPACT

There is no fiscal impact associated with this recommendation; it can be accomplished within current resources.

FINDING

Oil/water separators are devices commonly used as a method to separate oils from a variety of wastewater discharges. Many contractor vehicle maintenance facilities do not have oil-water separators that collect oil, fuels, anti-freeze, and other spills or

discharges. In some cases, the existing maintenance floor plans (in those instances where vehicles are repaired or washed outdoors) drain connects to a pipe that permits fluid discharges to enter storm drains or sink into adjacent soil. The facilities which were visited did not have a water treatment system to collect oil and other contaminants when buses are washed. It was observed that bus wash run-off was allowed to enter storm drains or seep into adjacent soil.

There are serious legal implications for contractors, and the Pittsburgh School District in allowing continuing contamination by discharge of pollutants by contractors into drains, soil or into the waters of the Commonwealth of Pennsylvania.

Section 301 of the Clean Water Act prohibits a point source discharge of pollutants into waters of the United States without a National Pollutant Discharge Elimination System (NPDES) permit. Discharge of industrial wastewater is regulated under the Clean Water Act. The Commonwealth of Pennsylvania Code prohibits the discharge of any pollutant into waters of the Commonwealth unless the person responsible for such discharge first obtains a discharge permit. Vehicle washing that allows wash water to flow into a storm drain is prohibited without a NPDES permit. Failure to treat oil and other contaminants is a violation of U.S. law and Commonwealth of Pennsylvania environmental regulations.

RECOMMENDATION

Recommendation 9-8:

Require the installation of oil-water separators at all maintenance facilities.

Immediate action should be taken to ensure that bus washing and maintenance areas operated by contractors providing student transportation services to the Pittsburgh School District are connected to oil/water separator units in compliance with the NPDES Clean Water Act. It is the responsibility of contractors to ensure their maintenance facilities are in compliance with US and Commonwealth laws governing discharge of pollutants.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Director of Pupil Transportation, with assistance from Facilities Management, should prepare a maintenance facility upgrade plan providing guidance to contractors for oil-water separator installation that meets environmental standards. July 2005
2. The Chief Operations Officer should approve the plan to include a deadline for contractors providing student transportation services to install oil separators. September 2005
3. The Director of Pupil Transportation should provide the plan of action to contractors including deadline for installation of oil separators. The requirement for oil separators should be an addendum to the terms and agreement of the Pupil Transportation Agreement signed by contractors. Fall 2005

4. Contractors providing transportation services in the Pittsburgh School District should install oil separators. January 2006
5. The Director of Pupil Transportation Services should conduct random inspections to ensure that the oil separators have been installed by all contractors. Ongoing

FISCAL IMPACT

There is no fiscal impact associated with this recommendation for the Pittsburgh School District. However, there are costs that should be borne by contractors who must install oil separators in order to be in compliance with environmental law to do business in the Commonwealth of Pennsylvania.

9.4 Private Vendor Contracts

The Pittsburgh School District has 767 vehicles (buses and vans) contracted by private agreement with 16 independent contractors in the greater area of Pittsburgh. Records are kept on each bus and information recorded showing the amount of money the district pays to use a particular bus for the school year. The amount paid is computed based on the size of the bus, number of miles driven, and amount of time the vehicle is operated. The contracted vehicle report prepared by the Transportation Department for 2004-05 school year (latest data available) shows that the Pittsburgh School District paid contractors \$27,236,865 for vehicle contract services. Exhibit 9-13, previously shown, lists those carriers who have contracts with the school district.

School bus contracts between independent contractors and the Pittsburgh Board of Education are recorded in a contract pupil transportation agreement consisting of eight pages. The agreements are renewable. The contract details responsibilities of the Board of Education in the contract and also the responsibilities of the carriers who are defined as the entity in the agreement to provide transportation services to the Pittsburgh School District.

The salient points of the pupil transportation agreements are:

- furnish pupil transportation to and from school for the school year;
- provide at carrier expense, vehicles (buses or vans or other vehicles) approved by the Board of Education to fulfill said requirement of the agreement;
- furnish at carrier expense, all labor, parts and other materials required for operation of the vehicles (buses, vans or other vehicles);
- take out of service any vehicles determined by inspection to be unsafe and replace with an approved vehicle (bus, van or other vehicle) at the carrier's cost;
- ensure that drivers and others engaged are employees of the contractor;

- provide pupil transportation only to school children and other persons designated by the Board of Education;
- contractor may not assign the agreement;
- contractor may terminate the agreement in writing with 30 days notice; and
- the Pittsburgh Board of Education reserves the right to set the rate of reimbursement.

MGT consultants studied the current Service Agreement that specifies contractor performance requirements, penalties and what the contractors should expect from the Pupil Transportation staff as they check to ensure compliance. The consultants examined complaint files and the records maintained to show that drivers are qualified (i.e., drivers have proper licenses, training certifications, current physicals and required screenings for criminal records). The Safety Coordinator properly maintains these records.

The Service Agreement specifies compliance requirements that should be reviewed and evaluated prior to annual contract renewals. For example, the agreement states that the Director of Pupil Transportation will evaluate all carriers twice annually, taking into consideration:

- Carrier's Safety record. (The staff is dependent on the carrier's reporting of accidents, but routinely knows of an accident only when students are on the bus or are injured).
- Transportation complaint record. (Staff knows what comes into the office, but not necessarily what complaints are directed to the carrier)?
- Carrier's vehicles' cleanliness and mechanical condition. (The Safety Coordinator, when at a school, checks buses that may be parked there. As to mechanical condition, Pupil Transportation does not receive or maintain records of the State Troopers Vehicle inspection).
- Carrier's vehicle facility (housing and maintenance).
- Other factors which require inspection visits or surveillance along the routes, in addition to examining carriers' safety records and transportation complaints indicated above.

The Director of Pupil Transportation is the principal staff supervisor for private bus contracting to transport students and is held accountable to the Pittsburgh Board of Education for efficient management and execution of all school bus private contractual agreements. His responsibilities include:

- Monitor and ensure compliance with contract obligations by all contractors.

- Conduct meetings/conferences with private contractors as appropriate to resolve any problems or difficulties.
- Ensure yearly state inspections of all contract vehicles.
- Conduct county evaluations (at least twice each school year) of all carriers' safety record; transportation complaint record; carrier's vehicle condition; including cleanliness and mechanical condition, carrier's vehicle facility; and carrier's general contractual compliance and responsiveness to the school district's transportation needs.
- Resolve all difficulties within his control.
- Keep the Pittsburgh Board of Education informed and seek their assistance as required.

During the on-site assessment by MGT, a focus group meeting with contractors was held. During that meeting and subsequent meetings at contractor locations, discussions were held about the contract agreement providing student transportation services. Interviews, and the focus group meeting with contractors, revealed the following:

- There should be annual monetary increases paid to them to keep up with operating costs.
- Student discipline and vandalism of their buses is a problem.
- Liability insurance is not adequate and should be increased.
- The majority of vendors are operating the buses at marginal profit and some are operating at a loss.
- All contractors perform their own maintenance.
- Very few contractors have ASE-certified mechanics.

The contractor perception is that the Board of Education does not understand the private bus contracting system. Contractors indicated that when the Board of Education increases the variable factors in their contracts, this does not mean an increase of the profit margin for contractors. Contractors believe that future operations will require that more funding be allocated to private bus transportation. Their most significant problems are fuel costs and retention of qualified drivers.

FINDING

The Pupil Transportation Agreement is not being adhered to by the Pittsburgh School District Board of Education or the independent carriers who signed the pupil transportation agreement.

During the MGT on-site visit, random evaluations were made by conducting visits to carrier site locations and determine to what extent the carrier agreement was being complied with. The following are a few of the shortcomings noted at carrier sites:

- Two-way radios or mobile phones are not in good working order and buses or vans required to have the equipment.
- Insufficient documentation was found showing that random drug/alcohol screening testing of at least 24 percent of drivers during the school year.
- No documentation to show that at least 12 percent of drivers have been randomly screened by November 30th of each school year.
- Cleanliness of vehicles is not being accomplished in accordance with the carrier agreement with the Board of Education.
- No accident safety records were maintained.
- No transportation complaint records were available.

Conversely, the following are observations of shortcomings in the Pupil Transportation Department in executing its pupil transportation agreement responsibilities. There are no records or documentation that the Pupil Transportation Department is complying with its responsibility to inspect service compliance by carriers by conducting evaluations of the following carrier responsibilities at least twice a year:

- evaluation of carrier safety records;
- examination of carrier transportation complaint records;
- evaluation/inspection of carrier's vehicles condition, cleanliness and mechanical condition; and
- the carrier's general contractual compliance and responsiveness to the school district's transportation needs.

The Pupil Transportation Agreement is a legal and binding document designed to ensure that safe and dependable transportation service is provided to students being transported in the Pittsburgh School District. It places legal responsibility on the Board of Education. At present, many contractual requirements stipulated in the pupil transportation agreement are not being undertaken either by the carriers or the Board of Education. Thus, contract is not being enforced. As a result, carriers do not do what they are supposed to do because their contractual requirements are not being evaluated or assessed.

RECOMMENDATION

Recommendation 9-9:

Enforce the Pupil Transportation Agreement to ensure compliance by all carriers providing student transportation services.

The agreement between carriers and the Pittsburgh Board of Education is not being effectively enforced. It is imperative that the Director of Transportation as the agent representative of the Board take the necessary steps to ensure full compliance with the carrier agreement. An example of steps considered essential for the Director of Transportation to ensure agreement compliance by carriers is indicated in Exhibit 9-14.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|--------------------------|
| 1. The Director of Transportation should conduct a review of pertinent laws, policies and procedures applicable to the Pupil Transportation Agreement and ensure that the Agreement is monitored. | July 2005 |
| 2. The Director of Transportation should develop a monitoring schedule, and submit it to the Chief Operations Office and legal counsel. | August 2005 |
| 3. The Director of Transportation should implement the monitoring schedule. | December 2005 |
| 4. The Board of Education should terminate contractors who do not comply with the Pupil Transportation Contract Agreement. | January 2006 and Ongoing |

FISCAL IMPACT

This recommendation can be accomplished with existing resources.

9.5 Safety and Training

Training and safety programs in the Transportation Department are the responsibility of the Transportation Assistant Coordinator. This position is responsible for monitoring all safety issues related to pupil transportation, investigating all accidents, and filing accidents reports with the Commonwealth of Pennsylvania. He is also responsible for the planning, integrating, and implementing of all training for personnel assigned to the department. The training and safety programs under the supervision and control of the Department of Transportation are exceptional and accomplish desired objectives.

The Transportation Department stresses the importance of maintaining an active and responsive program to keep its personnel highly trained. The department also sets high standards of safety and has a stated policy to achieve zero injuries and zero chargeable accidents.

Training and safety programs outside the purview of Transportation Assistant Coordinator are the programs operated by the carriers providing student transportation services. Each of the 16 carriers providing student transportation services has its own independent training and safety program. Carriers must ensure that their personnel are trained, tested, and evaluated. Though this often requires training or certifications by public entities, the programs are private and the carriers keep their own respective records on their personnel. Exceptions are those reports that are required by the school district in compliance with the pupil transportation agreement. Those training and safety programs under the supervision and control of the 16 carriers vary. The reason is that some of the carriers are concerned about training and safety and have instituted successful programs. Some carriers place little or no emphasis on training and safety and have no training programs in effect.

FINDING

Several carriers do not have adequate training and safety programs as required by the Pupil Transportation Agreement. During the on-site visit, MGT made random visits to carrier administrative and maintenance facilities. During the visits and subsequent examination of records and reports maintained by the Pupil Transportation Department, it was found that several contractors do not have adequate training and safety programs. In a few instances, it was determine that they have none at all.

During on-site discussions with carrier administrators about training and safety requirements, it was evident that, although they may have been cognizant of requirements, nothing was done to ensure compliance. It appears that since evaluations of carrier safety and training programs have not been conducted by the Pupil Transportation Department, some carriers have chosen not to place emphasis on training and safety programs.

Some of the important issues that are critical to safety and training are:

- Safety meetings should be conducted for all drivers.
- All drivers performing vehicle transportation services for the Pittsburgh School District should possess a valid Commercial Driver's License (CDL), be 21 years of age and physically fit to operate a school bus safely, and be literate.
- Commonwealth of Pennsylvania-mandated classroom and 24-hours behind the wheel training must be completed by all bus drivers.
- Training, as required, is conducted for all personnel assigned to the carrier's work force who are involved with student transportation services.
- The evaluation and inspection of vehicles should determine if they are safe and free of defects.
- Carriers must keep abreast of safety procedures as published in Commonwealth of Pennsylvania Safety Bulletins and other pertinent publications.

- Carriers should have a designated and trained safety and training person.
- Accidents must be recorded and promptly reported to the Pittsburgh School District.

At a minimum, components need to include driver training, safety training, and student discipline training.

RECOMMENDATION

Recommendation 9-10:

Create and implement a policy and procedure to ensure that all carriers providing student transportation services have competent and effective training and safety programs and that failure to comply will result in sanctions or contract termination.

Training and safety, as they relate to student transportation services, cannot be overemphasized. It is the responsibility of the Board of Education to ensure that carriers providing student transportation services in the Pittsburgh School District do so in a safe and dependable manner. The Board must also ensure that those individuals (bus drivers, aides, maintenance personnel, and others) involved in providing student transportation are properly trained and receive additional training as required.

The Director of Transportation should ensure that all carriers providing student transportation services under contract have in place satisfactory training and safety programs in accordance with Commonwealth of Pennsylvania policies, procedures and guidelines. At minimum, the following should be accomplished:

- The Director of Transportation, Supervisors, Safety and Training Coordinator, and Transportation Assistant (if hired) can provide effective carrier oversight of critical performance measures if they use a procedures checklist that reflects policies.
- Developing a training and safety check list procedures guide will enhance safe transport of students and strengthen the semi-annual evaluation of carrier performance.

IMPLEMENTATION STRATEGIES AND TIMELINE

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|---|-----------|
| 1. The Director of Transportation should conduct a review of pertinent laws, policies and procedures applicable to training and safety, and ensure that they are included as appropriate in the pupil transportation agreement with carriers. | July 2005 |
| 2. The Director of Transportation should complete a draft of an effective safety and training program and submit it to the Chief Operations Officer for approval. | Fall 2005 |

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|---|-----------------------------|
| 3. The Director of Transportation should receive approval of the safety and training program, and direct carriers to implement appropriate training and safety programs in compliance with policy and procedures. | December 2005 |
| 4. The Director Transportation should ensure acceptable safety and training programs are implemented by carriers providing student transportation services. | January 2006
and Ongoing |

FISCAL IMPACT

There is no fiscal impact to the Pittsburgh School District associated with implementing this recommendation.

FINDING

The Safety Coordinator maintains photocopies of the driver certifications as provided by the contractors. The Director of Pupil Transportation provides the regulatory and policy guidance governing pupil transportation to the Contract Carriers.

Contracted carriers are required to use the School Bus Manual and the Trainer’s Manual provided by the Commonwealth of Pennsylvania in the training for drivers of both special education and regular students. Both of these documents are available on the Commonwealth’s Department of Motor Vehicles Web site.

Classroom training of 14 hours (including a component addressing the transportation of special education students) is required. Five hours are directly related to safety and the others address operations and preventive maintenance of the vehicles. The program includes six hours of training in the bus before a driver can be certified. These times are a minimum and may not be the actual practice among all carriers.

The re-certification of a driver requires a minimum of seven hours and a curriculum addresses the appropriate topics. The training of drivers must be certified by the Pennsylvania Department of Transportation which provides a skills certification checklist.

An added dimension of training and safety is the School Bus Evacuation Drill Certification. The Pittsburgh School District policy is that the drills will occur twice each year and the principal of each school must certify that the training has been accomplished. In the Transportation Guidelines Manual, described previously, the roles and responsibilities of the designated School Transportation Contact and the bus drivers are explained. In current times of terrorist threats, this kind of training has become an important component of safety programs.

The final dimensions linked to training and safety is the condition of the vehicle that transports students and how safely do drivers operate the vehicles. While maintenance has been discussed previously, it is important to emphasize the safety dimensions of maintenance and driver operations as they relate to overall training and safety and the link to adequate Service Agreement oversight.

If preventive maintenance is performed in accord with the training received, then a driver would detect defects and report problems to the Contract Carriers maintenance facility. If the Contract Carrier were in full compliance with the Service Agreement, there would be a scheduled maintenance program for each vehicle. If this took place, then carriers' vehicles would routinely pass the annual inspection conducted by the State Troopers. MGT consultants found that Transportation Department does not receive reports on the results of the inspections. Nor does the department receive any reports on traffic violation citations—a safety and training indicator. Yet maintenance and safe operations are factors, to be considered in the contract renewal process. The division is dependent on the Carrier providing negative performance information or the Transportation Supervisors and the Safety Coordinator visiting carriers' facilities to examine what records might be maintained.

Pupil Transportation needs access to this information indicating carrier performance in terms of the safety of their vehicles and safety practices of their drivers.

The number of vehicles that fail the annual inspection by the State Troopers is an indicator of the quality of a carrier's maintenance program. The number of traffic violations by a carrier's drivers is a performance indicator as well, and both affect the safe transport of students. In the interview with the Safety Coordinator, we were told that buses at a school were checked to see if the inspection sticker was current, but that is only one aspect of performance—the sticker shows success but not whether there was prior failure.

Recommendation 9-1 stated the need for a Transportation Assistant to strengthen Pupil Transportation's capacity to ensure carrier compliance with the Service Agreement. Tracking State Trooper inspection results and driver traffic violations would be a duty of that position, but to do so requires the cooperation of law enforcement agencies. Coordination and collaboration within the existing constraints on information sharing is in the interest of safe operations for the Pittsburgh School District students using school transportation.

RECOMMENDATION

Recommendation 9-11:

Request cooperation from the Commonwealth of Pennsylvania State Troopers and local law enforcement to obtain information critical to the assessment of carrier maintenance and drivers' safe operation of vehicles.

The semi-annual carrier performance evaluation must include an assessment of the quality of the contractors' maintenance program. The pass/fail records for inspections by the Pennsylvania State Troopers are a maintenance performance indicator. The record of carriers' drivers' traffic violations is a safety performance indicator and an indirect assessment of driver training. Gaining the cooperation of the State Troopers and local law enforcement agencies supports the safe transport of Pittsburgh School District students.

IMPLEMENTATION STRATEGIES AND TIMELINE

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| 1. The Director of Pupil Transportation should prepare a letter for signature by the Pittsburgh Superintendent to The Commonwealth State Trooper Commander and the Chiefs of local law enforcement agencies explaining the rationale for the request and requesting cooperation. | July 2005 |
| 2. The Director of Pupil Transportation should coordinate and establish procedures based on agreements reached with the law enforcement entities. | September 2005 |
| 3. The Director of Pupil Transportation should include the information made available in the semi-annual carrier performance evaluations required by the Service Agreement. | Ongoing |

FISCAL IMPACT

There is no fiscal impact associated with this recommendation.

**10.0 TECHNOLOGY
MANAGEMENT**

10.0 TECHNOLOGY MANAGEMENT

This chapter provides a summary of technology management in the Pittsburgh School District. The five major sections of this chapter are:

- 10.1 Technology Planning
- 10.2 Organization and Staffing
- 10.3 Infrastructure and Web Development
- 10.4 Software and Hardware
- 10.5 Staff Development

When reviewing the technology resources of a school district, MGT examines the host computer system that supports applications, the applications themselves and the degree to which they satisfy user needs, the manner in which the infrastructure supports the overall operations of the school system, and the organizational structure within which the administrative and instructional technology support personnel operate.

The goal of the Office of Information and Technology's (Office of Technology) in the Pittsburgh School District is to provide a reliable learning and training environment as well as educational, informational professional development for all stakeholders. The main objective for the Office of Technology is to implement the goals outlined in the 2004-06 Technology Plan for the district.

10.1 Technology Planning

Ten years ago, technology was seen as an add-on in school districts, indeed in many organizations, including private businesses. Now, technology is a foundational aspect of almost every organization.

Successful Technology Planning is the foundation for successful technology implementation and development. School district technology is not just a stand alone, long-term, ongoing project; it affects every aspect of school district operations. The Technology Planning process is complicated. There are many factors to consider, including instructional integration, required data reporting, funding, training, and staffing for support.

Technology plans should cover between three to five years. By analyzing current trends in district demographics and available technology, planners can predict what the needs of the district will be and what technology will be available to fill those needs. Technology, is the fastest changing segment of our society, so frequent updates and revisions of any Technology Plan will be required.

FINDING

The Office of Technology's budget of \$14.4 million for the 2004-05 school year is 2.7 percent of the district's total annual budget of \$525,662,575. This 2004-05 budget represents a per student budget figure of \$441, which means that for every student enrolled in the Pittsburgh School District, this amount is spent on technology.

According to a Mass Networks' study, *Total Cost Ownership - Better Technology Budgeting*, benchmark data for the amount schools spend on technology per student is \$340 per student. Pittsburgh is only slightly above this average, yet the school district has a state of the art Office of Technology.

COMMENDATION

The Pittsburgh School District spends slightly above average on technology per student yet has a exemplary Office of Technology.

FINDING

The Pittsburgh School District is within the second year of a three-year comprehensive Technology Plan. The plan provides a process overview identifying stakeholders, has well-developed mission and vision statements to build a Seamless Educational Enterprise (SEE), assesses the current status of technology within the district, identifies strategic goals, provides for action steps with timelines, contains fiscal data, and contains a statement that the plan will be reviewed and evaluated. While these components of the Technology Plan are comprehensive, they are not reviewed and evaluated by the Technology Council as stated in the plan.

This Technology Council is part of four teams to provide full-cycle governance to the Technology Plan. These four teams include:

- **Technology Planning Committee** – the largest and most diverse group of stakeholders providing input into the planning process. The primary function of the Technology Planning Committee is to participate in the creation and development of the three-year Technology Plan.
- **Technology Council** – in charge of managing the Technology Plan and responsible for its success. This Council reviews active action steps to determine if they are delivering value, and if not, redirect funding from these steps to other higher value action steps. The Council also ensures that each program is proactively managed to get the promised valued, and to identify new emerging opportunities. The Technology Council creates and manages both the New Initiative Teams (NIT) and the Implementation Teams (IT).
- **New Initiative Teams (NIT)** – proactively helps teachers and staff to identify new opportunities to use technology in education and to assist employees in submitting new initiatives to the Technology Council. The NIT prepares its assessment of a proposal and submits its recommendations to the Technology Council.
- **Implementation Team (IT)** - initiates each action step and manages the change process. The IT is responsible for implementation and management of individual action steps and projects. Its mission is to convince people to adopt the new value mind-set and commit to a major change in investment decision-making and organization.

According to Office of Technology staff, there is no formal committee or process currently in place to review the Technology Plan. However, technology coordinators within the Office of Technology meet on an ad hoc basis to review portions of this plan.

Documentation was not provided to show the establishment of the four groups mentioned within the Technology Plan. Therefore, there are no formal reviews and evaluations for the Technology Plan for the Pittsburgh School District. While the establishment of four groups to conduct, review, and manage technology seems ideal, the workload on current staff would be extreme. The Office of Technology could more easily and practically establish one planning committee to monitor and review the Technology Plan for the district on an ongoing basis.

RECOMMENDATION

Recommendation 10-1:

Modify, review and evaluate the current Technology Plan and establish one Technology Planning Committee representative of all stakeholders.

The Technology Plan should be considered a living document due to the fast changes of technology, so frequent reviews to update and revise the plan is required of all school districts. The proposed Technology Planning Committee should include:

- district administrative staff representatives, including representatives from each functional department;
- a district support staff representative;
- one or two parents or community members;
- one or two business representatives who are not employed by technology companies;
- only members who have a good understanding of technology and its uses, at least within their respective areas; and
- only members willing to commit about two hours per month to the activities of the committee.

The Technology Planning Committee should meet on a quarterly basis and should assume responsibilities that include:

- drafting the district's Technology Plan, including assigning responsibility for the completion of specific tasks, timelines for task completion, allocating resources for task completion, and verifying compatibility with the district's strategic plan;
- submitting the Technology Plan annually to the Board of Education for review and approval;
- submitting the Technology Plan as required to Pennsylvania Department of Education;

- determining the status of implementation of the plan;
- providing advice on and helping set priorities for technology development and technology spending;
- reviewing and approving proposed new software and hardware implementation, and ensuring they are in accordance with current district infrastructure and the Technology Plan;
- monitoring the equitable distribution of technology among the schools; and
- recommending revisions in policies and procedures that impact technology use.

Once the proposed Technology Planning Committee is operational, the four other technology groups should be disbanded.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|--------------------------|
| 1. The Superintendent should form a Technology Planning Committee with input from Office of Technology leadership with the appropriate representation of stakeholders. | Summer 2005 |
| 2. The Technology Planning Committee should agree to a three-year commitment to meet quarterly. | Summer 2005 |
| 3. The Technology Planning Committee should evaluate and revise the current Technology Plan according to the district's strategic plan, vision, mission, budgets, and include technology integration. | Fall 2005
and Ongoing |
| 4. The Superintendent should disband the four current technology groups. | Fall 2005 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

10.2 Organization and Staffing

Ideally, technology is one area of a school district that supports all administrative and instructional personnel in a positive manner. Organizing technology resources to effectively achieve this outcome can be challenging.

The ISTE has developed a Technology Support Index rubric to assist school districts in determining their needs in a variety of technology support areas. The ISTE Technology Support Index identifies integrated school districts as having an organization structure where the technical support functions and instructional technology functions report differently, but each unit is cohesively organized, and there is communication between units. Higher-functioning school districts (i.e., those functioning at an exemplary level)

instead have an organizational structure where all of the technology functions report through the same unit in the organization, providing for a logical chain of command and communication structures.

FINDING

As shown in Exhibit 10-1, in 2003-04, the Pittsburgh School District had 90 FTEs in the Office of Technology, including a Chief Technology Officer. Exhibit 10-1 shows comparison information associated with the peer districts for technology administration.

As shown in this exhibit:

- the Pittsburgh School District is above the comparison average for staff;
- Pittsburgh has the third highest number of computers for instructional administrative use;
- Pittsburgh has the second lowest ratio of instructional computers per student;
- al of the comparison school districts have Internet access at each school; and
- all teachers within the comparison school districts have e-mail access.

**EXHIBIT 10-1
COMPUTERS BY USE, NETWORKING AND E-MAIL ACCESS
2003-04 SCHOOL YEAR**

SCHOOL DISTRICT	NUMBER OF ADMINISTRATIVE AND INSTRUCTIONAL TECHNOLOGY SUPPORT STAFF MEMBERS	NUMBER OF COMPUTERS PRIMARILY FOR INSTRUCTIONAL USE	NUMBER OF COMPUTERS PRIMARILY FOR ADMINISTRATIVE USE	NUMBER OF INSTRUCTIONAL COMPUTERS PER STUDENT POPULATION	DO ALL SCHOOLS HAVE INTERNET ACCESS?	DO ALL TEACHERS HAVE E-MAIL ACCESS?
Pittsburgh School District, PA	90*	12,223**	3,431	3	Yes	Yes
Kansas City 33, MO	31	9,206	455	4	Yes	Yes
Buffalo Public Schools, NY	56	9,150	987	5	Yes	Yes
Rochester City School District, NY	5***	9,300	950	4	Yes	Yes
Toledo Public Schools, OH	28	14,500	3,500	2	Yes	Yes
Milwaukee Public Schools, WI	60	26,000	7,000	4	Yes	Yes
SCHOOL DISTRICT AVERAGE	45	13,397	2,721	4	—	—

Source: Data Collected from Individual Peer School Systems, 2005.

* Includes students, vacancies, and the CTO vacancy.

** Includes school administrators.

***Part is outsourced.

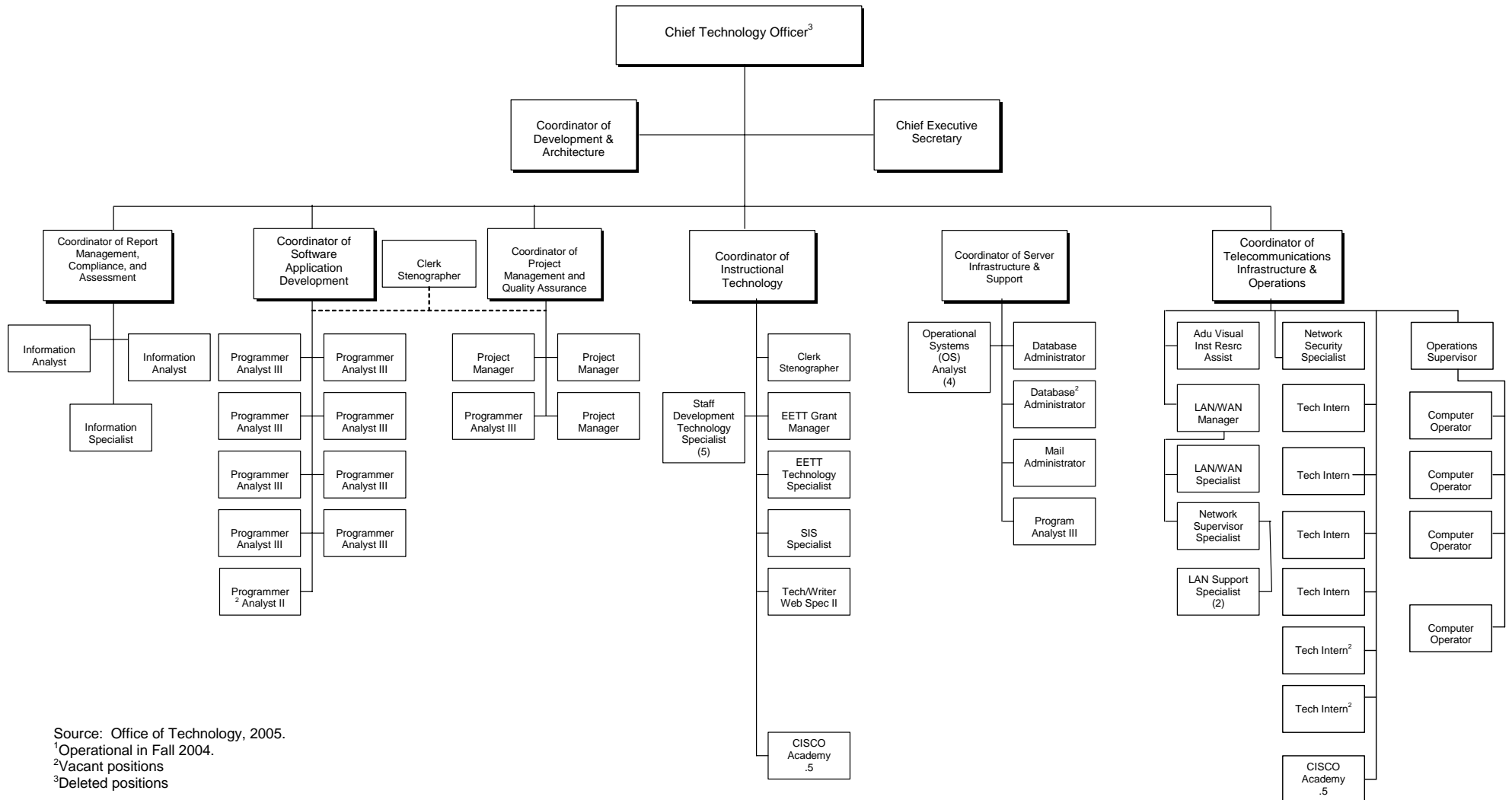
According to best practices for school districts, integrated technology departments have a ratio between 75:1 and 150:1 regarding technology staff per computers, and exemplary technology departments have a ratio of less than 75:1. The Pittsburgh School District technology to computer ratio of 173:1 falls into the category of a best practice for exemplary technology departments.

The district is currently undergoing organizational changes upon the recent departure of the Chief Technology Officer. The district previously had all technology components reporting to the Chief Technology Officer.

As shown in Exhibit 10-2:

- seven coordinators and one Executive Secretary reported to the CTO;
- the Coordinator of Report Management, Compliance, and Assessment had three staff members;
- the Coordinator of Software Application Development had nine professional staff members, including one vacant position, and shared a clerical position with the Coordinator of Project Management and Quality Assurance;
- the Coordinator of Project Management and Quality Assurance had four professional staff members and shared one clerical with the Coordinator of Software Application Development;
- the Coordinator of Instructional Technology had 8.5 professional staff members, excluding the Call Center staff and one clerical position;
- the Coordinator of Server Infrastructure and Support had eight professional staff members, including one vacancy; and
- the Coordinator of Telecommunications, Infrastructure, and Operations had 18.5 staff members, including two vacancies.

**EXHIBIT 10-2
PREVIOUS¹ ORGANIZATIONAL STRUCTURE FOR THE OFFICE OF TECHNOLOGY
IN THE PITTSBURGH SCHOOL DISTRICT**



Source: Office of Technology, 2005.

¹Operational in Fall 2004.

²Vacant positions

³Deleted positions

The structure currently under development by the district, excluding the Call Center Unit is shown in Exhibit 10-3 (Note: The Call Center organizational information is provided later in this section).

As shown in Exhibit 10-3:

- there is no longer a Chief of Technology position;
- the Coordinator of Report Management, Compliance, and Assessment reports directly to the Superintendent (previously reported to the Chief Technology Officer);
- the Coordinator of Instructional Technology reports to the Acting Chief Academic Officer (previously reported to the Chief Technology Officer);
- the Executive Secretary reports directly to the Chief Operations Officer (previously reported to the Chief Technology Officer); and
- five coordinator positions report to the Chief Operations Officer (previously reported to the Chief Technology Officer).

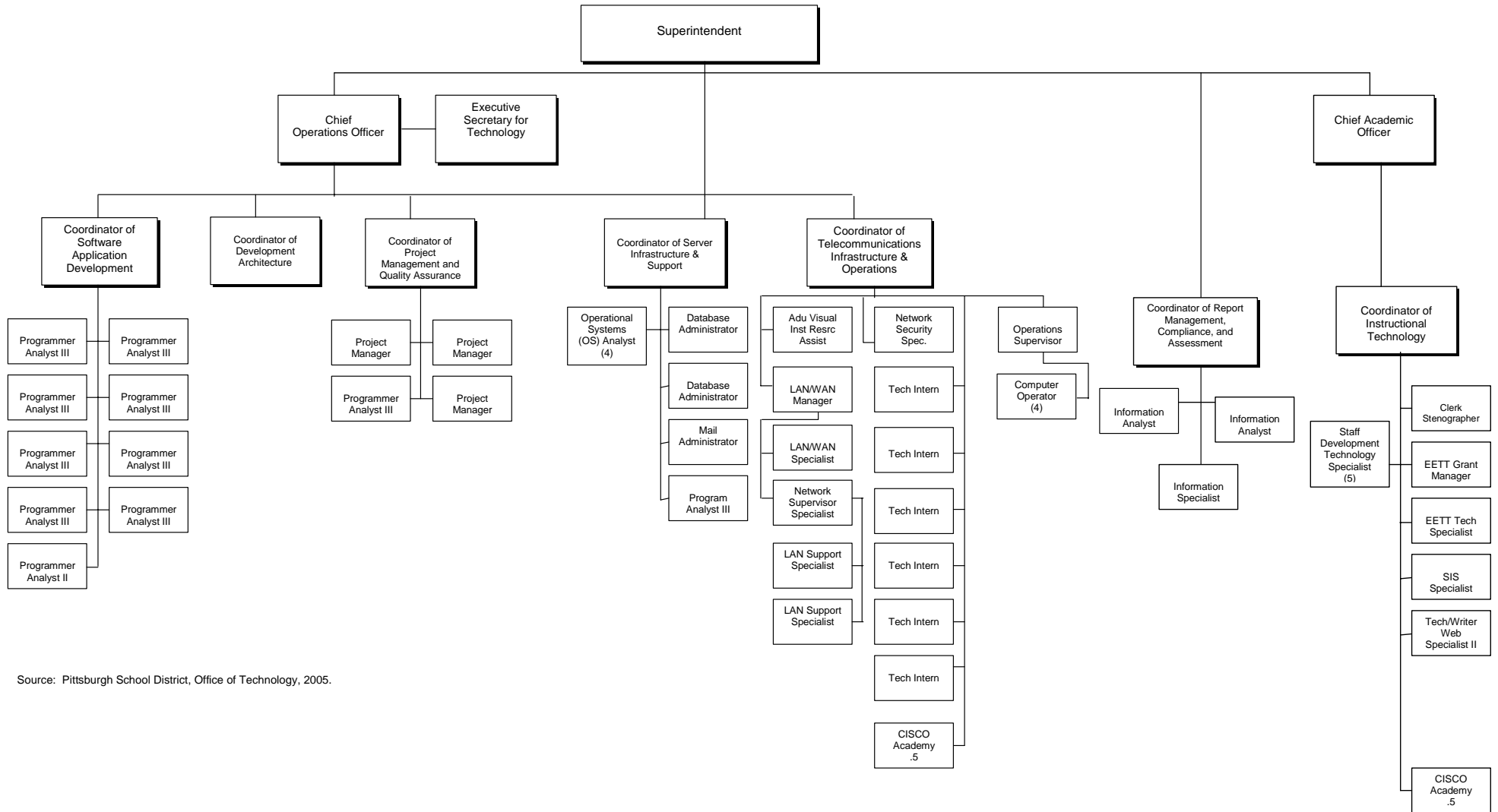
The organizational chart shown in Exhibit 10-2 allowed for more direct communication between offices which improved efficiency on technology issues. As previously mentioned, exemplary organizational structures have all technology functions reporting to the same unit in the organization to provide for a logical chain of command and communication structures according to a study by ISTE and the Gates Foundation on organizational structure of technology departments within school systems. This study allows school systems to identify technology structures according to the Technology Support Index rubric mentioned earlier in this chapter.

The Office of Technology for the Pittsburgh School District recently added an area that coordinates project management and quality assurance. As shown in Exhibit 10-2, this area is represented by three project managers, a Programmer Analyst III, and a clerk stenographer reporting to the Coordinator.

The position description for the Coordinator of Program Management and Quality Assurance contains the following summarized items:

- build relationships with internal Office of Technology staff and internal district business customers to establish an appropriate level of visibility into projects, activities, progress, and staff assignments to:
 - decrease number of version releases of software changes to the production environment;
 - track the scope of work and timelines and increase the functional benefits of Office of Technology projects;

**EXHIBIT 10-3
CURRENT ORGANIZATIONAL STRUCTURE OF THE OFFICE OF TECHNOLOGY
IN THE PITTSBURGH SCHOOL DISTRICT
APRIL 2005**



Source: Pittsburgh School District, Office of Technology, 2005.

- improve daily productivity of software developers, project managers, quality assurance, consulting, student information and reporting, and vendor partners; and
- supervise staff.

The position description for each of the Project Managers contains the following:

- Use a consistent and practical style and/or methodology to project manage new initiatives, applications, enhancements, and ongoing maintenance to:
 - guide the scope;
 - perform business analysis;
 - organize and coordinate technical analysis;
 - build relevant vendor relationships;
 - acquire functional ownership; and
 - report status to stakeholders.

The position description for the Programmer Analyst II contains the following:

- Performs traditional programmer responsibilities and provides quality assurance by:
 - identifying/troubleshooting application and database errors;
 - identifying data integrity issues; and
 - recognizing and correcting logic workflow issues.

The position description for the Clerk Stenographer contains the following:

- Provides traditional clerical/secretarial responsibilities on a daily basis.

These positions also work closely with the Coordinator of Software Application Development within the Office of Technology for the district as indicated through the dotted lines on the organizational chart and verified during on-site interviews.

While these positions provide a necessary function to the Office of Technology, a separate unit is not necessary. The responsibilities of the Coordinator could be handled by the Chief Technology Officer, and support staff can provide the necessary analyses for each project. The Programmer Analyst II position in the Software Application Development unit can also provide these duties once the position is filled.

There are currently four vacant positions excluding the Chief Technology Officer position which was deleted. Two of these position vacancies could be eliminated. Leadership is needed to properly manage technology in the district, the Programmer Analyst II position can be used for duties described above as a project manager, and the database administrator is a critical position for the district.

RECOMMENDATION

Recommendation 10-2:

Consolidate district technology functions into an Office of Technology; reassign technology staff; and create and hire a Chief Information Officer (also see Recommendation 4-9).

Exhibit 10-4 shows the recommended organizational structure for the Pittsburgh School District's Office of Technology, excluding the Call Center.

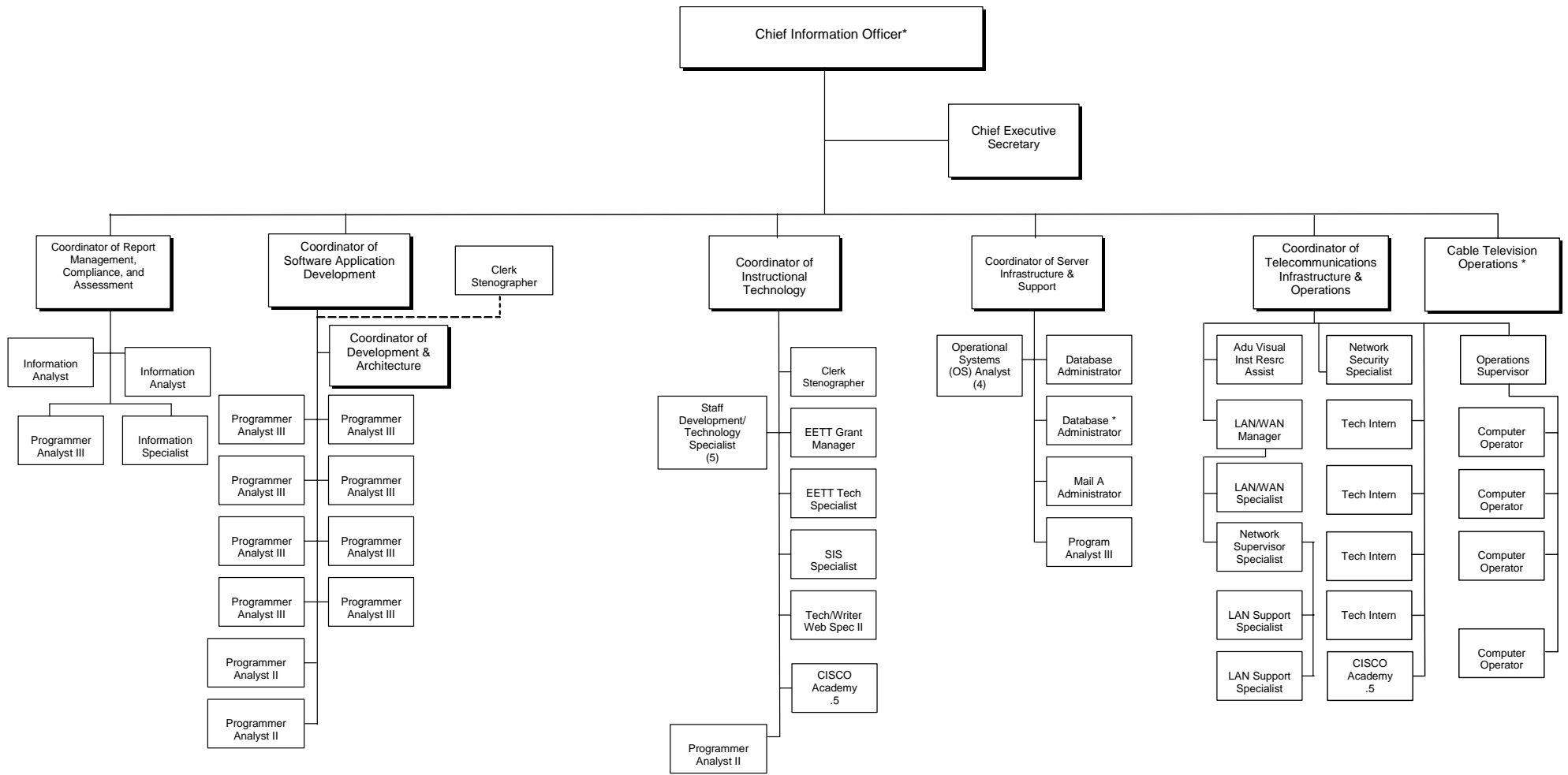
As shown on Exhibit 10-4:

- the leadership of the Office of Technology should be led by a Chief Information Officer (Note: This proposed position is different from the previous Chief Technology Officer);
- five coordinators and one clerical report to the Chief Information Officer;
- the Project Management and Quality Assurance unit is eliminated (including two position deletions) and three staff members are reclassified as Programmer Analyst III positions;
- the Coordinator of Development and Architecture reports to the Coordinator of Software Application Development;
- a project manager position from the Management and Quality Assurance has been reclassified and reports to the Coordinator of Management Compliance, and Assessment ;
- a project manager position from the Management and Quality Assurance has been reclassified and reports to the Coordinator of Instructional Technology; and
- Cable Television Operations reports to the Chief Information Officer with the Office of Technology.

Placing technology directly under the Superintendent's Office provides a neutral corner, organizationally speaking, to ensure that neither the Administrative Services nor the Academic Services Departments dominate the establishment of developing much needed technology support. The Reports Management, Compliance, and Assessment staff should work with the Office of Accountability and Assessment as their key customer yet report to Chief Information Officer since a portion of their role is to provide data consistently throughout the district. The implementation of this recommendation should assist in a more efficient and effective Office of Technology for the Pittsburgh School District.

The role of a Chief Information Officer has evolved over the past 10 years due to the need for understanding the school district's specific needs. Chief information officers should focus on strategic directions for the school district and perform as a mentor and advisor for staff. Technology-related publications indicate that while a Chief Technology

EXHIBIT 10-4
RECOMMENDED ORGANIZATIONAL STRUCTURE FOR THE OFFICE OF TECHNOLOGY



Source: Created by MGT of America, 2005.
*Please refer to Chapter 4, District Administration for additional information regarding this position.

Officer manages technology, a Chief Information Officer is responsible for managing the information within an entity. Therefore, MGT recommends the creation of the position of Chief Information Officer who knows the district's data and specific needs yet can understand the technology component as well as a Chief Technology Officer.

The responsibilities of the Coordinator of Project Management should be handled through the duties of the Chief Information Officer and the remaining coordinator positions. The Program Manager positions can be reclassified to Programmer Analyst III positions in order to document project processes and to have a more effective organizational structure within the units needing their services.

The Cable Television Operations staff should be added to create a more complete Office of Technology since staff also have technology-related duties and responsibilities.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|-------------|
| 1. The Superintendent should direct the Office of Human Resources to advertise for the Chief Information Officer position, and delete the other identified position. | July 2005 |
| 2. The Superintendent should hire a Chief Information Officer who will provide leadership for the continuance of a successful Office of Technology Department. | Summer 2005 |
| 3. The Superintendent should direct the unit coordinators under the recommended organizational structure to report directly to the Chief Information Officer. | Fall 2005 |

FISCAL IMPACT

The cost of hiring a new Chief Information Officer is provided in Chapter 4, District Administration in this report. The cost savings of eliminating the Coordinator of Project Management position is \$105,827 (includes salary plus 30 percent benefit rate). The cost savings of eliminating two vacant Technology Intern positions is \$61,199 annually; eliminating one Project Manager position is a cost savings of \$93,517 annually, and the reclassification of two Project Manager positions to Programmer Analyst III positions is a cost savings of \$18,866 annually. These cost savings are inclusive of benefits. The total cost savings is \$279,409 per year or \$1,397,045 over five years.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Eliminate the Coordinator of Project Management Position	\$105,827	\$105,827	\$105,827	\$105,827	\$105,827
Eliminate Two Vacant Intern Positions	\$61,199	\$61,199	\$61,199	\$61,199	\$61,199
Eliminate One Project Manager Position	\$93,517	\$93,517	\$93,517	\$93,517	\$93,517
Reclassify Two Program Manager Positions	\$18,866	\$18,866	\$18,866	\$18,866	\$18,866
TOTAL	\$279,409	\$279,409	\$279,409	\$279,409	\$279,409

FINDING

The Pittsburgh School District has a Call Center within the Office of Technology. The Call Center is the single point of contact for all issues relating to technology, including software applications, hardware repairs, payroll, and the People Soft Financial System. The current Call Center organization chart is shown in Exhibit 10-5.

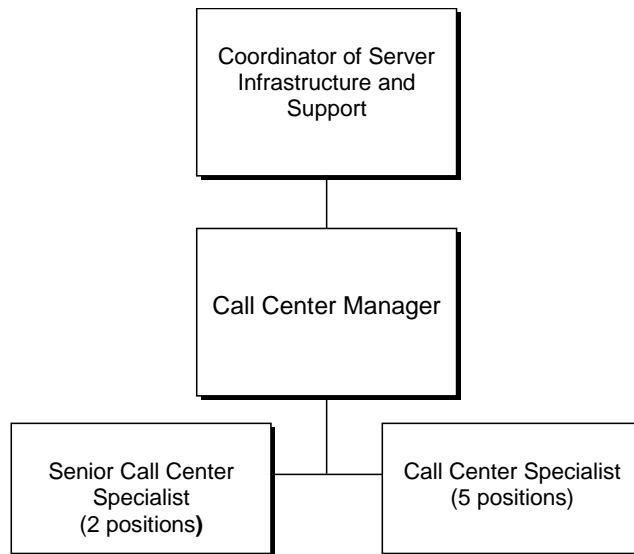
The Call Center staff were formally under the Coordinator of Instructional Technology and moved under the Coordinator of Server Infrastructure and Support during the restructuring process after the deletion of the Chief Technology Officer's position.

As shown in Exhibit 10-5:

- the Call Center Manager reports to the Coordinator of Server Infrastructure and Support; and
- seven staff report to the Call Center Manager.

The Remedy Call Tracking System tracks all issues reported to the Call Center. This tracking system allows a self-service input for users to log their particular issue and also allows for users to submit issues using e-mail. Another way for issues to be logged is for the user to call the center by phone.

**EXHIBIT 10-5
TECHNOLOGY CALL CENTER
CURRENT ORGANIZATIONAL STRUCTURE**



Source: Pittsburgh School District, Office of Technology, 2005.

The Remedy Call Tracking System contains a Knowledge Base that can capture verbiage used in the issue to provide a series of optional remedies to correct the issue. This particular knowledge base can provide staff or users access to identify potential solutions for their particular issue; however, the district is not using this portion of the system yet.

Exhibit 10-6 shows the total number of issues and the percentage of calls by method for the period of March 2004 through March 2005 as provided by the district. As Exhibit 10-6 shows:

- the number of requests by month received at the Call Center range from 564 to 3,690 during this period;
- requests sent by e-mail range from 6.9 percent to 45.5 percent during this period;
- requests by phone range from 39.0 percent to 80.9 percent;
- requests entered through the Web site range from 4.3 percent to 18.4 percent during this period;
- percentage of phone requests peaked during the months of March and July;
- percentage of Web requests have remained consistent during this period; and
- percentage of e-mail requests have increased during this period.

The fact that the majority of calls are submitted by phone requires additional manpower to staff the Call Center for the district. Most call centers or help desks require users to log on to the system and bypass manual methods to enter a request. This requirement reduces the amount of staff needed to maintain a call center.

A high number of calls and staff hours are needed to answer application questions. The Instructional Technology Support unit lists as an essential function to “monitor the software applications supporting the instructional functions of the School District to ensure smooth operation for the end-users.” This area is responsible for providing Office of Technology staff, including the Call Center, supporting documentation on enhancements, corrections, and new applications; however, according to interviews with Office of Technology staff, this process is limited at best.

RECOMMENDATION

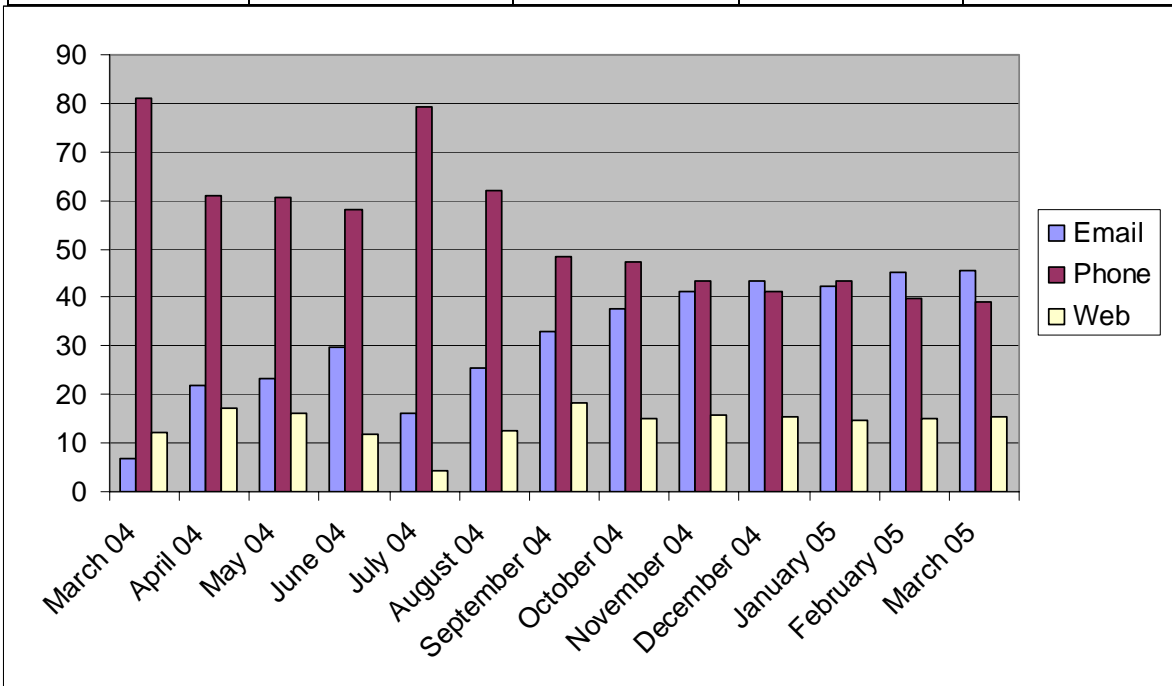
Recommendation 10-3:

Reduce staff at the Call Center by requiring users to submit requests via the Web, unless an Internet connection is not available, and withhold implementation of applications when supporting documentation is not provided to the Office of Technology staff.

When a Call Center is manned to provide help via phone or e-mail, the system is not being used to its fullest potential since employees must be available to input the situation or issue. The district has the capability of using the Knowledge Base tool with the Remedy software and should be using this component to reduce the number of staff hours needed for the Call Center. This recommendation should provide a lower volume of phone and e-mail requests with the majority originating from the Web site.

**EXHIBIT 10-6
CALL CENTER REQUEST VOLUME
AND PERCENTAGES BY METHOD OF REQUESTS
MARCH 2004 THROUGH MARCH 2005**

MONTH	REQUEST VOLUME BY MONTH	E-MAIL	PHONE	WEB
March 2004	564	6.91%	80.86%	12.23%
April 2004	1,554	21.94%	61.01%	17.05%
May 2004	1,379	23.28%	60.69%	16.03%
June 2004	1,674	29.87%	58.24%	11.89%
July 2004	645	16.28%	79.38%	4.34%
August 2004	1,274	25.43%	62.16%	12.41%
September 2004	3,690	33.14%	48.43%	18.43%
October 2004	2,570	37.78%	47.32%	14.90%
November 2004	2,084	41.12%	43.24%	15.64%
December 2004	1,619	43.36%	41.32%	15.32%
January 2005	2,093	42.19%	43.28%	14.53%
February 2005	2,112	45.31%	39.63%	15.06%
March 2005	1,852	45.46%	39.03%	15.51%



Source: Pittsburgh School District, Office of Technology, 2005.

All application version changes as well as the implementation of new applications should be documented and tested prior to Call Center training. The implementation to production should begin once these steps have been completed in order to reduce staff expense at the Call Center.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-----------------------------|
| 1. The Coordinator of Server Infrastructure should work with the Computer Support Manager to develop a procedure on Call Center requests. | July 2005 |
| 2. The Coordinator of Instructional Technology should fully document all software applications currently in production and provide to Call Center staff. | August 2005 |
| 3. The Coordinator of Instructional Technology should fully document all future applications, including version releases to existing applications for Call Center staff and require training for Call Center staff on these releases prior to implementation into production. | September 2005 |
| 4. The Coordinator of Server Infrastructure should set up a network drive that is right-protected for all district staff to view documentation of software from a user's perspective to reduce the number of Call Center requests with notification sent to all district staff. | September 2005 |
| 5. The Coordinator of Server Infrastructure and the Computer Support Manager should analyze monthly request volume reports to ensure that the majority of requests are submitted through the Web site, verify that all supporting documentation is available in the Knowledge Base, and create corrective action plans as applicable. | October 2005
and Ongoing |
| 6. The Chief Information Officer should annually assess staff needs. | Summer 2006
and Ongoing |

FISCAL IMPACT

The average cost savings to the district is \$78,716 including benefits for the reduction of two Call Center Specialist positions based on the current salaries of help desk staff. Additional staff reductions should be possible as the Call Center volume is evaluated annually.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Delete Two Call Center Specialists	\$78,716	\$78,716	\$78,716	\$78,716	\$78,716

FINDING

The Call Center for the Pittsburgh School District provides a survey for user feedback regarding the satisfaction of Call Center experience. The survey includes an assessment of:

- completion time satisfaction;
- accuracy of advice and information received;
- timeliness for hardware repair;
- timeliness for payroll issues;
- timeliness for budget/finance issues; and
- the overall satisfaction regarding the particular issue.

Customer feedback is essential to any operation and a best practice for call centers according to the *CRM*, a publication on customer relations management. This practice allows the Pittsburgh School District's Call Center to adjust policies or procedures based on the feedback provided by their customers throughout the district.

COMMENDATION

The Pittsburgh School District's Call Center has implemented a customer feedback process through on-line satisfaction surveys.

FINDING

Currently, the Pittsburgh School District has a policy that requires non-teaching staff to reside within the City of Pittsburgh. There have been exceptions to this policy, but technology staff are not exempt. This policy can prevent the hiring of highly qualified staff with the required educational technology experience, since there is only one public school district in Pittsburgh.

Technology staff play an integral and critical role in the district since they are responsible for maintaining and continually updating the network and infrastructure to current standards, as well as provide technical support for all of the servers, computers, and peripheral technology equipment to the schools and the central office.

Recruitment and retention of technology staff has been a challenge. Persons living in the City of Pittsburgh may not have database administration or systems architecture experience for non-aggregate data as in the case of student data. Potential employees will more than likely have experience with profit and loss data which are handled much differently than databases tracking student, teacher, and public funding.

RECOMMENDATION

Recommendation 10-4:

Revise the residential requirement to allow technology staff for positions such as Data Base Administrator, Systems Architect, and Data Warehouse-related programmers (for the Real Time Information System) to reside outside of the City of Pittsburgh.

This recommendation would enable the Pittsburgh School District to hire the most qualified staff for positions within the Office of Technology. Applicants and potential employees would more likely to have the required qualifications from working in other public education entities and not be recent graduates with little or no experience. This recommendation should provide a more efficient way to recruit key technology staff who have the needed experience to immediately and effectively contribute to the Pittsburgh School District.

A follow-up review should also be conducted to possibly change the policy to include all Office of Technology staff.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|--------------------------|
| 1. The Superintendent should request approval from the Board of Education to revise the requirement that technology staff must reside in the City of Pittsburgh. | July 2005 |
| 2. The Board of Education should approve the Superintendent's request for the revision. | Summer 2005 |
| 3. The Superintendent should direct staff to re-advertise and hire any vacant positions remaining on the recommended organizational chart for the Office of Technology. | Summer 2005 |
| 4. The Chief Information Officer should provide the Board of Education and the Superintendent an analysis on how the outcomes of this revised residency requirement has benefited the Pittsburgh School District. | Fall 2005
and Ongoing |
| 5. The Chief Information Officer should evaluate if there is a need to amend the policy to include all OIT staff. | Fall 2006 |

FISCAL IMPACT

The implementation of this recommendation can be accomplished with existing resources.

10.3 Infrastructure and Web Development

Infrastructure is the underlying system of cabling, phone lines, hubs, switches, and routers that connects the various parts of a computer network. It is similar in nature to a human skeleton or a country's road network—it accomplishes no work on its own, but rather enables other systems to perform their functions.

Of all technology resources, infrastructure is probably the most important. If a sound infrastructure is in place, most users will have a means of accessing people and information throughout their organization and beyond, greatly facilitating their ability to accomplish the responsibilities of their job. Increased efficiency and effectiveness will be the result.

FINDING

In the Pittsburgh School District, each facility has a Local Area Network (LAN), a one Gigabit Wide Area Network (WAN), as well as a direct link to the Pittsburgh Super Computing facility for Internet 2 and local-peering services. This type of infrastructure permits standardization of Web-based application delivery systems which enable access with an Internet browser from any location where service is available by using passwords provided by the district.

This cohesive technology infrastructure environment provides the flexibility for:

- the combination of blade server technology and multi-processor systems;
- dynamically allocating all available resources to specify applications when appropriate;
- operating system agnostics to remove any technology roadblocks to evaluating new applications;
- achieving an optimal balance of price/performance at the lowest total cost of ownership; and
- having no single points of failure in a 24/7 operation.

Data Center staff in the Office of Technology support approximately 122 HP blades for the Web-access and front-end servers to applications; 22 HP servers which host mission-critical applications; 23 HP servers supporting other district applications; and a variety of storage arrays, drives, and tape libraries. The Data Center has centralized the electronic mail system servers which reduces security issues in the district and is an efficient way of servicing each server since staff do not have to travel to the different building sites. Office of Technology staff also supports over 15,000 computers throughout the district that have Internet capability as well as curriculum and administrative software.

MGT requested the downtimes of all enterprise servers based on the last 100 days using the utility file provided through Microsoft. The results were impressive in that every server was up and running at a minimum of 98.4525 percent with most being in the 99 percent range.

The electrical power for the Data Center shares a grid with the local hospital and has a top priority for whenever power is out in the area. Generators automatically turn on when the system is down for more than one minute. These generators are tested on a monthly basis by staff to ensure effectiveness.

Security at the Data Center was also reviewed during the on-site visit. Visitors were not able to access the building without credentials and once inside each room within the building had security access restrictions. This practice prevents staff members from gaining access to each area not within their respective responsibilities.

The Pittsburgh School District's Data Center has been studied by other school districts and several corporations due to its highly efficient and effective infrastructure.

COMMENDATION

The infrastructure and security of the Pittsburgh School District is efficient and effective, and has served as a model for other school districts and corporations throughout the nation.

FINDING

Disaster recovery plans are a necessity in school districts due to federal and state requirements of collecting and retaining data on students, financial data, and day-to-day operations. It is also a way for central office and school administrators, teachers, students, and parents to be reassured that recovery plans are available, and that the Pittsburgh School District will not be asked to recreate an entire school year's worth of data in the event of a problem or disaster.

While the Pittsburgh School District has a state of the art infrastructure in place, it lacks an off-site Disaster Recovery Plan that adheres to the new requirements of the Commonwealth of Pennsylvania. The new requirement for off-site data recovery planning is that data storage must be 100 miles away from the school district. Data are to be stored on a district-owned or compatible server as part of the recovery plan in order to support the district's needs from this off-site location.

According to information gathered during on-site interviews, the district has not budgeted for an off-site storage at least 100 miles away. There are backups on-site, but a specific plan with another school district or public entity has not been developed. One particular approach being discussed is to partner with another school district 100 miles away to share in the costs to implement the plan. The district is looking to eliminate the cost of housing a server off-site since a reciprocal agreement could be developed to provide server space for the other district within the Data Center.

RECOMMENDATION

Recommendation 10-5:

Develop and implement a Disaster Recovery Plan for the Pittsburgh School District.

Disaster Recovery Plans provide reassurance that if data are lost or destroyed due to a natural or manmade disaster, data can be recovered quickly and reduce a lapse in operation of a school district. The recovery plan should encompass all district data and provide for periodic testing.

The district should subsequently work with another school district according to the required mileage, but with adequate infrastructure to handle the Pittsburgh School District's needs. Universities or community colleges could also be researched for this recommendation.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Chief Information Officer should work with the Office of Technology staff to develop a Disaster Recovery Plan. Fall 2005

- | | |
|---|-------------|
| 2. The Chief Information Officer should submit the disaster recover plan to the Superintendent for approval. | Fall 2005 |
| 3. The Superintendent should meet with the reciprocating Superintendent or designee, and key technology staff from both entities, to discuss and set an implementation date for the plan. | Spring 2006 |
| 4. The Chief Information Officer should calculate the cost to implement the plan. | Summer 2006 |
| 5. The Chief Information Officer should implement the plan. | Fall 2006 |
| 6. The Chief Information Officer should work with another school district for a reciprocal disaster recovery plan, studying wide area network (WAN) lines as necessary, and costing specific WAN needs based on selected school district. | |

FISCAL IMPACT

Minimal disaster recovery plans and tests should cost in the range of \$40,000 to \$80,000 annually. The cost of the wide area network line can not be determined at this time.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Implement a Disaster Recovery Plan	\$0	(\$60,000)	(\$60,000)	(\$60,000)	(\$60,000)

FINDING

The Pittsburgh School District has developed a robust Web site that provides a wealth of information to the public; however, the district lacks standardized school-based Web sites.

The Pittsburgh School District's Web site is maintained by one Web Developer in the Office of Technology and a main Web Content Manager within the Office of Communications and Marketing. Other content managers are recruited from schools to update their own Web sites using the Content Management System so that all Web sites provide consistency for greater user ease. Content managers monitor Web site content to verify that administration links do not violate Web standards.

The Pittsburgh School District Web site contains information on almost all aspects of the district including:

- Board schedules and agendas;
- Board minutes;
- district and school news;
- district mission and vision;
- strategic, district improvement, and Technology Plans;

- links to administration offices;
- financial reports;
- parent admission information including street maps for attendance areas;
- district and school directories;
- lunch menus;
- staff and student assistance links;
- employment opportunities and applications;
- contract opportunities;
- call center link; and
- school links.

While many school districts now include such information on the Web sites, the Pittsburgh School District site is extremely well-organized, attractive, and easy to navigate. The Web site includes a depth of information, yet lacks standardized school sites that provide consistency within the district.

According to comments provided by the public forums while on-site, stakeholders do not always know how to access e-mail information for staff. Additional information is needed for parents to know how to contact teachers in an efficient manner and not interrupt classroom instruction by phoning in questions or comments.

RECOMMENDATION

Recommendation 10-6:

Create standardized school Web sites that provide a consistent format and provide additional information to parents and other stakeholders on accessing staff e-mail addresses.

The Pittsburgh School District should create standardized Web site for each school that is consistent with the style of the district's Web site. The Office of Technology should assist the Office of Communications and Marketing in this effort. Once all standardized Web sites are created, Internet users will be able to clearly see that each school is a part of the Pittsburgh School District.

School Web sites can have different colors with mascot information, but the format should remain consistent with the district's site. Each link should also retain the same template and provide the district's name in a highly visible area.

The district's Web server should be evaluated to possibly partition or segregate environments for each school's Web pages for greater security and ease of implementation. An evaluation of the SchoolNet software application should be conducted to see if this tool would be more efficient regarding school Web page creation and management.

The Office of Technology should provide additional information to parents and other stakeholders on how to access e-mail information for current teachers and administrators.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|----------------------------|
| 1. The Superintendent should direct the Coordinator of Instructional Technology to disseminate email access for teachers and administrators to parents and other stakeholders. | Summer 2005
and Ongoing |
| 2. The Superintendent should direct the Hardware and Network Coordinators to evaluate the current infrastructure for hosting school Web sites. | Summer 2005 |
| 3. The Hardware and Network Coordinators should report findings and recommendations concerning the hosting of school Web sites to the Chief Information Officer (when hired), the Coordinator of Instructional Technology, and the Office of Communications and Marketing. | August 2005 |
| 4. The Chief Information Officer should direct the Hardware and Network Coordinators along with the Coordinator of Instructional Technology to test the best possible solution for the district. | August 2005 |
| 5. The Hardware and Network Coordinators along with the Coordinator of Instructional Technology should provide test results to the Chief Information Officer and the Office of Communications and Marketing. | November 2005 |
| 6. The Chief Information Officer should direct the implementation of creating school Web sites using the district's format. | December 2005 |
| 7. The Chief Information Officer should facilitate a meeting with Technology staff and the Office of Communications and Marketing to evaluate the project results. | April 2005 |

FISCAL IMPACT

Since server evaluation is needed to implement this recommendation, costs cannot be determined until the evaluation is complete. The incorporation of e-mail hot links can be implemented with existing resources.

10.4 Software and Hardware

School districts must select and employ software and hardware to meet both instructional and administrative objectives. While computers in the classroom are primarily an instructional resource, they serve an administrative function, as well, in most districts. Moreover, adequate administrative technology must be present to support schools in meeting instructional goals. One of the primary tenets of *No Child Left Behind* is that school districts will make data-driven decisions. The data to make those decisions can only come from sufficient administrative software and hardware.

In software, one of the most important aspects of the technology revolution is the advent of e-mail . E-mail allows district personnel to communicate quickly with another individual or with the entire district. Central office administrators can use e-mail to communicate important news across the district. Principals can use e-mail to communicate with their entire school in an instant. Teachers can use e-mail to share information with other teachers across the building, across the district, or across the world.

In hardware, costs have been declining over the past decade, due to greater as mass production of computers and peripherals. While the price of hardware is generally declining, the cost of software is increasing. This increase in cost is primarily because software actually translates into personnel costs (i.e., software development is usually a labor-intensive activity that requires skilled technicians who earn relatively high salaries). As a result, the task of selecting software for use in any organization is becoming more difficult. This difficulty is particularly true of an educational system because the types of software used are more diverse than those found in most other organizations.

FINDING

Schools within the Pittsburgh School District can authorize the purchase of software for one or many computers without the approval of the Office of Technology. A policy exists to require that hardware and software be approved by the district's Office of Technology, yet school administrators can bypass this process. Areas of concern within this approval process include network compatibility for software and hardware, and the approval that the intended software is in line with the instructional technology program goals. A site-based purchasing process leads to numerous small batches of specialized software spread throughout a school and district. Technical specialists are then expected to support these programs, even though they do not, in many situations, have the proper resources or the software may not be compatible with the school or district's infrastructure.

Under the previous technology administration, SchoolNet software was purchased; however, this software appears to have the same use as the RTI system already in use by the district. Information collected during on-site interviews indicated that the extraction used for SchoolNet is a subset of RTI data. Staff further indicated that the implementation of this software confused teachers who thought that they had to enter data twice due to using multiple systems. While the SchoolNet application also offers a lesson plan alignment, the RTI could also accomplish this type of module using internal programming staff. Both systems offer reporting capabilities as well. The total amount paid to SchoolNet was \$232,000.

The selection of software, whether it is for the financial management or student information management of a district, should be driven by stakeholders involved and ultimately approved by the district's technology leadership. While no one software solution will meet all the needs of a particular district, care should be taken in the initial selection so that a school district does not fall into the trap of selecting a system that fails to meet many needs, necessitating additional purchases of other packages that must then be patched into the first system. Districts should also not purchase software that is in competition with existing applications. Once the primary enterprise solutions are successfully deployed, the district must view all future purchases through the lens of how well the new software will work with the established base.

RECOMMENDATION

Recommendation 10-7:

Require that the Office of Technology approve all potential software and hardware purchases by schools prior to the issue of a purchase order.

The proposed Technology Planning Committee, recommended in Section 10.1 of this chapter, should work with Office of Technology to develop a joint administrative and instructional software selection process. This process should review the educational or administrative value of the software being considered, the budget implications, its fit in the overall district Technology Plan, and the level of support necessary to ensure successful implementation. This recommended approval regarding technology-related software is a growing trend and among best practices according to *CDW-G*, a government technology publication providing computing solutions to educational institutions.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|----------------|
| 1. The Chief Information Officer (when hired) should meet with the Director of Finance to create a process to prevent technology-related purchases, including site-based purchases, without the expressed approval from the Office of Technology. | Summer 2005 |
| 2. The Chief Information Officer and the Director of Finance should seek approval from the Superintendent for the approval process. | September 2005 |
| 3. The Superintendent should direct the implementation of the process and notify all staff throughout the district. | Fall 2005 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Pittsburgh School District has developed and is implementing in stages, a Real Time Information (RTI) system. RTI is a Web-based, password-protected interface designed to provide an accurate, fast, and easy way to view, enter, or edit student demographics, misconduct, and grades. The application also allows users to view student's schedules, assessment data, reports, and attendance records.

The reporting function allows for ad hoc reports for student data including lunch status and participation rates, special education, and student assessment information. State standard reports are also being added to this application.

Curriculum information based on state standards has been added and lesson plans with scheduling is on hold per the previous Chief Technology Officer's instruction. The RTI

application is a powerful tool that the infrastructure of the Pittsburgh School District can handle with ease. The addition of the lesson plans and scheduling components would provide a more complete application for the district. Teachers would only have to enter data into one system if the RTI was fully implemented. The Dashboard Web application, currently available for parents and students, would be interfaced so that schedules and lesson plans could be easily viewed.

The full development plan that was in place prior to the most recent Chief Technology Officer's leadership for RTI was as follows:

- install special program management system for tracking any special program student data;
- incorporate X-Link system that can retrieve the subset of information from any other external system to the central student information system RTI (already implemented SASI link and current implementation is PeopleSoft link);
- incorporate all district, state, and federal reports which are needed instead of previous piecemeal approach;
- incorporate handheld wireless teacher observation Web application in RTI to monitor the teacher accountability and performance improvement;
- use a single user interface with RTI instead of multiple point-of-entry systems for teachers;
- implement teacher schedules;
- deploy attendance with Web-based bar-code scanning and Gradebook with teacher schedule to replace client-server based SASI;
- include curriculum implementation (mainly lesson plans and alignment of standard tools);
- implement on-line assessment remediation integration; and
- reengineer RTI to new development platform of Microsoft .NET.

RECOMMENDATION

Recommendation 10-8:

Continue to develop the RTI application.

The Pittsburgh School District has already expended funds to design, create and implement the RTI application. New software applications can cause a redundancy in workload for users and technology staff, and take up unnecessary disk space on

servers. RTI is an efficient and effective tool for staff and should be fully implemented to serve the district in two ways:

- providing a logical data input point; and
- reporting of historical data pertinent to the student, class, or district levels.

Therefore, the district (including school administrators, teachers, parents, and students) would benefit from this type application.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|----------------------------|
| 1. The Superintendent should direct technology staff to continue with the implementation of RTI using the process already created. | Summer 2005 |
| 2. The Chief Information Officer (when hired) should oversee that technology staff continues to program and test the remainder of the implementation and provide status reports to the Chief Information Officer. | August 2005 –
June 2007 |
| 3. The Chief Information Officer should review the final project prior to production. | June 2007 |
| 4. The Chief Information Officer should oversee the move to production. | Fall 2007 |
| 5. The Chief Information Officer should direct the Coordinator of Instructional Technology to include the new phases of RTI in the training curriculum. | Fall 2007 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Currently, the Pittsburgh School District has 15,654 active computers being used in schools with approximately 12,223 for student use. Student enrollment for the 2004-05 school year is 32,661 so there is one computer available for about every three students within the district.

The *Technology Connections For School Improvement Planners' Handbook* states:

The usefulness of technology depends on having a critical mass of computers. Research and best practices indicate that a minimum of one computer for every 4-5 students is necessary if students are to be able to use technology in a manner that will enable significant results within the classroom.

COMMENDATION

The Pittsburgh School District's ratio of active computers per student is considered a best practice for school districts.

10.5 Staff Development

Training in the use of technology is the most critical factor in determining whether that technology is used effectively or even used at all. Administrative and instructional staff must be able to use effectively the technology available to them. Training must be ongoing; the technology environment is continuously evolving, and districts must keep pace with the evolution.

The *No Child Left Behind* legislation requires that school districts spend 25 percent of the funds received under Educational Technology State Grants on professional development focused on integrating technology into instruction. As previously mentioned, ISTE has created a Technology Support Index, and the index identifies exemplary districts as having these staff development practices:

- a comprehensive staff development program is in place that impacts all staff and is progressive in nature to balance incentive, accountability, and diverse learning opportunities;
- on-line training opportunities are provided for staff both on-site and remotely that represents a diversity of skill sets;
- expectations for all staff are clearly articulated and are broad in scope, with performance expectations built into work functions, and a part of the organizational culture;
- technical staff receive ample training as a normal part of their employment, including training towards certification; and
- basic troubleshooting is built into the professional development program, and is used as a first line of defense in conjunction with technical support.

FINDING

The Pittsburgh School District receives grant funding through the Title 2, Part D, Enhancing Education Through Technology (NCLB II D) as part of the *No Child Left Behind* Act. NCLB requires that states and school focus their use of technology on improving academic achievement.

The publication entitled *National Trends: Enhancing Education Through Technology Year One in Review* specifically cites the Pittsburgh School District for their Project Success collaboration between the district and Duquesne University to train teachers to use technology in the classroom. This project used mentors from Duquesne University to train several teachers through an intensive, week-long summer professional development workshop on the use of technology, developing lesson plans and

harvesting information from the Internet. During this period, four teachers attended Duquesne University to obtain credits to add an instructional technology certification to their teacher certificate and to assume the role of Duquesne mentors in the building for the following year.

COMMENDATION

The Pittsburgh School District has created and implemented an innovative collaboration with Duquesne University to assist with developing technology integration into the classroom.

FINDING

While the Pittsburgh School District has used EET funds for teaching staff to learn technology skills through Duquesne University, there is no accountability process in place to ensure that district staff, especially teachers, are continuing technology education efforts to integrate technology into the classroom.

Training is offered by Office of Technology for the various applications currently in use and on-line registration is available for users. Training opportunities currently listed on the district's Web site include:

- Content Management for Web content managers;
- SchoolNet Certification;
- Technical Support Specialist Training;
- Dashboard;
- Real Time Information (RTI);
- Student Records/Misconduct;
- Principal Technology Leadership Academy;
- SASI/Class XP;
- Technical Training for School User Administration;
- Technical Training for School and Office Webmasters; and
- WebSTARS.

The basic classes for e-mail, Word, Excel, and PowerPoint were not listed on the Web; however, these classes are needed by teaching staff for proper integration of technology into the classroom. As indicated in survey results of district administrators, principals, and teachers, 41 percent of teachers responding reported that the district was *fair or poor in providing adequate instructional technology* as compared to only 26 percent of district administrators. The survey results also show that 45 percent of teachers and 49 percent of principals responded that the district *needs some or major improvement* for instructional technology while district administrators responded with 38 percent.

During the public forums, stakeholders stated that they want better utilization of technology and more training provided to staff.

The CEO Forum on Education and Technology was founded in 1996 to help ensure schools effectively prepare all students to be contributing citizens in the 21st Century. A main objective of this goal to integrate technology and classroom. The CEO Forum, as recommended by the International Society for Technology in Education, has designed a self-assessment tool to provide schools with the information need to better integrate

technology into their educational process. This tool is known as the interactive STaR Chart which is a School Technology and Readiness Chart.

The STaR Chart identifies and defines four school profiles ranging from the “Early Tech” school with little or no technology to the “Target Tech” school that provides a model for the integration and innovative use of education technology. The STaR Chart is not intended to be a measure of any particular school’s technology and readiness, but rather to serve a benchmark against which every school can assess and track its own progress.

The STaR Chart can ensure that:

- a school is using technology effectively to ensure the best possible teaching and learning;
- the type and level of training needed by school is appropriate;
- the current education technology profile is adequate; and
- the areas the school needs to focus on to improve the level of technology integration are addressed.

Additional information and an implementation plan can be found on the International Society for Technology in Education’s Web site www.iste.org.

RECOMMENDATION

Recommendation 10-9:

Provide basic software training for users and develop an accountability process like that of the STaR Chart to ensure teachers are receiving training and providing technology integration in each school and classroom.

In order for school districts to incorporate technology into the classroom, an active approach is needed to ensure staff understand and use technology in lesson plans. Basic computer training should be included as an option for staff. School principals should include technology as a component of teacher observations to reinforce the importance of technology integration on their respective campuses. A tool like STaR Charts will assist in this effort.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Superintendent should direct the Coordinator of Instructional Technology to provide basic computer training for staff. July 2005
2. The Coordinator of Instructional Technology should direct staff to incorporate these classes in training offered. August 2005
3. The Coordinator of Instructional Technology should notify all district personnel of these new training opportunities available, post the training schedule on the Web site, and offer on-line registration. September 2005

4. The Superintendent should direct the Chief Information Officer (when hired) and the Coordinator of Instructional Technology to evaluate accountability processes like the STaR Chart to ensure district teachers are receiving technology training based on their level of expertise. October 2005
5. The Chief Information Officer and the Coordinator of Instructional Technology should provide findings of accountability systems to the Superintendent and the Chief Academic Officer November 2005
6. The Superintendent and the Chief Academic Officer should direct the Chief Information Officer and the Coordinator of Instructional Technology to develop the best accountability system. December 2005
7. The Superintendent should notify all school administrators and staff of the technology accountability system being implemented and that technology integration will become a part of teacher observations throughout the district. January 2006
8. The Chief Information Officer and the Coordinator of Instructional Technology should provide a demonstration of the new assessment tool and provide a link to the demonstration on the district's Web site. February 2006
9. The Chief Information Officer should direct the Coordinator of Instructional Technology to test and amend the technology accountability system as needed and provide feedback on any issues to the Chief Technology Officer and the Superintendent. Spring 2006
10. The Superintendent should evaluate the test results and approve implementation of the system. June 2006
11. The Chief Information Officer should direct the Coordinator of Instructional Technology to implement the technology accountability system with the subsequent school year. June 2006

FISCAL IMPACT

The implementation of this recommendation can be accomplished with existing resources by using trainers, labs, and programmers on staff.

11.0 FOOD SERVICES

11.0 FOOD SERVICES

Good nutrition is a vital component in a child's ability to learn. For many children across the country, the food provided in school breakfast and lunch programs comprises the major portion of their nutrition.

This chapter presents the major findings, commendations, and recommendations for the food service function in the Pittsburgh School District. The four major sections of this chapter are:

- 11.1 Organization and Management
- 11.2 Policies, Procedures, and Compliance
- 11.3 Financial Performance
- 11.4 Student Meal Participation

School meal programs began when the Child Nutrition Act of 1946 authorized the National School Lunch Program to "safeguard the health and well-being of the nation's children." The program, administered by the U.S. Department of Agriculture (USDA), is open to all public and nonprofit private schools and all residential childcare institutions. Lunch is available to all children in participating schools and must meet specific nutritional requirements to qualify for federal funds.

In 1975, Congress extended the National School Breakfast Program, begun as a pilot program, making breakfast "available in all schools where it is needed to provide adequate nutrition for children in attendance." Congress further expanded the program in 1989 by requiring the Secretary of Agriculture to provide funds to states to support the costs of starting school breakfast programs in low-income areas. USDA administers the National School Breakfast Program.

For the 2003-04 school year, federal spending totaled \$6.5 billion for the National School Lunch Program. This federal support comes in the form of a cash reimbursement for each meal served, depending on the economic status of the student. The poorest students qualify for free lunches, while others qualify for reduced price lunches. The 2004-05 school year basic federal reimbursement rates for breakfast and lunch are shown in Exhibit 11-1.

EXHIBIT 11-1 NATIONAL SCHOOL LUNCH AND BREAKFAST REIMBURSEMENT RATES 2004-05 SCHOOL YEAR

STUDENT CATEGORY	LUNCH	BREAKFAST
Free Lunches	\$2.24	\$1.23
Reduced Price Lunches	\$1.84	\$0.93
Paid Lunches	\$0.21	\$0.23

Source: <http://www.fns.usda.gov>, April 2005.

The school food program in the Pittsburgh School District is administered through the district's Food Services Department. The department is comprised of 575 budgeted positions in 2005-06, with a budget of \$17.2 million. For 2004-05, the department included 595 positions, and a budget of \$16.4 million. The current organization of the department is shown in Exhibit 11-2. The Director of Food Services reports to the district's Chief Operations Officer.

The Food Services Department operates breakfast and lunch programs in the schools. The department also provides after-school programs and does catering.

At the elementary level, only one school does any cooking on-site. The other elementary schools are supported by a state-of-the-art central cooking facility which provides fresh hot and cold packaged lunches. The central facility produces meals on day one, they are delivered on day two, and then heated and served to students on day three. The operation is similar to that employed in private industries.

At the middle and high schools, the district uses the more traditional method, with each cafeteria responsible for cooking on-site. All the schools are supplied from the central warehouse, which is co-located with the central cooking facility and the offices for food services administrators.

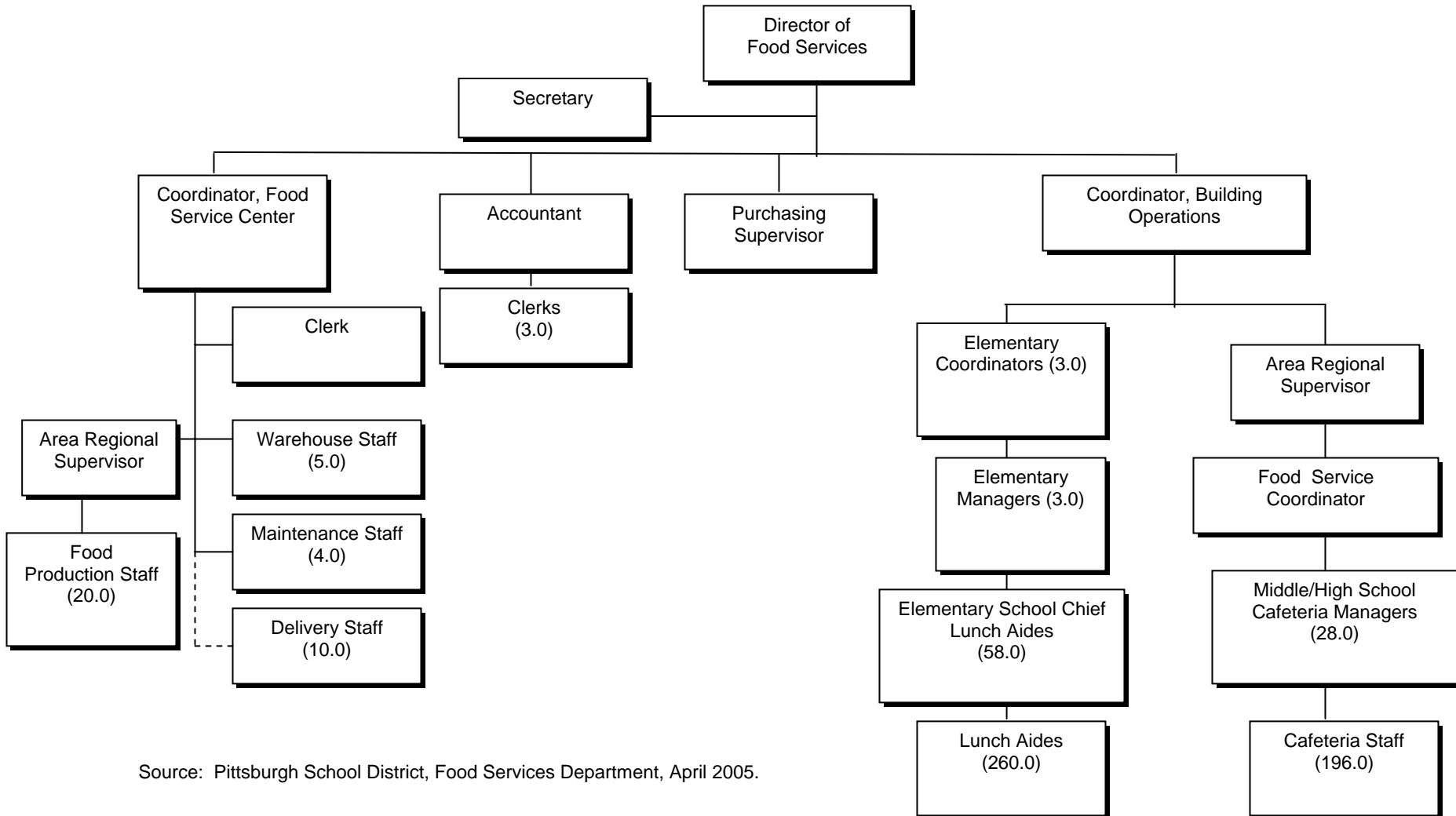
Exhibit 11-3 shows the revenues and expenditures for the past 12 years (the figures for 2004 are estimates). Indirect costs are typically those charged to the department to cover such items as utilities within the kitchen areas and delivery of food and meals from the central cooking facility to the schools. As the exhibit shows, from 1993 through 1997 the Food Services Department required a contribution from the General Fund to offset the department's indirect costs. Since 1998, the department has been able to operate without a contribution from the General Fund and has been able to nearly cover the expense of the indirect costs.

According to the Food Services Director, for the last five years the indirect costs assessed on the food service operations included funds for renovations on the central food facility, which also houses portions of other district departments. Although the department projected a multi-million dollar shortfall in 2004, department administrators predict the shortfall will actually be less than \$1 million. As of February 2005, the department was operating at a small profit.

MGT conducted a survey of the Pittsburgh School District administrators, principals, teachers as part of this performance study. Two of the survey items related to food services and Exhibit 11-4 provides the results. At the exhibit shows, 42 percent of administrators, 42 percent of principals, and 35 percent of teachers *agree* or *strongly agree* that the Food Services Department provides nutritious and appealing meals and snacks. Similarly, 52 percent of administrators, 51 percent of principals, and 38 percent of teachers rated the Food Service Department as *adequate* or *outstanding*.

Exhibit 11-5 compares the responses of Pittsburgh administrators (central office administrators and principals combined) and teachers with those in other districts within the MGT benchmark database. As the exhibits shows, Pittsburgh administrators and teachers were slightly more negative when rating their food service departments. More Pittsburgh administrators than those in other school districts indicated that their Food

**EXHIBIT 11-2
ORGANIZATIONAL STRUCTURE OF THE FOOD SERVICES DEPARTMENT
PITTSBURGH SCHOOL DISTRICT
2004-05 SCHOOL YEAR**



Source: Pittsburgh School District, Food Services Department, April 2005.

**EXHIBIT 11-3
FOOD SERVICES REVENUES AND EXPENDITURES
PITTSBURGH SCHOOL DISTRICT
1992-93 THROUGH 2003-04 SCHOOL YEARS**

CATEGORY	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Total Revenues	\$12,689,020	\$12,985,877	\$13,512,670	\$13,957,278	\$14,143,841	\$13,349,852	\$13,246,397	\$13,280,804	\$13,127,315	\$12,658,016	\$13,558,329	\$13,396,150
Total Expenses	\$12,693,162	\$12,703,832	\$12,855,312	\$13,623,308	\$14,426,048	\$13,142,432	\$13,463,915	\$13,639,541	\$13,368,528	\$13,738,615	\$15,056,825	\$15,077,004
Change in Net Assets	\$(4,142)	\$282,045	\$657,358	\$333,970	(\$282,207)	\$207,420	(\$217,518)	(\$358,737)	(\$241,213)	(\$1,080,599)	(\$1,498,496)	(\$1,680,854)
Contribution from General Fund	\$1,060,513	\$1,060,431	\$1,019,585	\$1,035,606	\$1,051,140	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Indirect Cost	\$1,060,513	\$1,060,556	\$1,019,585	\$1,035,606	\$1,051,140	\$990,173	\$929,005	\$956,169	\$933,072	\$993,695	\$404,000	\$0
Expenses minus Indirect Cost	\$11,632,649	\$11,643,276	\$11,835,727	\$12,587,702	\$13,374,908	\$12,152,259	\$12,534,910	\$12,683,372	\$12,435,456	\$12,744,920	\$14,652,825	\$15,077,004
Profit/Loss Before Indirect Costs	\$1,056,371	\$1,342,601	\$1,676,943	\$1,369,576	\$768,933	\$1,197,593	\$711,487	\$597,432	\$691,859	(\$86,904)	(\$1,094,496)	(\$1,680,854)

Source: Pittsburgh School District, Food Services Department, 2005.

**EXHIBIT 11-4
COMPARISON SURVEY RESPONSES
WITHIN THE PITTSBURGH SCHOOL DISTRICT**

SURVEY ITEM	(%A + SA) / (%D + SD) ¹		
	ADMINISTRATORS	PRINCIPALS	TEACHERS
The food services department provides nutritious and appealing meals and snacks.	42/21	42/41	35/39
	(% Needs Some Improvement + Needs Major Improvement) / (% Adequate + Outstanding) ²		
Food service	28/52	47/51	47/38

Source: MGT survey of the Pittsburgh School District administrators and teachers, March - April 2005.

¹ Percent responding *Agree* or *Strongly Agree*/Percent responding *Disagree* or *Strongly Disagree*

²Percent responding *Needs Some Improvement* or *Needs Major Improvement* / Percent responding *Adequate* or *Outstanding*.

**EXHIBIT 11-5
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT STAFF AND STAFF IN OTHER SCHOOL DISTRICTS**

SURVEY ITEM	(% A + SA) / (% D + SD) ¹			
	PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS	OTHER SCHOOL DISTRICT ADMINISTRATORS	PITTSBURGH SCHOOL DISTRICT TEACHERS	OTHER SCHOOL DISTRICT TEACHERS
The food services department provides nutritious and appealing meals and snacks.	42/31	N/A	35/39	N/A
	(% Needs Some Improvement + Needs Major Improvement) / (% Adequate + Outstanding) ²			
Food service	38/51	29/66	47/38	39/50

Source: MGT survey of the Pittsburgh School District administrators and teachers, March - April 2005; MGT benchmark database, 2005.

¹ Percent responding *Agree* or *Strongly Agree*/Percent responding *Disagree* or *Strongly Disagree*

²Percent responding *Needs Some Improvement* or *Needs Major Improvement* / Percent responding *Adequate* or *Outstanding*.

Service department needs *some* or *major improvement*—38 percent compared to 29 percent. Likewise, more Pittsburgh teachers than those in other districts indicated that their food services needs *some* or *major improvement*—47 percent compared to 39 percent.

11.1 Organization and Management

Sound organizational structure serves as the foundation for efficient and effective operations. A streamlined organizational structure allows for efficient workflow. Conversely, organizations that are viewed as inefficient often display an organizational structure that is not streamlined and includes unnecessary positions and work processes.

FINDING

The Food Services Department has undertaken a number of recent efforts to improve its efficiency and effectiveness. This year, the Food Services Department installed a point-of-sale (POS) system in all 28 middle and high schools. Prior to implementing this system, the department had significant variance in its monthly reconciliations. District staff estimated that the department averaged a \$4,000 variance in monthly reconciliations. With the new POS, the March 2005 variance was just \$160. Moreover, if there are problems with cash collections, the POS can identify individual operators on each machine.

Because the majority of the cafeteria workers had never used a computer before, the department provided cafeteria managers with 12 hours of training and register operators with four hours. Refresher training is provided as needed by either department staff or cafeteria managers themselves. The department spent approximately \$350,000 for the hardware and software of the POS, and expects to pay a yearly maintenance fee of \$50,000.

This year, the department also began a new initiative to recognize school-based food service workers in order to increase job satisfaction and morale. A committee of cafeteria managers and workers, and the Building Operations Coordinator, adopted a plan to:

- increase customer satisfaction and meal participation;
- encourage self-respect and respect for others;
- involve employees with input to program needs and employee's needs; and
- encourage and provide more employee appreciation with fair evaluation for incentives.

The Director of Food Services serves as an advisor to the committee. Some of the actions the committee is implementing are:

- a cafeteria evaluation system, based on meal participation, a la carte sales, and catering, that ranks each cafeteria as bronze, silver, or gold (Note Cafeterias receive plaques and workers receive t-shirts);
- birthday and sympathy cards sent to individual workers, as appropriate;
- an “employee of the month” recognition program in each cafeteria;
- perfect attendance awards; and
- an annual appreciation banquet.

As noted in the district’s *2005 General Fund Budget/Capital Projects Budget*, in 2004 the accomplishments of the Food Service Department included:

- remaining a self-sustaining operation requiring no direct cash support from the General Fund;
- maintaining student participation even with declining enrollment;
- implementing “Offer versus Serve” in all elementary schools, providing students with several daily menu choices; and
- continuing to enhance technology within the operation to improve accountability.

In visits to school cafeterias and lunchrooms, MGT observed the implementation of the Offer vs. Serve Program. Students had several choices for main meals, as well as choices in fruits and vegetables. Food services workers made suggestions to younger students, but in all cases, they were indeed offering selections to students rather than handing them a completed tray of food.

COMMENDATION

The Food Services Department of the Pittsburgh School District is commended for seeking to continuously innovate and improve its operations.

FINDING

The Food Services Department maintains regular and effective evaluations of its cafeteria personnel. The process is detailed and targeted to critical job responsibilities.

In addition to the district-required annual evaluation in the EPAS system, the Food Service Department conducts regular on-site performance reviews at all school cafeterias. At the elementary level, three elementary coordinators visit the cafeterias and review the performance of the Chief Lunch Aides. The form and procedure they use to conduct the review are tailored to the food services environment and reflect key lunchroom responsibilities.

MGT reviewed all 56 elementary performance evaluations completed in 2001-02. The "Chief Lunch Aides Performance Summary" form requires the coordinator to review and evaluate whether the Chief Lunch Aide is satisfactory, below average, or unsatisfactory these areas directly related to job responsibilities:

1. Ability to follow ordering procedures:
 - a. milk/dairy items
 - b. breakfasts/lunches
 - c. supply orders
 - d. bagged lunches

2. Ability to follow verbal/written instructions:
 - a. elementary manager's verbal instructions
 - b. CLA procedures manual
 - c. Weekly memos

3. Ability to meet paperwork deadlines
4. Ability to manage lunch aides
5. Organizational skills
6. Ability to plan and implement accountability procedures
7. Ability to follow and enforce safety and sanitation procedures
8. Ability to complete timesheets
9. Ability to prepare cash reports and make deposits
10. Ability to count rosters and prepare edit check sheets
11. Overall rating

Both the Chief Lunch Aide and the coordinator must sign the review. MGT found four reviews where a Chief Lunch Aide received a "below average" rating in at least one area. On these, the coordinators noted deficiencies in lunch aides not setting out enough milk, students not taking enough components to make a reimbursable meal, and the lunch following improper procedures for marking rosters. For each of those, MGT found records of follow-up visits to verify that the Chief Lunch Aide had fixed the problem.

At the middle and high schools, one supervisor and one coordinator conduct the on-site cafeteria reviews and performance evaluations of cafeteria managers. They use a common form to conduct the reviews, which covers these areas:

- Written collection procedures:
 - Is a copy of the written procedure describing the counting and money collection system available on site?
 - Is the counting procedure used at the site the same as that described in the written procedure?
 - Does this system agree with the system approved by the state agency?

- Meal counting system:
 - Is the meal count taken at that point in the food service operation where a determination can accurately be made that a reimbursable free, reduced price or full price meal has been served to an eligible child?
 - Does the system provide an accurate count of the number of reimbursable free, reduced price and full price meals served to eligible children on a daily basis?
 - Are adequate procedures in place to prevent the claiming of more than one reimbursable lunch per day per child?
 - Does the system prevent the overidentification of the children eligible for free and reduced price meals?

- Meals served:
 - Do all the meals served and claimed contain all required food items?
 - Is each child allowed to make his/her own selection of the food items required under the Offer versus Serve provision to be counted as a reimbursable meal?
 - Were portion sizes provided that meet the requirements as indicated in the meal pattern?
 - Were both unflavored low-fat milk and whole milk offered at each serving line throughout the entire serving period?

MGT reviewed all of the 2003-04 cafeteria reviews on file within the Food Services Department. In the two cases where the monitor found that the cafeteria manager was not meeting these minimum standards, MGT found documentation of a follow-up visit to verify corrective actions taken. Once the coordinator or supervisor completes the on-site review, food services administrators meet to discuss and develop a preliminary review. In the preliminary review, they consider:

- manager's performance;
- employees performance;
- school's increase or decrease in participation (comparing breakfast and lunch of June 2004 to breakfast and lunch of February 2005);
- projects/promotions; and
- future needs/recommendations.

The results of the preliminary reviews are provided to cafeteria managers via e-mail. MGT reviewed preliminary reviews for 28 schools. The feedback provided through the preliminary process is detailed and specific. Recommendations are comprehensive. MGT found evidence of e-mail exchanges related to specific recommendations, which detail a high level of involvement by food services administrators in assisting cafeteria managers to pursue the highest levels of customer service, quality food, and financial performance.

COMMENDATION

The Food Services Department of the Pittsburgh School District is commended for implementing and supporting an effective, targeted, and regular personnel evaluation process.

FINDING

Hiring quality cafeteria and lunchroom staff is a critical responsibility. However, the district requires prospective applicants to pay for background checks and physicals before they are considered for employment. Moreover, the Food Services Department does not have sufficient input into cafeteria and lunchroom hiring.

According to food services administrators, the Food Services Department has little input into the initial hiring process. At the elementary level, an individual interested in working in the lunchroom typically interviews with the school principal. If the school principal finds the person acceptable, she provides the prospective employee with a letter of recommendation. The prospective employee must then obtain certification of a state background check and child abuse records check at a cost of \$10 each and a physician-approved physical, for a typical cost of \$45. Once the applicant has been accepted for employment through the district's Human Resources Department, the Food Services Department is notified.

In the MGT focus groups, food services staff noted that hiring and retaining quality lunchroom personnel is a major challenge. Elementary lunch aides do not receive benefits and the positions are only part-time. Food services staff report that a significant percentage of lunch aides are unreliable, do not follow established procedures despite repeated training, and often engage in disruptive behavior with other lunch aides. However, the Food Services Department cannot fire lunch aides with poor performance—the school principal must do that.

At the secondary level, the department has more input into the hiring process and does forward applications to the Human Resources Department for consideration. Secondary applicants must also obtain background checks, child abuse records checks, and physicals, for which they pay out-of-pocket. Cafeteria positions in middle and high schools are unionized. Although all the positions are part-time and do not qualify for health benefits, cafeteria workers do have a retirement plan, paid holidays, and paid sick days. Nevertheless, food services staff report that it is difficult to retain quality workers and that they often leave as soon as they find a position with health benefits.

The backbone of a successful food services operation is built on the reliability and quality of the workers in the cafeterias and lunchrooms. Dedicating resources to initially hiring the best possible candidates should reduce turnover and improve service quality.

RECOMMENDATION

Recommendation 11-1:

Improve food services recruiting efforts by paying for background checks and physicals for highly qualified candidates and increasing the role of food services administrators in hiring school-based lunchroom staff by hiring a new coordinator.

Paying for the necessary checks and physicals for selected identified quality applicants should help reduce turnover. Taking a more active role in identifying and recruiting qualified candidates should also improve the overall quality of the workforce.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|---------------|
| 1. The Food Services Director should develop a job description for a new coordinator's position within his department. This position would focus on recruiting cafeteria and lunchroom staff and on improving the effectiveness of free and reduced price meal applications (This second responsibility is justified later in this chapter). | August 2005 |
| 2. The Food Services Director should hire a qualified candidate to fill the new position. | October 2005 |
| 3. The Coordinator should develop new processes and procedures for cultivating high-quality applicants. | December 2005 |
| 4. The Coordinator should propose a new procedure for either paying outright or paying on account for the required checks and physicals for highly qualified applicants. | January 2006 |

FISCAL IMPACT

A proposed Coordinator would require a salary of approximately \$34,000 per year, plus 30 percent benefits. Paying for the background checks and physicals of 35 highly qualified applicants per year would cost approximately \$2,275 per year (35 applicants x (\$20 + \$45)).

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Hire Recruiting and Meal Application Coordinator	(\$44,200)	(\$44,200)	(\$44,200)	(\$44,200)	(\$44,200)
Pay for Background Checks and Physicals	(\$2,275)	(\$2,275)	(\$2,275)	(\$2,275)	(\$2,275)
TOTAL	(\$46,475)	(\$46,475)	(\$46,475)	(\$46,475)	(\$46,475)

11.2 Policies, Procedures, and Compliance

The development of policies and procedures constitutes the means by which a department communicates expectations and ensures consistent operations across a wide number of locations. Effective policies and procedures that are widely understood are critical in a food service operation, where individual cafeteria workers are responsible for making daily decisions that directly affect the quality of food served, as well as the profitability of their cafeteria.

FINDING

There are a number of types of competitive foods available to Pittsburgh middle and high school students at lunch time. As a result, students may choose less healthy options than those offered by the Food Services Department and the department loses substantial revenue opportunities.

In the Pittsburgh School District, vending machines on campuses are permissible and under the control of the school principal. Typically, of the money collected from the vending machines, a percentage goes to the principal for the school's activity fund and the rest goes to the vendor.

In MGT focus groups with middle and high school cafeteria managers, district staff noted that the high number of competitive foods available on the school campuses directly impacts cafeteria sales. Specifically, they noted:

- Many vending machines are located in school cafeterias. If they are turned on during breakfast and lunch periods, they directly compete with food services products.
- At least one school has a "cookie room" open during lunch periods. The proceeds from the cookie sales directly support the school's marching band and are managed by the director of the marching band. Not only do the funds apparently not flow through the school's activity fund, but students are given the opportunity to spend lunch money on junk food.
- At least two schools only turn their vending machines on during breakfast and lunch. Otherwise, they are locked off.
- At one school, it is a regular occurrence for the owner of the vending machine, which is located in the cafeteria, to stand next to the machine and provide students with change so that they may make vending machine purchases.
- Most student-run stores are open during lunch periods and sell a variety of candy.

MGT toured several cafeterias in the district and found that vending machines are indeed located inside cafeterias in some middle and high schools. Moreover, MGT observed one set of vending machines turned on during the school's breakfast period. In the vending machines, MGT observed a variety of typical junk food was available—

sodas, chips, and candy bars. MGT did not find any vending machines with juices or low-calorie snacks available. MGT also found that at least three student-run stores are physically located inside the cafeteria area. This location increases competitive sales of junk food.

According to a policy brief on competitive foods developed by the Food Research and Action Center (FRAC), a national non-profit organization devoted to ending hunger and undernutrition in the United States, studies have shown that access to competitive foods in schools reduces the quality of student diets. Moreover, while school meals must meet federal nutrition standards, competitive foods do not and most competitive foods are low in nutrients and high in fat, added sugars, sodium, and calories.

According to research by FRAC:

- Nationally, 98 percent of high schools, 74 percent of middle schools, and 43 percent of elementary schools have vending machines, school stores, or snack bars.
- Sales of competitive foods lead to decreases in school meal participation, meaning less cash and commodity support provided to schools through the federal school meal programs.

Per USDA regulations, foods considered to be of minimal nutritional value (soda, gum, hard candies, and jelly beans) are not allowed to be sold in cafeteria food service areas. State policy requires that all vending machines be turned off during lunch periods.

RECOMMENDATION

Recommendation 11-2:

Eliminate competitive food sales to both improve the nutritional value of food available to students in school and to increase the opportunities for district food sales.

State law requires that snack and drink machines be turned off during lunch periods. Ideally, they would be turned on only at the end of the school day to provide a snack opportunity between regular classes and after-school activities. Student-run school stores should not be allowed to compete with cafeteria operations because they typically sell only junk food.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Superintendent should notify all school principals that snack and drink machines must remain off during regular school hours and that student stores are not allowed to sell junk food. July 2005
2. The Food Services Director should notify cafeteria managers of the new policy and should provide them with a procedure for reporting schools in violation of the policy. August 2005

3. The Food Services Director should provide the Superintendent with regular reports of any violations of the policy. Ongoing

FISCAL IMPACT

While it is not possible to estimate an exact revenue impact from successfully implementing this recommendation, it is reasonable to assume that most of the money students previously spent on snack machines, soda machines, and junk food in school stores would instead be spent on cafeteria products. With approximately 16,600 middle and high school students, it is reasonable to assume, based on anecdotal evidence, that at least 15 percent spend money on non-cafeteria foods each day. Assuming each spends \$1, this would result in additional daily revenue of \$2,490. Over the course of the 180-day school year, this would increase food services revenues by \$448,200. This amount represents additional revenue to the food service operation. It should be noted that a significant portion of these revenues previously went to local budgets of the schools, through vending machines left on at inappropriate times.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Eliminate Competitive Food Sales in Machines and Student Stores	\$448,200	\$448,200	\$448,200	\$448,200	\$448,200

FINDING

Elementary lunch aides are currently assigned based on a staffing ratio of one per 90 students enrolled. However, the Food Services Department has determined that this staffing model results in an excess number of workers, depending on the lunchroom organization, the length of lunch periods, and the number of serving lines. At some Pittsburgh schools, elementary lunchroom workers perform non-lunchroom duties to fill their time, including providing playground supervision. As a result, the Food Services Department is subsidizing the general staffing at those schools.

The Food Services Department, after analyzing its current staffing model, based on one lunchroom aide per 90 students, determined that the model results in an excess number of workers for the amount of work required. The department believes that moving to a staffing formula based on the number of serving lines and perhaps other school-specific characteristics would lead to a reduction in staff but still provide effective lunchroom service. The department believes it could reduce its current 143 positions to 82 by matching the number of serving lines.

An example of one area where staffing could be reduced without sacrificing lunchroom effectiveness is lunch aides providing playground supervision. In Pittsburgh elementary schools, lunch aides are often not only responsible for the typical food preparation and serving duties associated with a lunchroom, but are often also asked to provide lunchroom supervision and one-on-one assistance to students, such as cutting food and opening milk. In addition, at some elementary schools, lunch aides are responsible for providing playground supervision. According to food services staff, this practice has been in place for at least the last 10 years.

Exhibit 11-6 lists the elementary schools where lunch aides provide playground supervision in addition to their regular lunchroom duties.

**EXHIBIT 11-6
ELEMENTARY LUNCH AIDES PROVIDING PLAYGROUND SUPERVISION
PITTSBURGH SCHOOL DISTRICT
2004-05 SCHOOL YEAR**

SCHOOL	NUMBER OF AIDES	DAILY TIME SPENT ON PLAYGROUND SUPERVISION, PER AIDE	TOTAL PLAYGROUND SUPERVISION TIME, PER BUILDING	TOTAL COST FOR 180 DAYS
Arlington	2	1.00	2.00	\$2,808
Banksville	2	1.00	2.00	\$2,808
Beechwood	2	1.50	3.00	\$4,212
Brookline	2	1.50	3.00	\$4,212
Carmalt	1	0.75	0.75	\$1,053
Concord	3	1.50	4.50	\$6,318
Grandview	2	0.50	1.00	\$1,404
King	1	0.50	0.50	\$702
Liberty	1	2.25	2.25	\$3,159
McCleary	1	0.25	0.25	\$351
Mifflin	3	0.50	1.50	\$2,106
Phillips	4	0.25	1.00	\$1,404
Roosevelt	1	1.00	1.00	\$1,404
Old Roosevelt	1	0.50	0.50	\$702
Schaeffer	1	0.50	0.50	\$702
West Liberty	4	0.25	1.00	\$1,404
Westwood	3	0.25	0.75	\$1,053
Whittier	1	0.25	0.25	\$351
Sunnyside	3	1.00	3.00	\$4,212
TOTAL	38	15.25	28.75	\$40,365

Source: Pittsburgh School District, Food Services Department, April 2005.

Although the Food Services Department should pay for all direct and indirect costs it incurs in providing food programs for students, it should not be required to subsidize the non-food operations at the district's schools. The time elementary lunch aides spend in supervising playgrounds and performing other unrelated duties reduces the time they can spend on providing efficient and effective lunchroom services.

MGT observed Pittsburgh elementary playground where two lunch aides provided playground supervision for less than 25 students, a staffing ratio that seems excessive. In other districts, teachers, custodians, principals, and even volunteers provide playground supervision at no additional expense. Once the Pittsburgh lunchroom aides are no longer available to provide "free" (to the school) playground supervision, some principals may decide provide effective supervision with fewer adults than they currently employ.

In the same manner, once the Food Services Department implements a revised staffing formula based on criteria other than student enrollment, schools may find that any additional non-lunchroom duties previously performed by lunch aides can be completed as part of the regular duties of other employees at no additional cost. For those non-lunchroom duties that cannot be absorbed by existing personnel, local school budgets should pay for them.

RECOMMENDATION

Recommendation 11-3:

Implement a revised lunchroom staffing model and eliminate playground duty for elementary lunch aides.

The Food Services Department should complete its analysis of alternative staffing models and reduce its lunchroom staffing accordingly. Some of the duties previously provided by lunchroom aides, because they had spare time, should instead be provided by other school-based staff. Providing playground supervision should not be the financial responsibility of the district's Food Services Department. Schools should either provide playground supervision through other staffing arrangements or should pay the lunch aides from their local school budgets for hours worked on the playground.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-------------|
| 1. The Food Services Director should develop a new lunchroom aide staffing model and revise the job description of elementary lunch aides to eliminate all duties unrelated to food services. | July 2005 |
| 2. The Chief Operations Officer should send a memo to all elementary principals notifying them of the new lunchroom staffing model and elimination of duties unrelated to food services for lunch aides. | July 2005 |
| 3. Principals who wish to employ lunch aides for duties outside of food services should contact the Food Services Director to arrange for reimbursement from the school account to the food services account. | August 2005 |

FISCAL IMPACT

The district recommends an additional savings in supervisory aides. The district estimates that reducing lunchroom aide staffing from 143 to 82 positions would result in an annual cost savings of \$338,184 in hourly wages.

With regard to playground duty, while some principals may elect to continue having lunch aides provide playground supervision or other non-lunchroom duties, funding for it should come from another revenue stream. The Food Services Department should recoup all of the current costs from this recommendation. This amount could be a cost to the General Fund, but a savings to the Food Services budget.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Implement New Lunchroom Staffing Formula and Eliminate Playground Duty for Elementary Lunch Aides	\$338,184	\$338,184	\$338,184	\$338,184	\$338,184

FINDING

Despite a robust capacity to provide specialty catering, the Pittsburgh Board of Education does not routinely seek catering from the Food Services Department for its meetings as most other school districts do. As a result, the Board is spending district funds on external vendors and sending a message that devalues the work of the Food Services Department.

The Food Services Department provides a varied menu for catering, including:

- sandwich wreaths;
- light refreshments – fresh fruit tray, fruit and cheese tray with dip, vegetable tray with dip, cheese cubes with crackers, assorted finger sandwiches;
- meat and cheese trays;
- salads – chicken, tuna, potato, pasta, macaroni, tossed, fresh fruit, and coleslaw;
- soup – chicken noodle, Italian style wedding, beef vegetable, minestrone, garden vegetable, French onion, broccoli cheese, cream of potato;
- dinner entrees – stuffed chicken breast, chicken cordon bleu, chicken parmesan, broccoli and cheese stuffed chicken breast, lemon pepper cod, stuffed shells, meatloaf, roast beef, chicken con queso, vegetable lasagna, chicken tenders; and
- desserts – gourmet cookies, brownies, pies, chocolate éclairs, vanilla cream puffs, cakes, cheesecake, carrot cake, pound cake.

The catering operation is professionally managed and large. From January through December 2004, the department catered 706 separate events, serving 25,414 guests. Events ranged in size from six guests to 600. The Food Services Director estimates that catering provides approximately five percent of the department's total revenues. One of the department's largest catering clients is Pennsylvania Teachers Union, which is headquartered in Pittsburgh.

The Pittsburgh Board of Education meets several times per month for regular meetings, committee meetings, and other work sessions. For many of these meetings, the district provides catered food at a cost of approximately \$200. While the district sometimes gets catering from the Food Services Department, it also often uses external catering firms. Such a practice causes the district to spend funds externally when it could instead support its own internal operations.

The Board of Education should set the example, choosing to do business with only its own Food Services Department keeps needed funds within the district and sends a message that school principals should do the same.

RECOMMENDATION

Recommendation 11-4:

Purchase only food from the Food Services Department for Board of Education meetings and working sessions.

The district's catering operation is large enough to support significant catering work. Moreover, doing business with the Food Service Department keeps the district's funds within the district. The profits that would otherwise go to an external vendor remain instead with the district and will support its operations.

IMPLEMENTATION STRATEGIES AND TIMELINE

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|--|-----------|
| 1. The Board of Education should use exclusively the Food Services Department for catering its meetings. | July 2005 |
|--|-----------|

FISCAL IMPACT

For each catered meeting the Board spends approximately \$200 on food. District staff estimated that the Board uses an external catering vendor at least once per month.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Use Food Services Department for Catering Board Meetings	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400

FINDING

Despite the success of the Food Services Department in providing specialty meals and food products through its catering program, many Pittsburgh schools do not rely on the department for support for their local fundraising activities.

In the MGT focus group with middle and high school cafeteria managers, Pittsburgh staff noted that schools and student groups hold a large number of fund raisers centered on food sales. In addition to the typical bake sales, hoagie and pizza sales are quite popular. At one school, the cafeteria manager stated that there are at least four pizza sales every week. In nearly every case, if not all, the hoagies and pizzas come from external vendors. These vendors sell the products to the school or student group at a bulk price and the school or student group resells it for a profit. Typically, the vendors deliver the products to the school. The Food Services Department could provide these products to the schools in the same manner; however, food services administrators noted that some schools do not even ask for quotes from them.

When schools and student groups hold these fund raisers, they typically expect free support and ancillary products from the cafeteria. For hoagie sales, they expect to store the hoagies in the cafeteria refrigerators and to receive free condiments. For the pizza sales, they expect to receive free serving plates or napkins.

Food Services personnel were also concerned regarding the safety of the food sold in the hoagie and pizza fund raisers. They have observed hoagies left on tables unrefrigerated for an unsafe period of time. They have also observed students selling pizza and serving out slices with their bare hands and placing the slices into the bare hands of the buyers. Both of these practices represent sanitation problems.

MGT observed one hoagie sale during the on-site visit. An elementary school ordered 18" hoagies for resale to support an upcoming field trip. The external vendor delivered boxes of individually package hoagies at a cost of \$3.50 each to be resold at \$4.50 each. The school could not provide a total count of the number of hoagies sold for this fund raiser, but MGT estimates that at least 300 hoagies were delivered. They were delivered at approximately 12:30 p.m. and the school planned to distribute them at the end of the school day. However, there was not enough room for all the hoagies in the school's small lunchroom refrigerator and some had to be left on the counter.

In another example of schools not considering the capacity of the Food Services Department, the principal of at least one middle school ordered snacks from Sam's Club to distribute to students during testing. The products could likely have been obtained from the Food Services Department at an equal or lower cost. The principal stored the products in the cafeteria and expected the cafeteria staff to distribute the food.

Choosing to do business with the Food Services Department would help keep district funds within the district. Often the Food Services Department could provide comparable products for the same price. Even at the same price, the district overall would benefit from retaining the profits in the Food Services Department.

RECOMMENDATION

Recommendation 11-5:

Require schools to seek bids from the Food Services Department for food-based fund raisers.

Just as with the Board of Education, keeping dollars spent on food items within the Food Services Department ultimately benefits the financial performance of the district. Requiring schools to at least seek a bid from the Food Services Department gives the department an opportunity to compete with external vendors.

IMPLEMENTATION STRATEGIES AND TIMELINE

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|--|-------------|
| 1. The Superintendent should send a memo to all school principals requiring them to seek a bid from the Food Services Department for any fundraising events involving food sales. | August 2005 |
| 2. The Food Services Director should notify cafeteria managers and chief lunch aides of the new requirement and should provide them with a mechanism for reporting schools in violation of this procedure. | August 2005 |

3. The Food Services Director should provide the Superintendent with regular reports of any violations of this requirement. Ongoing

FISCAL IMPACT

Although the district does not have any aggregated data on this matter, it is reasonable to assume, based on anecdotal and observational evidence, that each school conducts at least one food-based fund raiser each year. Assuming that the products offered by the Food Services Department are selected over external vendors 50 percent of the time, that 85 percent of students purchase a fund raiser item, and that the profit margin on a product similar to the 18" hoagies MGT observed is 25 cents, the department would realize an additional approximate \$3,200 per year (30,000 students x ½ x 85 percent x \$0.25)

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Seek Bids from Food Services Department	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200

11.3 Financial Performance

In many school districts, as in Pittsburgh School District, the food services operation is viewed as an enterprise fund which is separate from the district's general fund operations. With a combination of federal reimbursement funds from the National School Lunch and School Breakfast programs, state reimbursements for school meal programs, donations of USDA commodities, revenues from students who pay for meals and a la carte items, and revenues from catering operations, a food service department is often self-supporting financially and may even use a surplus of money to fund other food services priorities.

Exhibit 11-7 shows the 2003 actual revenues and expenditures, and the 2004 and 2005 budgeted revenues and expenditures for the Food Service Department in the Pittsburgh School District. As the exhibit shows, in 2003 the department required a fund transfer of nearly \$1 million to support its operations. While it projects a much larger fund transfers in 2004 and 2005, department administrators believe that the actual fund transfer required for 2004 will ultimately be less than \$1 million, and perhaps likewise for 2005. The exhibit also shows that:

- Projected revenues from meal and a la carte sales to students will increase six and nine percent, respectively, from 2003 to 2005.
- At the same time, the department projects a decrease in state and federal reimbursements of three and five percent, respectively.
- While the department anticipates reducing overall salary expenditures by one percent over the three-year period, largely by reducing personnel, it anticipates a 40 percent increase in employee benefits.

EXHIBIT 11-7
FOOD SERVICES DEPARTMENT REVENUES AND EXPENDITURES
PITTSBURGH SCHOOL DISTRICT
2003 THROUGH 2005 SCHOOL YEARS

REVENUE DESCRIPTION	2003 ACTUAL	2004 BUDGET	2005 BUDGET	CHANGE	
Interest	\$14,862	\$25,000	\$30,000	102%	\$15,138
Sales to Students	\$852,825	\$950,000	\$900,000	6%	\$47,175
A La Carte Sales	\$1,287,405	\$1,300,000	\$1,400,000	9%	\$112,595
Income - Special Contracts	\$1,822,137	\$1,700,000	\$1,800,000	-1%	\$(22,137)
Miscellaneous	\$27,500	\$35,000	\$15,000	-45%	\$(12,500)
Reimbursement - State	\$644,160	\$650,000	\$625,000	-3%	\$(19,160)
State Revenue for Social Security Payments	\$197,490	\$200,000	\$200,000	1%	\$2,510
State Revenue for Retirement Payments	\$48,240	\$25,000	\$60,000	24%	\$11,760
Reimbursement - Federal	\$8,425,340	\$8,000,000	\$8,000,000	-5%	\$(425,340)
Value of Donated Commodities	\$234,918	\$225,000	\$225,000	-4%	\$(9,918)
	\$13,554,877	\$13,110,000	\$13,255,000	-2%	\$(299,877)
Balance from/(to) Fund Balance	\$958,814	\$3,333,213	\$4,003,515	318%	\$3,044,701
Total	\$14,513,691	\$16,443,213	\$17,258,515	19%	\$2,744,824
Appropriations by Major Object					
Personal Services - Salaries	\$5,260,743	\$5,658,477	\$5,207,319	-1%	\$(53,424)
Personal Services - Employee Benefits	\$1,223,740	\$1,649,236	\$1,708,696	40%	\$484,956
Technical Services			\$10,000		\$10,000
Purchased Property Services	\$281,979	\$402,500	\$460,000	63%	\$178,021
Other Purchased Services	\$558,988	\$531,500	\$554,500	-1%	\$(4,488)
Supplies	\$6,464,963	\$6,958,000	\$7,431,500	15%	\$966,537
Property	\$262,084	\$689,500	\$337,500	29%	\$75,416
Other Objects	\$408,584	\$504,000	\$1,504,000	268%	\$1,095,416
Other Financing Uses	\$52,610	\$50,000	\$45,000	-14%	\$(7,610)
	\$14,513,691	\$16,443,213	\$17,258,515	19%	\$2,744,824

EXHIBIT 11-7 (Continued)
FOOD SERVICES DEPARTMENT REVENUES AND EXPENDITURES
PITTSBURGH SCHOOL DISTRICT
2003 THROUGH 2005 SCHOOL YEARS

REVENUE DESCRIPTION	2003 ACTUAL	2004 BUDGET	2005 BUDGET
Central Office			
Directors	\$81,612	\$82,164	\$87,678
Accountants-Auditors	\$43,728	\$44,760	\$47,961
Typist - Stenographers	\$47,130	\$59,135	\$58,114
Clerks	\$94,158	\$96,490	\$89,330
Employee Benefits	\$59,863	\$82,353	\$92,889
Technical Services			\$10,000
Electricity	\$155,223	\$230,000	\$241,000
Water/Sewage	\$39,137	\$45,000	\$47,500
RPR & Maint – equip	\$95	\$1,000	\$1,000
RPR & Maint – tech			\$50,000
Communications	\$29,140	\$25,000	\$25,000
Printing and Binding	\$9,014	\$10,000	\$10,000
Mileage	\$4,337	\$4,500	\$4,500
Travel		\$5,000	\$5,000
Other purchased services	\$4,805	\$12,000	\$10,000
general supplies	\$1,158	\$4,000	\$4,000
admin op sys tech	\$7,969		\$25,000
natural gas - htg and AC	\$144,895	\$140,000	\$192,500
equip - original and add		\$2,500	\$2,500
equipment - replacement	\$12,183	\$225,000	\$10,000
tech equip – replace	\$1,572	\$283,000	
dues and fees	\$4,584	\$4,000	\$4,000
indirect cost	\$404,000	\$500,000	\$1,500,000
other fund transfers	\$52,610	\$50,000	\$45,000
	\$1,197,214	\$1,905,902	\$2,562,972
Total Budget	\$14,523,900	\$16,443,213	\$17,258,515
Food			
Food Service Center	\$2,118,505	\$2,500,000	\$2,600,000
Milk, Food Service Center	\$87,950	\$120,000	\$130,000
Food, Secondary	\$1,889,464	\$1,944,000	\$2,080,000
Milk, Secondary	\$528,148	\$500,000	\$538,000
Donated Commodities, Secondary	\$76,551	\$75,000	\$125,000
Food, Elementary	\$59,933	\$50,000	\$62,000
Milk, Elementary	\$720,366	\$725,000	\$750,000
Donated Commodities, Food Service Center	\$176,295	\$225,000	\$225,000
Total Food	\$5,657,212	\$6,139,000	\$6,510,000
Food as Percent of Total	39%	37%	38%

Source: Pittsburgh School District, Food Services Department, 2005.

The department anticipates a 15 percent increase in the cost of supplies, which includes food and milk supplies for its meal programs.

FINDING

The Pittsburgh School District has not increased its prices for student lunches in 13 years. In that time both personnel and food costs have increased significantly.

Approximately 65 percent of Pittsburgh students qualify for free or reduced lunch. The one-third of students who do pay full price pay \$1.00 for an elementary lunch and \$1.25 for a secondary lunch. Exhibit 11-8 compares these prices to those in the peer districts selected for this study. As the exhibit shows, the prices that the Pittsburgh School District charges are 37 cents below the peer average at the elementary level and 53 cents below the peer average at the secondary level.

**EXHIBIT 11-8
AMOUNTS CHARGED FOR STUDENT LUNCH MEALS
2004-05 SCHOOL YEAR**

SCHOOL SYSTEM	ELEMENTARY LUNCH PRICE	SECONDARY LUNCH PRICE
Pittsburgh Public Schools, PA	\$1.00	\$1.25
Kansas City 33, MO	\$1.20	\$1.40
Buffalo Public Schools, NY	\$1.00	\$1.00
Rochester City School District, NY	\$1.75	\$2.00
Toledo Public Schools, OH	\$1.40	\$1.50
Milwaukee Public Schools, WI	\$1.50	\$1.75
PEER DISTRICT AVERAGE	\$1.37	\$1.53

Source: Data Collected from Individual Peer School Districts, April 2005.

At the same time that lunch prices have remained the same, the public is now more concerned with the nutritional content of school meals. Several parents and community members expressed concern with the nutritional content of school lunches. At the MGT forums, Pittsburgh parents indicated they would support efforts to include a greater variety of fresh fruits and vegetables in their schools.

Nationally, there are concerns regarding the link between poor diet and obesity. In several states, the nutritional requirements for school lunches have recently been changed. Perhaps, most famously, Texas has implemented much more stringent rules governing school lunches. There, french fries can only be offered once per week and more fresh food alternatives must be made available to all students, including items such as Cobb salads for elementary students.

The Food Services Department, responding to local and national child obesity concerns, now offers more fruits and vegetables and more healthful foods prepared to order, such as chicken wraps with vegetables. However, even beyond the general trend in

increased food costs, introducing these kinds of foods further escalates food service costs.

At the time of this review, the Food Services Department had proposed increasing student lunch prices to \$1.25 for elementary and \$1.50 for middle and high school students. This recommendation should go before the Board of Education for a vote sometime in 2005.

RECOMMENDATION

Recommendation 11-6:

Increase student lunch prices to support health conscious food innovations.

The current Pittsburgh lunch prices are below the peer average. Increasing the prices to \$1.25 for elementary and \$1.50 for secondary should still keep the district below the peer averages, but would support the Food Services Department's initiatives to provide a greater variety of appealing healthy choices to students.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-------------|
| 1. The Board of Education should approve the proposed price increases for elementary and secondary lunches. | Summer 2005 |
| 2. The Food Services Director should coordinate the implementation of the price increase beginning with the start of the 2005-06 school year. | August 2005 |

FISCAL IMPACT

Approximately 74 percent of Pittsburgh School District students purchase meals at the elementary level and approximately 47 percent at the secondary level. Of these, approximately 35 percent purchase meals at full price. Assuming an average day, the district receives \$9,245 from full-pay elementary students and \$11,191 from full-pay secondary students.

Several national studies have shown that an increase in school lunch prices typically decreases participation. Assuming a 10 percent reduction in participation, implementing the proposed price increases will result in the district receiving \$10,401 from full-pay elementary students and \$12,807 from full-pay secondary students (for elementary, 9,245 students x 90 percent x \$1.25; for secondary, 8,953 students x 90 percent x \$1.50). The difference between these figures and what the district currently receives is \$1,156 and \$895. Over the course of 180-day school year, this becomes an additional \$208,013 in revenue at the elementary level and an additional \$161,154 at the secondary level.

In addition, the district receives federal money for each full price reimbursable meal sold, at a rate of \$0.21. MGT estimates that raising lunch prices will result in a 10 percent decrease in the number of meals sold, which is approximately 1,819 meals per day, or \$382 per day (1,819 meals lost x \$0.21 federal reimbursement). Over the course of the school year, this would be a loss of \$68,758.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Increase Student Lunch Prices	\$369,167	\$369,167	\$369,167	\$369,167	\$369,167
Lose Minimal Federal Reimbursement	(\$68,758)	(\$68,758)	(\$68,758)	(\$68,758)	(\$68,758)
TOTAL	\$300,409	\$300,409	\$300,409	\$300,409	\$300,409

FINDING

Some of the indirect costs for the Food Service Department are for the delivery trucks and personnel who route supplies and pre-packaged meals to all the schools. As schools are consolidated or closed due to declining enrollment, the Food Service Department should be able to reduce its cost in this area.

The Coordinator for Food Service Center Operations oversees the delivery operation, in addition to other duties. The Food Service Department relies on district personnel and trucks to make daily deliveries to schools. For the elementary schools, the department delivers the prepackaged breakfast and lunch meal components for the next day, as well as any needed supplies. For the secondary schools, the department delivers the food supplies for on-site preparation, as well as other supplies. Ten (10) drivers typically complete nine routes per day, eight for elementary schools (including day care and Head Start centers) and one for middle and high schools. Although not employees of the Food Services Department, most of the drivers are employed full-time with food services deliveries. Each morning, the department prepares route sheets that detail the exact number of meals and supplies to be delivered to each school. Schools know when the drivers will arrive. Drivers are expected to accurately count the number of meals the school receives and to note it on the route sheets. Cafeteria personnel check the counts to ensure they have received the proper amounts.

The Food Service Department is billed monthly for the salary expenses for the delivery drivers, and related auto mechanics and helpers. The department is also billed for any maintenance and repair required on the delivery trucks. This year, the department is purchasing four new trucks from its fund to replace older trucks.

Exhibit 11-9 shows the amounts the Food Services Department was billed for 2004. As the exhibit shows, the department spends more than \$500,000 per year on labor costs for delivery, an average of \$43,425 per month.

RECOMMENDATION

Recommendation 11-7:

Eliminate one elementary delivery route as schools are consolidated or closed.

As the district considers consolidating and closing schools due to the declining enrollment and shifting population patterns, the Food Services Department should be able to reconfigure its routes and eliminate one elementary route.

**EXHIBIT 11-9
FOOD SERVICES DEPARTMENT LABOR EXPENSES FOR DELIVERY
PITTSBURGH SCHOOL DISTRICT
2004-05 SCHOOL YEAR**

MONTH	AMOUNT BILLED
January 2004	\$36,604
February 2004	\$41,733
March 2004	\$45,886
April 2004	\$43,753
May 2004	\$44,937
June 2004	\$48,729
July 2004	\$45,935
August 2004	\$44,749
September 2004	\$44,625
October 2004	\$42,574
November 2004	\$41,982
December 2004	\$39,587
Total	\$521,095
Monthly Average	\$43,425

Source: Pittsburgh School District, Food Services Department, April 2005.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Food Services Director should review the planned school consolidations and closures to assess the impact on elementary meal deliveries. July 2007
2. The Coordinator for Food Service Center Operations should develop a new route schedule that eliminates one daily elementary route. August 2007

FISCAL IMPACT

The Food Services Department currently pays an average of \$43,425 per month for the labor associated with food and supply deliveries on nine routes to all district schools. Eliminating one route should reduce that cost by one-ninth, or \$4,825 per month and \$57,900 per year. This does include potential cost reductions in maintenance and repair parts or reduced need for new delivery vehicles. This amount will be a cost savings to the food services budget.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Eliminate One Elementary Delivery Route	\$0	\$0	\$57,900	\$57,900	\$57,900

FINDING

Some students in the Pittsburgh School District incur large breakfast and lunch debts which their families do not pay. At the end of each school year, those debts are erased and families suffer no consequences for not paying for school meals.

In the MGT focus group with Chief Lunch Aides who serve elementary schools, district staff noted that at least a few students per school begin not paying for their lunches in the Spring of each year. Once the unpaid account reaches a certain dollar threshold, the aides will no longer allow the student to select a meal, but provide milk and a peanut butter and jelly sandwich.

The cost to the district for this 'free' lunch in 2003-04 was 67 cents, 18 cents for the milk and 49 cents for the sandwich. Some families continue to not pay their bills and incur a fairly sizable debt by the end of the school year. However, the district does not roll this debt over to the next school year. Instead, each student account is zeroed out at the end of the year and students begin the next year with a zero balance. District staff noted that parents seem well aware of this district policy and deliberately do not pay their bill, knowing the district will do nothing about it.

In the MGT focus group with Chief Lunch Aides, participants indicated that the problem is widespread and that at least several students at each school incur debts their families do not pay. Because the Food Services Department does not track this abuse at the district level, the exact scope of the problem remains undetermined.

RECOMMENDATION

Recommendation 11-8:

Collect on unpaid student accounts.

Just as school districts often do not let student receive final report cards or even official diplomas until all library fines have been paid, unpaid student meals represent a legitimate debt for which families should be held responsible. Even when a cafeteria manager follows policy and restricts students with high unpaid accounts to milk and a peanut butter and jelly sandwich, providing those items still incur a cost.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Food Services Director should direct the development of a new regulation to review unpaid student accounts in February, March, and April of each year to identify and contact families with high debts. August 2005
2. Staff in the Food Services Central Operations office should contact families by letter and, if necessary, by phone to attempt collection for the unpaid debts. Staff should identify any extenuating circumstances, such as a recent inability to pay due to job loss, and assist families in completing any necessary paperwork for receiving reduced price or free meals. February – April 2005

3. The Superintendent should enforce the withholding final grades for students whose families have refused to pay their food service accounts.

June 2006

FISCAL IMPACT

Because the Food Service Department does not track meal debts at the district level, the exact fiscal impact is difficult to determine. Based on the anecdotal evidence, MGT estimates that at least three elementary students per school incur school meal debts of \$50 each year. Assuming 50 days of school-provided peanut butter and jelly sandwiches with milk, at a daily cost of 67 cents, results in an additional cost of \$33.50 per student. In total, each elementary school is likely carrying student debts and additional costs of at least \$250.50 per year (($\50 per student + $\$33.50$) x 3 students).

With 53 elementary schools, this results in an annual cost to the Food Services Department of \$13,276. MGT estimates that the district will collect on approximately 75 percent of these accounts. For the rest, it may identify extenuating circumstances that will qualify the student for free or reduced price meals.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Collect Unpaid Student Debts	\$9,960	\$9,960	\$9,960	\$9,960	\$9,960

11.4 Student Meal Participation

The majority of a school food operation’s revenues derive from student meal participation. Students who are financially able pay for their meals. Those who qualify for free or reduced price meals generate state and federal reimbursement funds. Effective school food operations seek to increase student meal participation by offering a selection of appealing menus. They also seek to reduce the time students spend in line so that more students can be served meals in the same lunch period.

FINDING

The Food Services Department relies on a cumbersome paper ticket system to account for student meals served in the middle and high schools. The process is inefficient and inadvertently distinguishes between free, reduced price, and full pay student meals.

In 2003-04, the Pittsburgh Food Services Department received 68 percent of its revenues from sources related to student meal participation, including direct student sales, state reimbursement for providing student meals, and federal reimbursement for providing student meals. The department received an additional nine percent of its revenue from a la carte sales to students. Overall, student participation in school lunch for the same year was 74 percent for elementary students, 64 percent for students in K-8 schools, 58 percent for middle school students, and 35 percent for high school students. The department could earn significantly more revenue by increasing student participation.

At the Pittsburgh elementary schools, the chief lunch aides use a roster system to track student meal participation. The paper rosters are organized by grade and homeroom. As a student comes through the lunch line, the chief lunch aide verifies he has chosen enough components to qualify as a meal, then checks off his name on the roster. Generally, the full paying students only bring in enough money to pay for one day's lunch. Most of the elementary schools do not have student accounts, so the chief lunch aides cannot take checks to cover several weeks' worth of meals.

The two biggest problems with this system are inadvertent identification and how students spend daily lunch money. According to the chief lunch aides in the MGT focus group and through observations of lunchroom activities, the system inadvertently identifies students eligible for free and reduced price meals, which is against federal policy. Because lunchrooms do not maintain student meal accounts, full pay and reduced price students bring lunch money everyday and pay individually. It thus becomes obvious which students are free or reduced price eligible and which are not. Chief lunch aides noted that is it common knowledge among the students as to who gets free meals and who does not.

The other issue with this system is that because there are no student accounts, students can choose to spend their daily lunch money on a la carte items instead of reimbursable meals. Chief lunch aides in the focus group gave numerous examples of students who bring their lunch money each day and use it to purchase only a la carte items instead of the reimbursable meal. They noted that parents sometimes complain regarding the choices their children make, but the current system does not provide parents with an alternative method for ensuring students eat a true meal.

At the Pittsburgh secondary schools, cafeteria managers employ a paper ticket system to track student meal participation. Every two weeks or once a month, depending on the time of year, the Food Services Department prints out individual meal tickets for students. Each ticket has a code based on the student's eligibility, but the codes do not obviously identify a student as free or reduced price eligible. Cafeteria managers sort these tickets and work with school staff to distribute them on a regular basis. When students select a meal during breakfast or lunch, they turn in the appropriate ticket to the cafeteria worker, who then counts all the tickets to determine the number of reimbursable meals served. The difficulties with this system include:

- Tickets are generally not ready at the beginning of the year for a few weeks. As a result, cafeteria managers report spending eight to 12 hours per day for two weeks, handwriting tickets for student meals. One cafeteria manager has made the process somewhat more efficient by printing a portion of the tickets on her computer, but this process has not been shared with other schools.
- Cafeteria managers report they spend a significant amount of time assisting students with lost or destroyed meal tickets.
- Administrators in the Food Services Department report that the rate of lost tickets is on the order of 40 percent at the middle schools and 20 percent at the high schools. Cafeteria managers must spend time assisting these students individually.

- Cafeteria managers generally rely on homeroom teachers to distribute tickets, which reduces classroom time that could be spent on other objectives.
- As with the elementary schools, because there are no student accounts, full and reduced price students typically pay for meals on a daily basis, again leading to inadvertent identification.
- Also similar to the elementary students, middle and high school students with meal money can potentially choose to spend it on a la carte or even competitive food items rather than on reimbursable meals.

The Food Services Department spent approximately \$400,000 last year and this year deploying a POS system. This system is integrated with student attendance, so that cafeterias know early in the morning the total possible meal count and can adjust in real time to minimize overproduction. The POS is designed to work with either student account numbers that students enter into a keypad or with identification cards that students swipe as the purchase their meals. Currently, only two schools in the district are testing student identification cards. These cards interface with the current POS system. Cafeteria managers at one of the pilot schools reported difficulties getting the POS system to work with what was an apparently inferior type of card at the beginning of the year. However, that school has changed to a different type of card and the cafeteria had completely eliminated the need for the previous ticket system.

Many school districts across the country have successfully implemented student accounts for elementary students and student identification cards for middle and high school students. Such systems allow parents of full pay and reduced price students to bank money into an individual account. School districts typically encourage parents to pay for a month of meals at a time, approximately \$25, and only allow these funds to be used for reimbursable meals, not a la carte items. At the end of the year, the district refunds any leftover money in student accounts. Most districts using such systems report a high level of satisfaction among parents who no longer have to remember lunch money each morning. These systems also prevent inadvertent identification because all students follow the same system.

RECOMMENDATION

Recommendation 11-9:

Eliminate the meal ticket system and instead use identification cards and individual student accounts to improve efficiency and meal participation.

Eliminating the meal ticket system will reduce work for cafeteria managers and chief lunch aides. Teachers will no longer have to spend time distributing meal tickets in classrooms. Parents of students who pay reduced prices or full price for breakfast and lunch will be able to bank funds, reducing the opportunity for the student to spend cash lunch money on vending machines or competitive junk food.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|----------------|
| 1. The Superintendent should appoint the Chief of School Safety, the Director of Food Services, and the Director of Media Services as a team to lead the initial implementation of a districtwide badge system for middle and high school students. | July 2005 |
| 2. The Selection Team should research available badge systems and recommend which commercially available system is best for district students. | September 2005 |
| 3. The Superintendent should ensure the purchase the selected system. | October 2005 |
| 4. High School Security Aides should issue student badges for all high school students upon return from the winter break, followed by badges for all middle school students. | January 2006 |
| 5. The Director of Food Services and Director of Media Services should work with the appropriate staff in technology to enable student badges to be used for cafeteria purchases and checking out materials from media centers. | March 2006 |
| 6. The Superintendent should issue new student badges to middle and high school students that are fully functional for security purposes, cafeteria purchases, and media center checkout. | September 2006 |

FISCAL IMPACT

The fiscal impact for implementing student identification cards is included in Chapter 12 of this report. The Food Services Department already has the POS capacity to handle student account-based transactions. The time saved by cafeteria managers and chief lunch aides can be spent on other duties. MGT estimates a conservative 0.5 percent increase in meal participation from implementing student accounts. This increase will come primarily from reduced price and full pay students who previously spent their daily lunch money on vending machines and other competitive foods.

At the elementary level, a 0.5 percent increase in lunch sales would result in an additional 62 meals per day. This would result in a gain of \$62 per day, or \$11,160 per school year. At the secondary level, a 0.5 percent increase in lunch sales would result in an additional 94 meals per day. This would result in a gain of \$117.50 per day, or \$21,150 per school year.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Implement Student Cards and Accounts for Food Purchase	\$32,310	\$32,310	\$32,310	\$32,310	\$32,310

FINDING

Participation rates in school breakfast and lunch programs vary considerably by school. Although approximately 65 percent of Pittsburgh students qualify for free or reduced price meals, current district processes do not maximize participation in the application process.

Exhibits 11-10 and 11-11 provide the breakfast and lunch participation rates by school for the 2003-04 school year. As the exhibits show:

- the lowest breakfast participation rate was four percent at Perry High School;
- the highest breakfast participation rate was 69 percent at Chatham Elementary School;
- the average participation rates among the elementary schools were 36 percent for breakfast and 74 percent for lunch;
- the average participation rates among the K-8 schools were 26 percent for breakfast and 64 percent for lunch;
- the average participation rates among the middle schools were 19 percent for breakfast and 58 percent;
- the average participation rates among the high schools were nine percent for breakfast and 35 percent for lunch; and
- participation rates decrease as student age increases.

Nationally, under the basic school breakfast and lunch programs, household income determines whether a child pays for their meal or receives a reduced price or a free meal. Household income must be below 185 percent of the federal poverty level for a child to receive a reduced price meal, and the household income must fall below 130 percent of the federal poverty level for a child to receive a free meal.

In order to qualify for free or reduced price meals, families must complete an application. Chief Lunch Aides or cafeteria managers send home applications at the beginning of each year and parents are supposed to return it to the school. Then the chief lunch aides or cafeteria managers make an initial assessment of eligibility and routes it to administrators in the Food Services Department. The problems with this system include:

- The form is somewhat complicated and often the families who would be approved for free or reduced price lunch are the same families where the adults are struggling with literacy skills.
- Chief Lunch Aides note that parents often refuse to fill out the forms, sometimes for unknown reasons. Some chief lunch aides call families who have not returned forms, but they do not often succeed in getting the forms completed.

EXHIBIT 11-10
BREAKFAST AND LUNCH PARTICIPATION RATES IN ELEMENTARY SCHOOLS
PITTSBURGH SCHOOL DISTRICT
2003-04 SCHOOL YEAR

SCHOOL	BREAKFAST PARTICIPATION RATE	LUNCH PARTICIPATION RATE
Allegheny	32%	71%
Banksville	30%	56%
Beechwood	15%	60%
Bon Air	21%	54%
Brookline	15%	71%
Chatham	69%	85%
Clayton	45%	88%
Colfax	45%	73%
Concord	9%	57%
Crescent	42%	80%
Dilworth	57%	77%
East Hills	49%	69%
Fort Pitt	50%	84%
Friendship	35%	85%
Fulton	37%	86%
Grandview	42%	80%
Homewood	24%	53%
Knoxville	59%	87%
Lemington	48%	87%
Liberty	22%	57%
Lincoln	58%	89%
Linden	18%	51%
M.L. King	47%	94%
Madison	48%	87%
Manchester	20%	86%
Mann	23%	81%
McCleary	36%	84%
Miller	41%	79%
Minadeo	14%	48%
Morrow	19%	77%
Murray	51%	89%
Northview	58%	85%
Phillips	40%	65%
Prospect	38%	76%
Roosevelt	19%	63%
Schaeffer	40%	69%
Sheraden	29%	83%
Spring Hill	44%	85%
Stevens	54%	81%
Vann	40%	88%
Weil	48%	88%
West Liberty	15%	56%
Westwood	39%	67%
Whittier	28%	60%
Woolslair	45%	80%
ELEMENTARY SCHOOL AVERAGE	36%	74%

Source: Pittsburgh School District, Food Services Department, April 2005.

**EXHIBIT 11-11
BREAKFAST AND LUNCH PARTICIPATION RATES
IN K-8, MIDDLE, AND HIGH SCHOOLS
PITTSBURGH SCHOOL DISTRICT
2003-04 SCHOOL YEAR**

SCHOOL	BREAKFAST PARTICIPATION RATE	LUNCH PARTICIPATION RATE
Arlington	45%	73%
Carmalt	35%	69%
Greenfield	18%	66%
Mifflin	6%	43%
Morningside	33%	69%
Sunnyside	25%	69%
K-8 SCHOOL AVERAGE	26%	64%
Allegheny	17%	69%
Arsenal	23%	69%
Columbus	18%	58%
Frick	19%	45%
Greenway	27%	65%
Knoxville	30%	74%
Millions	22%	55%
Pittsburgh Classical	16%	49%
Reizenstein	21%	56%
Rogers CAPA	13%	42%
Rooney	15%	68%
Schiller Classical	9%	64%
South Brook	19%	55%
South Hills	12%	66%
Sterrett	6%	40%
Washington	28%	69%
MIDDLE SCHOOL AVERAGE	19%	58%
Allderdice	5%	29%
Brashear	17%	41%
CAPA	8%	49%
Carrick	7%	38%
Langley	15%	49%
Oliver	9%	39%
Peabody	7%	32%
Perry	4%	35%
Schenley	6%	25%
Westinghouse	11%	31%
HIGH SCHOOL AVERAGE	9%	35%

Source: Pittsburgh School District, Food Services Department, April 2005.

- Families are only supposed to fill out one form to apply for all their children. However, children are often in different schools and the eligibility information is not efficiently shared between them. A student in the middle school may be approved for free lunch while the elementary sibling is not, because of a lack of communication within the department.
- Family situations change throughout the year and those changes may affect meal eligibility. Some families gain employment and are no longer eligible. Other families lose employment or gain a household member and become newly eligible. Keeping up with these changes and routing the appropriate paperwork are additional burdens on chief lunch aides and cafeteria managers, and ones they carry largely without assistance.
- No one administrator in the Food Service Department is responsible for coordinating efforts to verify eligibility of families and to assist needy families in completing the necessary paperwork.

The district does use direct certification, so that any family on the list for social services supports that are also based on income, such as AFDC, are automatically approved for free meals. School-based food services staff reports that direct certification is generally working well and reducing some of the paperwork.

RECOMMENDATION

Recommendation 11-10:

Assign the Coordinator proposed in Recommendation 11-1 with the responsibility to ensure the highest possible level for student participation.

With two-thirds of students eligible for free and reduced price meals, the Food Services Department should have a coordinator who focuses on managing applications. While this is a very labor-intensive process at the beginning of the school year, when the bulk of the applications are received, the financial status of a significant number of students changes frequently throughout the year. Some families will at first not qualify, then qualify, then later no longer qualify. In addition, new students can enroll any time. This coordinator would also oversee more centralized recruiting efforts, as noted previously in this chapter.

IMPLEMENTATION STRATEGIES AND TIMELINE

See Recommendation 11-1.

FISCAL IMPACT

The cost for hiring the recruiting and meal application coordinator was provided earlier in this chapter. MGT estimated that a salary of \$34,000, plus benefits, would be required. Although not estimated here, it is likely that increasing the number of students approved for free and reduced price meals will also increase participation in the breakfast programs.

12.0 SAFETY AND SECURITY

12.0 SAFETY AND SECURITY

Today, ensuring a safe and secure environment must be a school district's first priority. Once the school and classroom are safe, teachers can focus on quality instruction and students can focus on learning. To do this, schools must develop effective policies, procedures, and programs to address violence prevention, student discipline, facility safety, and crisis contingencies. Failure to adequately address any one of these areas can weaken the safety and security of public school children and school district staff alike.

This chapter presents the major findings, commendations, and recommendations for the safety and security functions in the Pittsburgh School District. The three major sections of this chapter are:

- 12.1 Organization and Management
- 12.2 Planning, Policies and Procedures
- 12.3 Security and Student Discipline

As noted in the district's *Code of Student Conduct*:

The School District of Pittsburgh is committed to providing every student with the opportunity to attend school in an environment that is safe, free of violence and drugs, and conducive to learning. This goal is of the highest priority because excellence in education cannot be achieved unless schools and classrooms are safe and orderly.

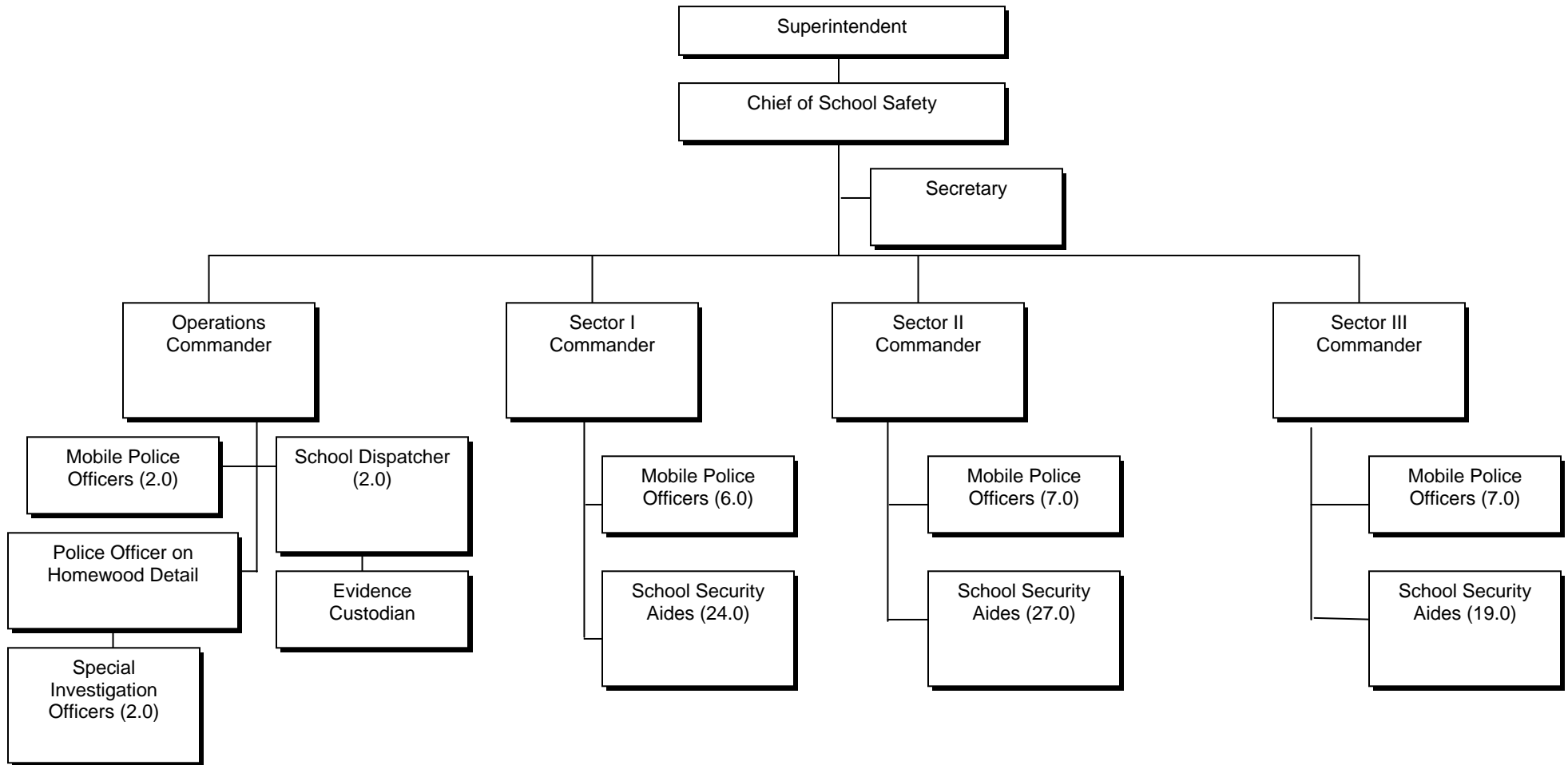
In the Pittsburgh School District, most of the safety and security functions are carried out by the Division of School Safety. The division is comprised of 105 budgeted positions in 2005, including officers and security aides, with a 2004-05 budget of \$6.28 million. Currently, three officers are unavailable for duty, due to leaves of absence, long-term sick leave, and workers' compensation leave. In addition, two security aide positions are currently open. The organization of the division is shown in Exhibit 12-1.

The Division of School Safety assigns school security aides to specific schools within the district. School police officers patrol within an assigned group of schools. In addition to these security personnel, the district allows the Allegheny Court System to place 20 of its school-based probations officers in district schools.

The Student Services Office manages the alternative education programs for the district. Housed in one facility, the district maintains separate programs for middle and high school students in need of alternative education. Students can be placed into alternative education in one of four ways:

- By "packet" – these are middle school students placed due to grades, behavior, or personal issues. These students remain in the alternative setting for a semester or a year.
- By "panel" – these middle or high school students are placed because they have violated the Code of Conduct. These students typically remain for at least one report period.

**EXHIBIT 12-1
ORGANIZATIONAL STRUCTURE OF THE DIVISION OF SCHOOL SAFETY
PITTSBURGH SCHOOL DISTRICT
APRIL 2005**



Source: Pittsburgh School District, Division of School Safety, April 2005.

- For “credit recovery” – these high school students are placed because they need to make up credits. There is no minimum stay.
- For “12th Grade Special” – these students have completed their senior year, but lack enough credits to graduate. These students remain as long as they need to complete necessary credits.

The average student enrollment in alternative education is 275 for high school and 125 for middle school. The largest group of students is in the alternative setting for credit recovery.

The Safe Schools Plan in the Pittsburgh School District is the main recipient of the district’s Safe and Drug Free Schools federal funding. The district is working with law enforcement, public safety, and health and mental health agencies to develop a meaningful emergency response/crisis management plan and to provide training for administrators, staff, students, school police and parents. For 2004-05, this grant provided \$344,000, primarily for general supplies.

The Gang Free Schools Project is a grant-supported effort also housed in the Office of Student Services. The project includes community-wide collaboration to implement gang prevention, intervention, and suppression activities based on the Office of Juvenile Justice and Delinquency’s Comprehensive Gang Model. Coordinated by a staff of two, the project had a 2004-05 budget of \$300,000, funded by the US Department of Justice.

MGT conducted a survey of Pittsburgh administrators, principals, teachers as part of this efficiency study. Several items on the surveys related to safety and security. Exhibit 12-2 provides the survey results. At the exhibit shows, among the three employee groups, only principals *agree* or *strongly agree* that Pittsburgh schools are safe and secure from crime, that schools effectively handle misbehavior problems, and that there is administrative support for controlling student behavior. Administrators and teachers generally indicated that Pittsburgh schools were less safe and that the district was less effective in dealing with student behavior. Teachers are almost evenly divided on whether they can overcome education problems due to a student’s home life. All three employee groups *disagree* or *strongly disagree* that parents take responsibility for their children’s behavior in school. Strong majorities of all three groups believe that they would know how to respond appropriately to school emergencies. However, at least one-third of each group, and a majority of teachers, believe that the Pittsburgh safety and security function needs *some* or *major improvement*.

Exhibit 12-3 compares the responses of Pittsburgh administrators (central office and principals) and teachers with those in other districts within the MGT benchmark database. With the statements regarding aspects of safety and security, Pittsburgh administrators generally rated their district more highly than did administrators in other districts. However, when rating the district’s overall safety and security function, a somewhat higher percentage of Pittsburgh administrators believe it needs *some* or *major improvement* in comparison to other district administrators. Pittsburgh teachers generally rated their district lower than did teachers in other districts, with the exception of rating their own level of readiness to respond to emergencies. There, more than three-fourths of Pittsburgh teachers believe they would know how to respond, while only one-third of teachers in other districts believe the same.

**EXHIBIT 12-2
COMPARISON SURVEY RESPONSES
WITHIN THE PITTSBURGH SCHOOL DISTRICT**

SURVEY STATEMENT	(%A + SA) / (%D + SD) ¹		
	ADMINISTRATORS	PRINCIPALS	TEACHERS
Our schools are safe and secure from crime.	48/26	76/10	43/39
Our schools effectively handle misbehavior problems.	31/42	68/15	26/56
There is administrative support for controlling student behavior in our schools.	41/26	85/8	39/43
There is little a teacher can do to overcome education problems due to a student's home life.	29/53	21/51	39/38
In general, parents take responsibility for their children's behavior in our schools.	19/60	22/45	15/66
If there were an emergency in the schools, I would know how to respond appropriately.	80/6	98/1	78/10
	(% Needs Some Improvement + Needs Major Improvement) / (% Adequate + Outstanding)²		
Safety and security	36/56	34/64	54/36

Source: MGT survey of the Pittsburgh School District administrators and teachers, March - April 2005.

¹Percent responding Agree or Strongly Agree/Percent responding Disagree or Strongly Disagree

²Percent responding Needs Some Improvement or Needs Major Improvement / Percent responding Adequate or Outstanding.

**EXHIBIT 12-3
COMPARISON SURVEY RESPONSES
PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS¹ AND
ADMINISTRATORS IN OTHER SCHOOL DISTRICTS**

SURVEY STATEMENT	(% A + SA) / (% D + SD) ²			
	PITTSBURGH SCHOOL DISTRICT ADMINISTRATORS	OTHER SCHOOL DISTRICT ADMINISTRATORS	PITTSBURGH SCHOOL DISTRICT TEACHERS	OTHER SCHOOL DISTRICT TEACHERS
Our schools are safe and secure from crime.	63/18	71/13	43/39	44/35
Our schools effectively handle misbehavior problems.	50/28	68/18	26/56	35/51
There is administrative support for controlling student behavior in our schools.	64/17	83/8	39/43	51/34
There is little a teacher can do to overcome education problems due to a student's home life.	25/52	16/71	39/38	35/47
In general, parents take responsibility for their children's behavior in our schools.	21/52	52/30	15/66	25/56
If there were an emergency in the schools, I would know how to respond appropriately.	89/3	N/A	78/10	33/38
	(% Needs Some Improvement + Needs Major Improvement) / (% Adequate + Outstanding)³			
Safety and security	35/60	30/62	54/36	37/47

Source: MGT survey of the Pittsburgh School District administrators and teachers, March - April 2005; MGT benchmark database, 2005.

¹For comparison purposes, administrators and principals in other school districts were combined in order to benchmark against a similar grouping in the Pittsburgh School District.

²Percent responding Agree or Strongly Agree/Percent responding Disagree or Strongly Disagree.

³Percent responding Needs Some Improvement or Needs Major Improvement / Percent responding Adequate or Outstanding.

12.1 Organization and Management

Proper organization is critical to the success of a department. Organizations need to be arranged to achieve the results they get. Badly organized departments will achieve poor results, often even with superior personnel. Well-organized departments can often achieve extraordinary results even with less-qualified personnel.

FINDING

The Division of School Safety has made significant organizational and management improvements in the past five years.

The Division of School Safety within the Pittsburgh School District was formed in the early 1970s. Since that time, there have only been three chiefs: one who headed the division for approximately six weeks, one who led the department for more than 20 years, and the current one, who has been Chief for eight years.

In May 2000, the Acting Superintendent requested an external review of the division, due to concerns over recent changes resulting from a change in division leadership. The review was completed by a former police officer with experience in reviewing police departments. His study documented many problems within the division, including past issues with patronage, nepotism, sexual harassment, disappearing evidence, unfair allocation of overtime hours, allegations of criminal activity, illegal wire tapping, as well as numerous problems in the use of school police officers for non-essential functions, including providing taxi service for Board members, walking a Board member's dog, and purchasing lunch meat for a Board meeting. Moreover, the report documented frequent incidents of micromanagement by Board of Education members, including division budget cuts without analysis or discussion, circumvention of the department's chain of command, and interference in personnel discipline matters on behalf of certain police officers. Finally, the study referenced another earlier study, which cited many of the same problems found again in 2000. By any measure, the Division of Public Safety described in this study was a department in crisis.

A follow-up study, also requested by district administration, was conducted in September 2000 to review the recommendations of the first study and develop implementation strategies. This study was prepared by a committee of local law enforcement leaders and recommended that the Division of School Safety:

- develop a vision statement;
- establish a clearly defined chain of command;
- establish salary schedules;
- ensure each employee meets minimum qualifications, including psychological tests, physical exams, and background checks;
- establish a training program;
- develop merit-based promotion criteria;

- create a policy/procedure manual;
- improve evidence handling practices;
- arm police officers; and
- eliminate all unrelated functions currently being performed by officers.

Based on document review and focus groups with school security aides, police officers, and commanders; visits to schools to review security operations; and interviews with the Chief of School Safety, MGT found that the division has made significant improvements since 2000. It has:

- developed a vision statement;
- established a chain of command;
- placed aides and officers on salary schedules;
- developed merit-based promotion criteria;
- created a policy/procedure manual; and
- reduced the type and frequency of non-security functions aides and officers are asked to perform.

In the focus groups, aides, officers, and commanders noted that the work environment had improved significantly. All understand their chain of command and feel supported in the work by their supervisors. Officers noted that the division now more proactively patrols and takes more steps to improve the security of students.

The district has begun significant improvements in physical security infrastructure as well. Three years ago, the district began installing video cameras in middle and high schools. Some schools now have as many as 300 cameras, at a cost of as much as \$1 million per school. Some have panning ability, while others are stationary. All feed into a central location where officers, aides, and school staff can monitor them. The systems record all the video and staff can review playbacks as necessary in verifying and dealing with discipline problems. In at least two-thirds of the schools with video cameras, school security aides monitor the cameras throughout the day. In the others, aides monitor them frequently, as they find time in between other duties.

The installation of metal detectors is another recent security measure. The district placed at least one detector in every middle and high school. As with the video cameras, the school security aides are primarily responsible for monitoring students and visitors as they pass through the detectors and for conducting pat downs of those who set off the detector. In reviewing this process at several schools, MGT found the aides actively engaged in this task, frequently with some support from other school staff to speed the process. Monitoring video cameras and metal detectors are relatively new duties for aides and have been added to their responsibilities without removing other responsibilities.

On an anonymous e-mail survey MGT sent to all aides and officers, only 19 out of 46 respondents stated that they have been asked to perform functions outside their job responsibilities in the last three years. While these numbers indicate further improvements are still needed in this area, they do represent a significant improvement over the volume of unrelated duties security personnel were previously asked to perform.

Since 2000, the Chief has proposed several additional changes that would enhance the capabilities, efficiency, and effectiveness of the division. He has proposed alternative organizational structures that would improve the span of control. In addition, he has proposed arming his police officers and budgeting money for training.

COMMENDATION

The Pittsburgh School District Division of School Safety is commended for recent organizational and management improvements.

FINDING

The span of control within the Division of School Safety is too great. Commanders are providing direct supervision to as many as 34 subordinates.

Each commander supervises some police officers and a number of school security aides. The police officers are typically on patrol, while the aides are posted at various middle and high schools. A commander may be responsible for directly supervising personnel in as many as 10 different locations at once. Being spread that thin does not allow commanders to provide adequate mentoring, supervision, or spot corrections.

In the MGT focus groups, police officers and security aides indicated that commanders are completing the required annual Educations. However, these Educations are fairly cursory. Officers, especially, did not feel that these Educations were comprehensive. Given the number of Educations each commander currently must complete each year, it would be difficult to provide truly constructive Educations based on extended observations of job performance.

This issue was raised in the 2000 review, but no action was taken. In 2001, the Chief proposed a new organizational structure that would have reduced the span of control for the commanders by creating sergeant positions. This proposal was voted down by the Board of Education without discussion.

RECOMMENDATION

Recommendation 12-1:

Reduce the span of control within the Division of School Safety.

The district should take steps to ensure its first responders are well-organized and well-supervised. The district leadership may decided to create additional ranks within the Division of School Safety in order to reduce the span of control and provide advancement opportunities.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|--------------|
| 1. The Chief of School Safety should review the current organization and develop two alternative structures to reduce the span of control. | August 2005 |
| 2. The Chief of School Safety should submit both proposals to the Superintendent for review. | October 2005 |
| 3. The Board of Education should review both proposals and select one for implementation in 2006-07. | January 2005 |

FISCAL IMPACT

The exact cost of this recommendation will depend on the final organizational structure selected. It would be possible to reduce span of control without increasing the overall number of personnel in the division by creating new intermediate positions and moving existing staff into those positions. It would also be possible to reduce span of control by adding new intermediate positions and filling those positions with additional personnel.

MGT estimates it will cost the district a minimum of \$100,000 per year to implement this recommendation. One way the district could reduce the current span of control would be to create Police Sergeant positions who would be responsible for supervising a number of security aides. Creating four Police Sergeant positions and promoting four current police officers into those positions would require approximately a 10 percent raise, or a total of \$15,000. Hiring two additional regular police officers to fill some of the duties the promoted officers would have to give up would require approximately \$85,000 in salary and benefits.

MGT stresses that this is one of several possible ways to reduce the current span of control.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Reduce Span of Control Within the Division of School Safety	\$0	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)

FINDING

The Pittsburgh School District does not assign its police officers or school security aides based on need. As a result, officers and aides may not be in the right place at the right time to deter or prevent problems.

School Security Aides in the Division of School Safety are generally assigned to middle and high schools. They are not typically assigned based on incident statistics. School police officers patrol the district, within assigned sectors. Exhibit 12-4 shows the number of 2003-04 calls to the school police office and the current deployment of aides. As the exhibit shows, aides are not assigned on any readily apparent basis that correlates to

**EXHIBIT 12-4
NUMBER OF POLICE CALLS AND ASSIGNMENT OF SCHOOL SECURITY AIDES
PITTSBURGH SCHOOL DISTRICT
2004-05 SCHOOL YEAR
(As of April 2005)**

SCHOOL	LEVEL	STUDENT ENROLLMENT AS OF 10/4/2004	NUMBER OF INCIDENTS LOGGED IN POLICE DATABASE	NUMBER OF SECURITY AIDES ASSIGNED
Arlington	K-8	309	18	0
Carmalt	K-8	626	10	0
Greenfield	K-8	501	6	0
Mifflin	K-8	342	22	0
Morningside	K-8	207	8	0
Sunnyside	K-8	319	9	0
K-8 Total		2,304	73	-
Allegheny	MS	303	25	1
Arsenal	MS	424	103	3
Columbus	MS	369	103	3
Frick	MS	656	14	1
Greenway	MS	369	87	3
Knoxville	MS	325	67	2
Milliones	MS	442	72	3
Pittsburgh Classical	MS	333	NA	0
Prospect	MS	307	35	1
Reizenstein	MS	720	136	4
Rogers CAPA	MS	292	7	0
Rooney	MS	319	26	1
Schiller Classical	MS	333	15	0
South Brook	MS	437	33	0
South Hills	MS	418	15	1
Sterrett	MS	365	4	0
Washington	MS	251	34	0
Middle School Total		6,663	776	23
Allerdice	HS	1,544	63	5
Brashear	HS	1,384	98	4
CAPA	HS	498	10	2
Carrick	HS	1,340	79	5
Langley	HS	753	98	4
Oliver	HS	998	152	6
Peabody	HS	664	136	5
Perry	HS	1,053	73	4
Schenley	HS	1,372	155	5
Westinghouse	HS	614	106	5
High School Total	HS	10,220	970	45

Source: Pittsburgh School District, Division of School Safety database, April 2005.

the number of police calls to a particular school. A high school with only 10 police calls in the entire year has two assigned aides, while a K-8 with 22 calls has no assigned aides.

The district has not assigned aides to any of the elementary schools, even though school police officers were dispatched to three elementary schools more than 25 times each in the 2003-04 school year. In contrast, officers were dispatched to six of the middle schools less than 25 times. Calls from elementary schools to the school police included requests for assistance with assaults, drugs, hit and run accident, thefts, and shots fired.

Members of the community who attended the public forums hosted by MGT noted discrepancies in the way school security aides are assigned. They complained that aides are not assigned to Pittsburgh's K-8 schools but are assigned to middle schools, even though K-8 schools have students of the same age as those in middle schools. As a result in the K-8 schools, community members noted that there have been problems with the older students terrorizing or bullying the younger students. Two different parents at different forum locations gave examples of kindergarten students being terrorized in bathrooms by 8th graders, including one incident involving a knife. While better physical separation of the very young and older students would help, having school safety personnel present would also serve as a deterrent.

The Texas School Performance Review (TSPR), a nationally recognized state agency charged with assisting the more than 1,000 school districts in Texas, compiled its findings on exemplary safety and security practices based on reviews of more than 100 districts. Published in January 2000, *Keeping Texas Children Safe in School*, TSPR noted that safe school districts "have individuals in the right place and at the right time to intervene." Police officers should be deployed based on the needs of the district and provide the maximum amount of coverage possible. TSPR noted that reviewing incident statistics by campus, campus area, time of day and day of week is an appropriate starting point for determining the optimal deployment of a school police department.

RECOMMENDATION

Recommendation 12-2:

Assign Division of School Safety personnel based on need.

Given its limited personnel resources, the division should review all discipline and incidents statistics by school. The division should then assign police officers and school security aides based on demonstrated need, regardless of the level of the school.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-----------|
| 1. The Superintendent should notify schools that school security aides officers and police officers will be allocated on the basis of need and may be moved throughout the year as needs change. | July 2005 |
| 2. The Chief of School Safety should develop an objective method for allocating resources to campuses based on need, that should consider the number of calls the previous year, recent trends in incidents, and severity of incidents. | July 2005 |

3. The Chief of School Safety should begin the allocation of police officers and school security aides to school assignments based on need. August 2005

FISCAL IMPACT

This recommendation can be accomplished with existing resources.

FINDING

The division's sworn police officers are currently classified on the district's paraprofessional pay scale.

In order to be considered for a police officer position with the district, an individual must graduate from an approved police academy. To do that, a prospective officer must successfully complete 22 exams with a minimum score of 75 percent and must pass a final exam administered by Municipal Police Officers' Education and Training Commission. To maintain their certification, sworn officers must complete 16 hours of annual training.

Despite this additional education and training beyond a high school diploma, Pittsburgh School District police are classified on the district's paraprofessional scale. Other positions on the paraprofessional scale include Preschool Assistants, Attendance Assistants, and Health Services Aides.

RECOMMENDATION

Recommendation 12-3:

Reclassify sworn police officers onto the professional scale.

Making this change will reflect the level of professionalism the district requires in its police officers and will likely promote retention. In addition, it will encourage officers to seek additional education.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Superintendent should propose the reclassification of police officers onto the professional scale to the Board of Education. August 2005
2. The Board of Education should approve the reclassification. August 2005
3. The Human Resources Department should implement the new classification. July 2006

FISCAL IMPACT

Based on the current salaries of district police officers, MGT estimates that this recommendation will result in at least a \$2,000 per year salary increase for each officer. As officers attain higher education degrees, they would be eligible for higher pay levels, which will also affect the exact fiscal impact of this recommendation.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Reclassify Police Officers as Professionals	\$0	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)

FINDING

The Pittsburgh School District has budgeted \$450,000 for 2005 for overtime for officers and aides. This overtime is primarily for coverage of evening events.

Exhibit 12-5 shows the overtime expenditures in 2002 and 2003, and the budgeted amounts for 2004 and 2005 as a percentage of the total budget for the division. As the exhibit shows, although overtime as a percentage of the total budget has decreased over the last three years, it is still more than seven percent of the budget for 2005.

**EXHIBIT 12-5
DIVISION OF SCHOOL SAFETY
OVERTIME EXPENDITURES**

CATEGORY	2002	2003	2004	2005
Overtime Expenditures or Budgeted Amounts	\$434,647	\$601,653	\$450,000	\$450,000
Total Division Budget	\$4,324,350	\$6,042,826	\$5,640,907	\$6,281,186
Overtime as Percentage of Total Budget	10.1%	10.0%	8.0%	7.2%

Source: Pittsburgh School District, 2005 General Fund Budget/Capital Projects Budget, Volume I.

Currently, the division does not have an evening shift. For regular duty, officers and aides work varying shifts ranging from 6:30 am – 2:30 pm to 8:30 am – 4:30 pm.

According to department personnel, the division had a second shift, but it was eliminated 10 years ago. Now, in order to provide security for athletic and other evening events, officers and aides are paid overtime. Some officers work as much as 30 hours of overtime in one month.

While it would be unrealistic to attempt to eliminate all overtime, efficient school districts seek to minimize overtime.

RECOMMENDATION

Recommendation 12-4:

Establish an evening shift and reduce overtime.

To implement this recommendation, the division may choose to redeploy some of its current staff to an afternoon/evening shift of 2:00 pm to 10:00 pm, or something similar. It may also choose to hire additional staff to provide the necessary evening coverage.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|-------------|
| 1. The Chief of School Safety should determine an optimal staffing plan to minimize overtime without sacrificing an unacceptable level of daytime coverage. | July 2005 |
| 2. The Chief of School Safety should propose the new staffing plan to the Superintendent. If additional positions are required, the Superintendent should propose them to the Board of Education for approval. | August 2005 |

FISCAL IMPACT

While not all overtime will be eliminated, the district should be able to greatly reduce overtime payments to officers and aides. This reduction may be offset by the hiring of additional staff to provide evening coverage. Currently, the district plans to spend \$450,000 per year on overtime. If the district reduces overtime by 80 percent, it will save \$360,000 in overtime payments.

With the money saved, the district could hire seven police officers ($\$360,000 / \$37,000 \times 1.35$) or nine school security aides ($\$360,000 / (\$27,000 \times 1.35)$). These additional officers and/or aides would form the evening shift and would provide a greater number of hours of work for the money the district is currently spending in overtime payments.

The net savings to the district in this scenario would be \$90,000 per year. However, the district may choose to shift some existing officers to late afternoon or evening shifts and not hire as many new staff. MGT estimates that the district can eliminate at least \$150,000 of its annual overtime expenditures in the Division of School Safety. Estimated savings are prorated for the first year.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Establish Evening Shift and Reduce Overtime	\$125,000	\$150,000	\$150,000	\$150,000	\$150,000

FINDING

The division has essentially no budget for training. As a result, officers and aides believe they are not optimally prepared for situations that could arise in the district.

There is no line item in the division's budget for training expenses or related professional dues or conferences. Exhibit 12-6 shows the expenditures and budgeted items with the Division of School Safety for items that could be related to training. As the exhibit shows, the division spends little on training its officers and aides.

**EXHIBIT 12-6
DIVISION OF SCHOOL SAFETY
TRAINING-RELATED BUDGET ITEMS**

TRAINING-RELATED ITEMS	2002	2003	2004	2005
Printing and Binding	\$0	\$2,511	\$300	\$300
Mileage	\$17	\$152	\$0	\$0
Travel	\$1,938	\$3,492	\$1,000	\$0
Meals/Refreshments	\$1,774	\$607	\$1,750	\$1,750
Books and Periodicals	\$730	\$2,074	\$500	\$500
Total Division Budget	\$4,324,350	\$6,042,826	\$5,640,907	\$6,281,186
Training as Percentage of Total Budget	0.10%	0.15%	0.06%	0.04%

Source: Pittsburgh School District, 2005 General Fund Budget/Capital Projects Budget, Volume I.

In the focus groups and interviews, division staff noted that the Pittsburgh School District has not historically placed any emphasis on training for security personnel. Per Pennsylvania requirements, officers receive a total of 16 hours of update training each year. This training covers general police areas, legal updates, and areas of criminal law. Aides also attend this training. Officers recently also attended separate trainings on cultural sensitivity and JNET software. Beyond this, there has been no external training for officers or aides.

While observing aides at Pittsburgh schools, MGT found that some lacked basic expertise in operating and troubleshooting the metal detectors for which they are responsible. At one school, one of the two metal detectors was thought to need repair, so the aides directed all students through one detector, significantly slowing the influx of students for morning classes. Once the commander arrived, he quickly determined that the two metal detectors were placed too close together to function properly. Moving the second detector six inches further away from the first fixed the problem. If the division held regular training sessions, the aide would likely have been able to diagnose and fix the problem himself.

Currently, the district does not offer tuition reimbursement programs to encourage officers and aides to pursue greater education.

This lack of emphasis on training was also noted in the June 2000 review of the division. That study documented a long history of little or no training within the division and recommended significant improvements in funding for officer and guard training.

Effective organizations invest in training for its personnel. Regular training ensures that required skills remain fresh, that officers and aides are familiar with developments in school safety and security, and that personnel have the opportunity to develop new skills. Investments in training result in a more prepared staff and generally contributes to increased retention.

In other districts, school police officers routinely attend training related to dealing with juveniles, developing security threat site assessments, and coping with school-based crises. The National School Safety Center, created by Presidential designation, released a document in 1999 entitled, *Working Together to Create Safe Schools*. This document

outlines numerous strategies for improving school safety and states that regular in-service training is an essential part of a safe schools plan.

RECOMMENDATION

Recommendation 12-5:

Provide regular training for police officers and school security aides.

Regular training, cross-training, and external training should not be viewed as a desirable accessory, but as a necessity in developing and maintaining a superior safety and security division.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|----------------|
| 1. The Chief of School Safety should develop a list, schedule, and budget for regular internal and external training of officers and aides on a variety of topics pertinent to school safety and security. | July 2005 |
| 2. The Superintendent should approve the budget amendment to support training for officers and aides. | September 2005 |

FISCAL IMPACT

At a minimum, the Division of School Safety should spend an additional \$10,000 per year in needed training. Wherever possible, the Chief of School Safety should seek free or low-cost training opportunities. However, even free training will often require travel and per diem expenses.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Provide Regular Training for Officers and Aides	(\$10,000)	(\$10,000)	(\$10,000)	(\$10,000)	(\$10,000)

FINDING

To date, the Division of School Safety has not pursued and received grant funding to enhance its effectiveness without placing additional burdens on the district's General Fund.

The Division of School Safety is not currently supported by any grant funding. In comparison, many school districts, especially urban districts, pursue grant funds to supplement their safety and security resources.

The June 2000 review of the division also addressed this issue. That review found that the district had, to that point, done little to pursue grant funding for equipment, training, and specialized personnel to enhance the readiness capability of the Division of School Safety. The 2000 review noted that the Chief had identified grant sources for some items, but was told not to pursue them by district administration.

There are numerous sources of grant funding available. At the federal level, the US Department of Education administers the Safe and Drug Free Schools and Communities program, which provides funding to district recipients for items such as:

- hiring and mandatory training, based on scientific research, of school security personnel, including school resource officers, who interact with students in support of youth drug and violence prevention activities that are implemented in the school;
- community-wide planning and organizing activities to reduce violence and illegal drug use, which may include gang activity prevention; and
- acquiring and installing metal detectors, electronic locks, surveillance cameras, or other related equipment and technologies.

At the local level, there are often agencies and organizations interested in supporting school safety and security. The Chief of School Safety noted in an interview with MGT that, over the years, local organizations have approached him with offers of assistance, including support for police vehicles and related technology. However, to date, the district has not pursued these low-cost opportunities for additional support.

In order to be most effective, school police operations require equipment, training, and, sometimes, specialized personnel. There is a national interest in developing safe and secure schools, and many organizations are willing to provide resources to school safety programs, ranging from the federal government to local police departments. Because the head of the security function typically has the best understanding of the security needs of his district, he is typically responsible for pursuing grant funds, subject to oversight from district personnel to ensure grant compliance.

RECOMMENDATION

Recommendation 12-6:

Pursue grant funds to support the Division of School Safety.

In addition to outright grants, the Pittsburgh School District should pursue greater cooperative opportunities with other local law enforcement agencies in the region.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|--------------|
| 1. The Chief of School Safety should identify grant or cooperative opportunities to support departmental effectiveness. | January 2006 |
| 2. The Chief of School Safety should pursue identified grant and cooperative opportunities for use in the 2006-07 school year. | May 2006 |

FISCAL IMPACT

This recommendation can be implemented with existing resources. Given the variety of grants available from numerous sources, it is not possible to give an exact total. Given the grant funding MGT has observed in other districts for safety and security needs, it is not unreasonable to estimate that the district could secure a minimum \$50,000 annually in a combination of grant and cooperative funds for use within the Division of School Safety.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Secure Grant or Cooperative Funding for Safety and Security Functions	\$0	\$50,000	\$50,000	\$50,000	\$50,000

FINDING

The district's Safe Schools Department, Office of Safe and Drug Free Schools, and Division of School Safety do not have a historically close working relationship in matters of crisis planning, prevention, response, and preparedness. Moreover, unlike other school districts, the Division of School Safety is not receiving any portion of Title IV grant funds to support its efforts.

The district's Safe Schools Department, within the Division of Student Services, is responsible for a number of planning and prevention activities. It is the recipient of the district's federal Safe Schools Grant. This department is the primary coordinator for the district's Safe Schools Plan. The plan was originally created in 1985 and had been updated frequently. Most recently, the department developed and finalized a standardized emergency flipchart that will be distributed to all schools. The flipchart was approved by the Board of Education in March 2005 and provides clear, succinct directions on responding to a variety of school emergencies. Providing a common flipchart to all schools will help assure a correct and rapid response and is a commendable activity. Another initiative within the department is the regular review and revision of the district's *Student Code of Conduct*, for which the director coordinates a committee process. Finally, the department is working with local emergency agencies, such as the Red Cross and city emergency services, to provide emergency response training and emergency supplies.

However, it was apparent in interviews and in various documents which MGT reviewed that the efforts of the Safe Schools Department and the Division of School Safety are at best loosely coordinated. The Chief of School Safety is listed as serving on a few committees coordinated by the Safe Schools Department, but he indicated that his involvement is more to provide review than to participate in active planning and development.

Another department within the Pittsburgh School District involved in safety and security functions is the Office of Safe and Drug Free Schools. That office is also within the Division of Student Services and is supported by Title IV federal grant funds.

Within the US Department of Education, the Office of Safe and Drug-Free Schools (OSDFS) administers, coordinates, and recommends policy for improving quality and excellence of programs and activities that are designed to provide financial assistance for drug and violence prevention activities and activities that promote the health and well being of students in elementary and secondary schools, and institutions of higher education. Supported activities may be carried out by state and local educational agencies and by other public and private nonprofit organizations. In some school districts, a portion of those funds are used for prevention education programs, such as tobacco awareness, while another portion directly supports prevention, detection, and intervention activities, such as drug-sniffing dogs and the personnel to manage them.

RECOMMENDATION

Recommendation 12-7:

Increase coordination among the Department of Safe Schools, Office of Safe and Drug Free Schools, and the Division of School Safety and shift grant funds.

All three departments should work closely together. Moreover, the grant funding from the Safe Schools Initiative and Title IV should support many necessary improvements in the Division of School Safety.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Superintendent should direct the Chief of School Safety and Executive Director of the Division of Student Services to develop a plan for greater coordination of efforts. July 2005
2. The Superintendent should redirect the allocation of a portion of current Safe Schools grant funding to support Division of School Safety. August 2005

FISCAL IMPACT

The fiscal impact of this recommendation represents a shift of a portion of grant funds from the current Safe Schools Department to the Division of School Safety. Such a shift will support the implementation of recommendations made elsewhere in this chapter. The district's current grant funding for safe schools initiatives is approximately \$343,000. It would be reasonable to expect a shifting of nearly one-third of this funding to support initiatives within the Division of Safety and Security, as is done in many other school districts. There is no fiscal impact for this recommendation as it represents a shift in funds.

12.2 Planning, Policies, and Procedures

FINDING

The policies and procedures manuals used by the Division of School Safety is not up-to-date. Moreover, officers and aides within the division are currently asked to perform tasks outside their primary safety and security roles.

The current Procedures Manual for the Division of School Safety includes a mission statement and contains 53 directives covering a wide range of topics, from uniform appearance to use of handcuffs to effective student supervision.

However, this manual was last updated January 2002 and contains directives that are out-of-date, such as the use of pepper spray, which is currently not allowed. Moreover, this manual does not appear to meet the standards of any police professional organization.

As noted in the 2000 review of the division and in MGT's focus groups and e-mail surveys, officers and aides are being asked to perform functions outside their primary responsibility of safeguarding students and staff. In the past, officers have been asked to provide transportation for Board members, walk dogs, and purchase a particular kind of lunch meat. More recently, officers are required to deliver Board mail while in uniform and transport Board members. Sometimes, aides are being asked to supervise classrooms because a substitute is not available. Such activities reduce time that officers and aides can spend on their core duties.

RECOMMENDATION

Recommendation 12-8:

Update the Division of School Safety Policies and Procedures Manual.

This manual should be reviewed and updated to the standards of an outside professional organization, such as the International Association of Chiefs of Police. Moreover, the manual should include a definitive statement as to what duties are outside the bounds for officers and aides.

IMPLEMENTATION STRATEGIES AND TIMELINE

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| 1. The Chief of School Safety should appoint a team of officers and aides to review and update the policies and procedures manual. | July 2005 |
| 2. The Appointed Team should develop the manual in accordance with the standards of a recognized professional police organization. | May 2006 |
| 3. The Chief should provide the revised manual to the Superintendent for review and approval. | June 2006 |

4. The Superintendent should issue a memo detailing the primary job functions of officers and aides.

July 2006

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Personnel from the Division of School Safety are not routinely included on campus-based planning teams that consider safety and security issues, despite being the district experts in this area.

The district's Safe Schools Department has developed and distributed a Safe Schools Plan, which includes guidelines for conducting a safe schools building audit. The plan describes the ideal school building audit team as including:

- the custodian;
- school administrator;
- teacher;
- social worker or counselor;
- student; and
- parent.

The plan then provides the audit team with a detailed checklist of items to review at the school, such as:

- whether shrubs are trimmed to allow for good lines of sight on the school grounds;
- whether visual surveillance of parking lots from main offices is possible;
- whether high-risk areas are protected by high security locks;
- whether there is two-way communication between the office and duty stations;
- whether access to electrical panels is restricted;
- whether the security alarm system is tested regularly;
- how staff communicates during emergencies;
- whether there is a control system to monitor keys and duplicates;
- whether the school has implemented pro-active security measures on campus, at school-sponsored activities, and on all school property; and

- whether a visitor policy is in effect, requiring a sign-in procedure for all visitors, including visible identification.

On the anonymous MGT e-mail survey of officers and guards, only four of the 46 respondents indicated that they had served on any kind of campus-based management team. Of these, some worked on school safety plans with assistant principals; others participated as requested in safe school committee meetings or in committees formed in support of the district's Gang-Free Schools initiative. The large majority, however, did not participate in any campus-based management teams to improve the safety and security of schools.

RECOMMENDATION

Recommendation 12-9:

Include security personnel on campus management teams.

Effective safety and security planning requires the input of experts in the field. It is clear from MGT's analysis that this is not taking place in the Pittsburgh School District.

IMPLEMENTATION STRATEGIES AND TIMELINE

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| 1. The Executive Director of Student Services should direct a revision of the Safe Schools Plan to include school-based safety and security personnel on school audit teams. | July 2005 |
| 2. The Chief of School Safety should work with principals to make police officers and security aides available to support school-level safety and security efforts. | July 2005 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

12.3 Security and Student Discipline

Effective student discipline includes policies, procedures, and programs developed and managed by the school district. School districts create a foundation for student discipline through the adoption of a student code of conduct.

FINDING

The Pittsburgh School District lacks student identification badges, does not enforce display of employee badges, and has poor systems in place for visitor badges. As a result, it is difficult for school police officers and campus staff to identify who legitimately belongs on campus and who does not.

In visits to more than a dozen Pittsburgh schools and several district support facilities, MGT found that most schools maintained only one point of entry once the school day

started. At some schools, even the one point of entry was locked from the outside and required someone from the front office to provide access. However, MGT consultants were able to stand by locked doors, wait for someone to leave and then grab the door before it closed behind them and thus enter without authorization. At other schools, the doors closest to the parking lots were propped open with books, allowing anyone to enter without authorization. Once at the front office of the school, MGT observed a lack of enforcement for posted visitor rules. Some MGT consultants were not asked to sign in as a visitor. None were asked for identification. Others were not given visitor badges. In some cases, stacks of visitor badges were readily accessible and MGT was able to obtain several at a time without being observed.

At the central office, visitor security is particularly lax. During the day, there are several access points to the central office and, at some locations, there is not a receptionist present. MGT consultants entered without signing in or showing identification, even when a receptionist was present. MGT observed other visitors also entering without following any sign in procedures. MGT consultants were free to wander halls without displaying their temporary district badges and were not challenged. In focus groups, employees in the central office noted that office theft is a concern and several stated that personal belongings had been stolen.

As noted in numerous national publications on school safety, safe school districts require visitors to sign in and wear badges. They instruct their teachers and staff to stop anyone on the campus without a badge and direct them to the main office. School districts functioning at a best practice level in this area request valid identification from all visitors, scan that identification, compare it to a database of known offenders, and then print a customized picture id sticker badge for approved visitors—with some computerized systems; this process takes less than 30 seconds.

The Pittsburgh School District does not currently have a student identification badge system in place. The district is testing at least one badge system in one or two schools. District staff reports that there have been problems with these test badges, especially that the quality of materials is poor. On some, the ink has worn off in just a few months, while others have actually broken.

Many school districts around the country have implemented photo-identification badge systems for students. Often these badges serve multiple purposes. The badges have a barcode connected to a student account, so they automate food purchases and speed time through the cafeteria lines and are used to check out materials from media centers. The badges are often color-coded by campus, so that not only can a security aide identify whether an individual is a student, but also whether the individual belongs on a particular campus during school hours. The badges are often used in discipline procedures. At large schools, where it is difficult for a teacher to know every student, a teacher will pull the badges of any students involved in a discipline situation. That way, students are identified and must go to the front office to retrieve their badges before they are admitted to campus. Schools also typically pull the badges of students who are suspended, alerting campus staff that those students should not be on campus.

Finally, MGT observed the uneven use of employee badges while on-site. Not all employees wore them while on campus or in central offices, making it difficult for security personnel and other employees to identify who does not belong and should be questioned. The district also appears to have few controls on who is issued an employee

badge. All MGT consultants were issued photo employee badges for the on-site review without providing any valid identification. The district did not request the return of these badges at the end of the week.

In school districts with effective employee badge systems, particularly large school districts, employees are issued photo badges that they are required to wear prominently while on district grounds. Substitute teachers receive numbered badges that are issued the morning of a day they substitute teach and which they must return at the end of the day. Employees who leave the district or are terminated are required to return their badge before their final paycheck is issued.

RECOMMENDATION

Recommendation 12-10:

Establish districtwide badge systems to promote greater security.

For students, the district needs an initial badge system. For employees and visitors, the district needs better policies and procedures on badges.

All middle and high school students should have identification badges. Because student badges can be used for purposes beyond school security, their implementation should be a joint effort with departments such as Food Services and Media Services.

District employees already have badges and should be required to wear them consistently and prominently. Visitors to the district should follow established procedures that include signing in, presenting proper identification and justification for their visit, and wearing a badge that is not easily duplicated. At the central office in particular, the district should limit access to one door, and tighten visitor scrutiny.

IMPLEMENTATION STRATEGIES AND TIMELINE

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| 1. The Superintendent should appoint the Chief of School Safety, the Director of Food Services, and the Director of Media Services to lead the initial implementation of a districtwide badge system for middle and high school students. | July 2005 |
| 2. The Chief of School Safety should develop and disseminate visitor policies for schools and principals should enforce these policies. | July 2005 |
| 3. The Chief of School Safety should review visitor policies and procedures at the central office and recommend improvements. | July 2005 |
| 4. The Superintendent should direct implementation of enhanced visitor policies to the central office. | August 2005 |

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| 5. The Selection Team should research available badge systems and recommend which commercially available system is best for district students. | September 2005 |
| 6. The district should purchase the selected system. | October 2005 |
| 7. The Chief of School Safety should provide training for all middle and high school security aides, who will be responsible for operating the badge system and providing students with badges. | November 2005 |
| 8. The Chief of School Safety should recommend a policy and procedures for replacing lost student badges. | November 2005 |
| 9. The Superintendent should approve the lost badge policy and disseminate it to all principals. | December 2005 |
| 10. The High School Security Aides should issue student badges for all high school students upon return from the winter break, followed by badges for all middle school students. | January 2006 |
| 11. The Director of Food Services and Director of Media Services should work with the appropriate staff in technology to enable student badges to be used for cafeteria purchases and checking out materials from media centers. | March 2006 |
| 12. The Chief of School Safety should issue new student badges to middle and high school students that are fully functional for security purposes, cafeteria purchases, and media center checkout. | September 2006 |

FISCAL IMPACT

The cost of a student badge system will depend on the particular system chosen. The district should issue initial student badges for free at the beginning of each school year and charge students a nominal fee for replacing lost badges. MGT assumes that the district will need one badging system per high school, including camera, printer, and computer. Each high school system could then be moved around to each middle school to issue badges at the beginning of each year and then returned to the high school, where the incidence of lost badges is likely to be the highest. MGT estimates that each initial system will cost \$10,000. Annual consumable supplies and system maintenance will likely cost \$2,000 per system. For 10 high schools, this will result in an initial cost of \$100,000 and annual maintenance costs of \$20,000.

Recommendation	2005-06	2006-07	2007-08	2008-09	2009-10
Implement Districtwide Identification Badges	(\$100,000)	(\$20,000)	(\$20,000)	(\$20,000)	(\$20,000)

FINDING

The Code Student of Conduct is neither clearly stated nor consistently enforced. Consequences for misbehavior are not clearly detailed, leaving students and parents confused. Principals are left with too much discretion.

The Pittsburgh School District publishes both a paper and on-line version of its Code of Student Conduct. The Code was last revised in June 2003 and district staff did not believe a revision was necessary for 2004-05. The paper version of the code is a 20-page booklet that includes:

- introduction;
- definitions and general regulations;
- rights and responsibilities;
- attendance standards and procedures; and
- general information.

The philosophy of the district on student behavior is outlined in the introduction, which notes:

The responsibility is to create and maintain a safe school environment rests with the principal in collaboration with staff, students, parents, and the school community. Effective schools have established practices and routines that teach and reinforce appropriate school and classroom behavior.

This philosophy is then consistently reflected in the rest of the Code, which outlines only generally the district's expectations for behavior and the possible consequences a principal may select. So, while the Code notes that a student may not assault a school employee or engage in academic dishonesty, it does not list required minimum consequences for these violations.

The Code notes that, in enforcing discipline, a principal may give a student:

- in-school suspension
- short-term suspension;
- expulsion;
- transfer; or
- alternative education placement.

The Code does not provide the principal, students, or parents with guidelines for which offenses might warrant which discipline measures. Moreover, nowhere does the Code mention parent conferences as a first step in effective discipline. The only student act for which the Code provides a specific consequence is possessing, handling, or transmitting a weapon while on school property. For that offense, the Code notes that students are to be expelled for a period of not less than one year, but even that may be mitigated if the Superintendent chooses to.

Among the peers school districts identified for this study, the Milwaukee, Rochester City, Buffalo, and Kansas City School Districts all include descriptions of the kinds of potential consequences for various discipline infractions. Exhibit 12-7 shows the chart included in the Milwaukee Public Schools Code of Conduct, which clearly outlines required minimum and maximum punishments for various offenses.

**EXHIBIT 12-7
MILWAUKEE PUBLIC SCHOOLS
CONDUCT AND DISCIPLINE CHART
2004-05 SCHOOL YEAR**

CODE OF SCHOOL/CLASSROOM CONDUCT AND DISCIPLINE CHART				
	Examples of Conduct that Violate Expectations or Code of Conduct	Definition	ACTION LEVELS	
			Minimum infraction	Maximum serious/repeated
Attendance/Punctuality	Tardiness	Failure to be in place of instruction at the assigned time without a valid excuse	1	1
	Truancy	Failure to report to school or class without prior permission, knowledge, or excuse by school/parent	1	1
Learning Environment	Inappropriate dress	Dressing or grooming in a manner that disrupts the teaching and learning of others	1	1
	Chronic lack of supplies	Repeatedly reporting to class lacking necessary materials such as books, physical education attire, industrial education class supplies, etc.	1	1
	Inappropriate personal property	Possession of personal property prohibited by school rules and otherwise disruptive to the teaching and learning of others such as food, beverages, laser pointers, and electronic equipment	1	3
	Leaving the classroom without permission	Leaving the classroom learning environment without permission from staff members in charge	1	2
	Refusal to work or follow instructions	Failing to comply with proper and authorized directions or instructions of a staff member	1	2
	Repeated classroom disruption	Confronting staff argumentatively, throwing objects, refusing to follow directions, or making loud noises	1	4
	Chronic disruption or violation of school rules	Behavior that disrupts the educational process of others by involvement in misconduct that recurs on a regular basis over a period of time	2	4
	Gang activity	Disruption and intimidation caused by gang symbols on materials, jewelry, or clothing Gang posturing which provokes an altercation Involvement in a gang fight – exchange of blows	3 2 2	3 4 4
Physical Safety/Mental Well-being (non-criminal acts)	Verbal abuse, profanity	Use of language, either written or spoken, or conduct or gestures, which are obscene, lewd, profane, vulgar, or sexually suggestive	1	4
	Verbal abuse, harassment	Disturbing by pestering, tormenting, or threatening	1	4
	Sexual harassment	Unwelcome sexual advances, request for sexual favors, sexually motivated physical contact, or other verbal conduct or communication of a sexual nature	1	4
	Personal threat	Indirect (through another party), verbal, or written statement of intent to do bodily harm directed towards others	1	3

Action Level Key	① Conference/Intervention	③ Referral to Division of Student Services
	② Suspension	④ Expulsion Recommendation

Source: Milwaukee Public Schools Web site, April 2005.

Given the lack of clear guidelines in the Pittsburgh Code, it is not surprising to find numerous examples of inconsistent enforcement. In an MGT focus group, school security aides provided numerous examples where the current code of conduct is not being enforced, including:

- students with cell phones out of their lockers, in some cases contributing to increased safety concerns, such as when there is a fight somewhere in the school and students use them to phone other students in the school, creating a volatile crowd situation;
- students using cell phones to call other students to let them into side doors of a school, circumventing security measures;
- principals enforcing the Code of Conduct selectively, depending on whether the principal likes the student or not;
- schools not enforcing dress codes; and
- principals bending the rules on suspensions in order to maintain acceptable attendance levels.

These comments were confirmed in a separate MGT focus group with school police officers.

Several community members who participated in the public forums hosted by MGT also noted that the district does not enforce its own discipline policies. One parent of a magnet school student stated that, despite a magnet school policy to remove students with repeated discipline problems, problem students are not being removed from the program. One teacher at the school, who had a problem student in her class, resorted to asking parents to come to observe and then write letters to Board members, because the discipline policy was not being enforced at the school level. The parent indicated that, as a result of the lack of discipline, parents are pulling their students from the magnet school to attend schools outside the Pittsburgh School District.

Parents and community members at MGT's public forums provided numerous written comments on safety and security in the Pittsburgh schools related to enforcement of the Code of Conduct and even of the law. Some of the comments included:¹

- *Magnet schools need to have uniform standards (i.e., entrance requirements, probation warnings and removal of non-performing students).*
- *There needs to be more consistency in school dress, discipline, etc., and all principals should enforce uniformly. Wouldn't this allow more time for teaching? And less time babysitting?*
- *Why are cell phones and CD players not allowed in some schools and are allowed in others?*
- *Why do some schools strictly enforce the clothing issues and others allow "anything goes?"*

- *If there were uniformly enforced consequences in all schools, maybe we would all feel more secure.*
- *Consequences should be determined districtwide and enforced. Parents should be accountable for their children, so teachers can teach.*

¹Comments paraphrased for brevity, grammar, and to remove identifying details.

- *Our son has been threatened with knives with one student throwing desks, shoving kids down stairs. Why are there no consequences for the kids doing it?*
- *Too much bullying at our elementary school goes unnoticed or ignored by principal and staff.*
- *Our son's bus experience is like "Lord of the flies on wheels"- loud, unruly, out of control (kids and bus driver!). He walks close to three miles rather than ride because it's so negative.*

Exhibit 12-8 lists the student enrollment of each elementary school and the number of misconduct violations that resulted in suspensions in the 2003-04 school year. As the exhibit shows, elementary schools ranged from six to more than 1,000 misconduct offenses in one year. While it is typical to have some variation in the number of misconduct offenses reported by schools, this wide variation does raise questions as to whether some principals are not reporting violations or are not consistently enforcing district discipline policies.

Further review of the elementary school statistics reveals that, in many schools, a small percentage of the student body commits the majority of the reported offenses. Exhibit 12-9 lists the enrollment, number of offenses, and number of unique students involved in those offenses for a sample of the elementary schools. As the exhibit shows, offenses are generally committed by approximately 15 percent of the student population and that subpopulation is generally suspended three times in a school year. However, there are some large variations among the elementary schools. At Fort Pitt Elementary, there were over 1,000 suspensions in 2003-04, while only one percent was suspended in Concord and Dilworth Elementary Schools. These data show again that the consistent application of discipline is suspect and that effective discipline of a small portion of the student body could reduce misconduct in the district significantly.

To be effective, all portions of a Student Code of Conduct must be enforced consistently. When one portion, such as the dress code, is not enforced it undermines the entire discipline process and promotes the idea that other rules will likewise not be enforced. Likewise, when one school enforces discipline more rigidly (or perhaps reports discipline more rigorously), public perception of the district's management of student behavior suffers.

As noted in numerous national publications, effective discipline begins with a Student Code of Conduct that sets the standard and is very clear. An effective Code of Conduct will separate the minor from the major infractions and the non-violent from the violent. All infractions should have appropriate consequences. Parents and students alike should be

**EXHIBIT 12-8
NUMBER OF MISCONDUCT
OFFENSES IN ELEMENTARY SCHOOLS
PITTSBURGH SCHOOL DISTRICT
2003-04 SCHOOL YEAR**

ELEMENTARY SCHOOL	STUDENT ENROLLMENT AS OF 10/4/2004	NUMBER OF MISCONDUCT SUSPENSIONS 2003-04	MISCONDUCT INCIDENTS PER STUDENT
Allegheny	415	179	0.43
Banksville	208	83	0.40
Beechwood	272	27	0.10
Bon Air	88	15	0.17
Brookline	372	141	0.38
Chatham	178	31	0.17
Clayton	200	35	0.18
Colfax	326	139	0.43
Concord	296	17	0.06
Crescent	268	184	0.69
Dilworth	317	6	0.02
East Hills	288	24	0.08
Fort Pitt	280	1,023	3.65
Friendship	243	47	0.19
Fulton	247	44	0.18
Homewood	431	6	0.01
Knoxville	312	319	1.02
Lemington	217	349	1.61
Liberty	207	110	0.53
Lincoln	256	21	0.08
Linden	397	65	0.16
M.L. King	267	254	0.95
Madison	173	122	0.71
Manchester	281	78	0.28
Mann	241	52	0.22
McCleary	142	52	0.37
Miller	261	61	0.23
Minadeo	430	23	0.05
Morrow	301	12	0.04
Murray	290	34	0.12
Northview	291	389	1.34
Phillips	303	102	0.34
Prospect	307	370	1.21
Roosevelt	313	128	0.41
Schaeffer	187	20	0.11
Sheraden	204	39	0.19
Spring Hill	282	15	0.05
Stevens	312	142	0.46
Vann	206	134	0.65
Weil	257	222	0.86
West Liberty	274	12	0.04
Westwood	342	38	0.11
Whittier	162	18	0.11
Woolslair	343	19	0.06
Elementary Total	12,295	5,201	0.42

Source: Pittsburgh School District, Office of Information and Technology, April 2005.

**EXHIBIT 12-9
NUMBER OF OFFENDERS IN A SAMPLE OF ELEMENTARY SCHOOLS
PITTSBURGH SCHOOL DISTRICT
2003-04 SCHOOL YEAR**

SELECTED ELEMENTARY SCHOOL	2002-03 STUDENT ENROLLMENT	NUMBER OF MISCONDUCT SUSPENSIONS	NUMBER OF UNIQUE STUDENTS DISCIPLINED	NUMBER OF SUSPENSIONS PER UNIQUE STUDENT	PERCENTAGE OF STUDENT BODY SUSPENDED
Allegheny	392	179	59	3.03	15%
Banksville	234	83	28	2.96	12%
Brookline	410	141	54	2.61	13%
Clayton	234	35	15	2.33	6%
Concord	305	17	4	4.25	1%
Crescent	258	184	73	2.52	28%
Dilworth	325	6	3	2.00	1%
Fort Pitt	341	1,023	158	6.47	46%
Knoxville	270	319	69	4.62	26%
Lemington	260	349	104	3.36	40%
Liberty	437	110	49	2.24	11%
Lincoln	304	21	7	3.00	2%
Linden	406	65	41	1.59	10%
M.L. King	255	254	56	4.54	22%
Madison	189	122	55	2.22	29%
Manchester	341	78	38	2.05	11%
Morrow	306	12	12	1.00	4%
Northview	311	389	78	4.99	25%
Phillips	295	102	30	3.40	10%
Schaeffer	175	20	10	2.00	6%
Spring Hill	266	15	7	2.14	3%
Weil	281	222	73	3.04	26%
West Liberty	249	12	6	2.00	2%

Source: Pittsburgh School District, Office of Information and Technology, April 2005.

able to review the Code and understand the exact possible consequences for every type of misconduct. Finally, in the most effective school districts, there are no double standards—all students follow the same rules, without exception.

RECOMMENDATION

Recommendation 12-11:

Provide additional training to principals on discipline management.

The Pittsburgh School District should revise its Code of Conduct to be clearer in the permissible consequences for student misconduct. Pittsburgh schools should enforce the Code of Conduct without exception. Only in such an environment will the district make significant improvements in discipline. The district should provide additional

training in interpretation of the Student Code of Conduct, increase support of school administrators in enforcing the Code of Conduct, and provide the board with monthly reports on the outcomes of conduct and criminal violations.

To reinforce the importance of consistent discipline implementation throughout the district, the Pittsburgh School District should provide the Board of Education with a quarterly report that summarizes conduct and criminal violations and the outcome. For comparisons purposes, the report should be organized by school. At the end of each school year, the Board of Education should also review an annual summary.

IMPLEMENTATION STRATEGIES AND TIMELINE

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| 1. The Director of Support Services and the Chief of School Safety should lead a review and revision of the Student Code of Conduct. | July 2005 |
| 2. The Director of Support Services should provide training in the revised Code to all principals. | August 2005 |
| 3. The Chief of School Safety and Chief Academic Officer should develop monthly and quarterly reports on conduct and criminal violations and outcomes. This report should be organized by school and summarize the outcomes of violations. | October 2005 |
| 4. The Chief Academic Officer should begin reviewing the monthly reports by school and review any concerns with principals. | November 2005 |
| 5. The Superintendent should begin providing the quarterly reports to the Board of Education for review and comment. | January 2006 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

**13.0 SUMMARY OF POTENTIAL
COSTS AND SAVINGS**

13.0 SUMMARY OF POTENTIAL COSTS AND SAVINGS

Based on the analyses of data obtained from interviews, surveys, community input, state and local documents, and first-hand observations in the Pittsburgh School District, the MGT team developed over 120 recommendations in this report. Forty-four (44) recommendations have fiscal implications and are summarized in this chapter. **It is important to keep in mind that the identified savings and costs are incremental and cumulative.**

As shown below in Exhibit 13-1 and in detail in Exhibit 13-2 full implementation of the recommendations in this report would generate a gross savings of \$86.5 million over five years and a total net savings of about \$84.3 million when one-time savings are added. It is important to note that costs and savings presented in this report are in 2004-05 dollars and do not reflect increases due to salary or inflation adjustments.

Exhibit 13-1 below shows the total costs and savings.

EXHIBIT 13-1 SUMMARY OF ANNUAL COSTS AND SAVINGS

CATEGORY	YEARS					TOTAL FIVE-YEAR (COSTS) OR SAVINGS
	2005-06	2006-07	2007-08	2008-09	2009-10	
TOTAL SAVINGS	\$3,957,180	\$8,597,426	\$24,662,366	\$24,662,366	\$24,662,366	\$86,541,704
TOTAL (COSTS)	(\$89,870)	(\$574,925)	(\$574,925)	(\$574,925)	(\$574,925)	(\$2,389,570)
TOTAL NET SAVINGS	\$3,867,310	\$8,022,501	\$24,087,441	\$24,087,441	\$24,087,441	\$84,152,134
ONE-TIME SAVINGS						\$136,500
TOTAL FIVE-YEAR NET SAVINGS INCLUDING ONE-TIME SAVINGS						\$84,288,634

Exhibit 13-2 provides a chapter by chapter summary for all costs and savings.

It is important to keep in mind that only recommendations with fiscal impact are identified in this chapter. Many additional recommendations to improve the efficiency and effectiveness of the Pittsburgh School District are contained in Chapters 4 through 12.

Implementation strategies, timelines, and fiscal impacts follow each recommendation in this report. The implementation section associated with each recommendation identifies specific actions to be taken. Some recommendations should be implemented immediately, some over the next year or two, and others over several years.

MGT recommends that the Pittsburgh Board of Education gives each of these recommendations serious consideration, develop a plan to proceed with implementation, and a system to monitor subsequent progress.

**EXHIBIT 13-2
CHAPTER-BY-CHAPTER SUMMARY OF COSTS/COST AND SAVINGS**

CHAPTER REFERENCE		ANNUAL (COSTS) OR SAVINGS/REVENUE					TOTAL FIVE YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
		2005-06	2006-07	2007-08	2008-09	2009-010		
CHAPTER 4: DISTRICT ADMINISTRATION								
4-2	Discontinue Use of Outsourced Board Minutes (p. 4-6)	\$34,800	\$34,800	\$34,800	\$34,800	\$34,800	\$174,000	
4-3	Provide Training to Board of Education (p. 4-10)	\$0	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$24,000)	
4-5	Revise Policy Manual (p. 4-18)	\$0	\$0	\$0	\$0	\$0	\$0	(\$9,500)
4-6	Purchase Policy Updating Service (p. 4-19)	\$0	(\$900)	(\$900)	(\$900)	(\$900)	(\$3,600)	
4-9	Eliminate the Internal Solicitor and Hire a Chief Information Officer (p.4-32)	\$0	\$12,827	\$12,827	\$12,827	\$12,827	\$51,308	
4-12	Eliminate 21 Assistant Principal Positions (p.4-45)	\$0	\$1,228,000	\$2,456,000	\$2,456,000	\$2,456,000	\$8,596,000	
4-15	Outsource General Counsel Responsibilities (p.4-56)	\$47,822	\$47,822	\$47,822	\$47,822	\$47,822	\$239,110	
CHAPTER 4 SUBTOTAL (COSTS)/SAVINGS		\$82,622	\$1,316,549	\$2,544,549	\$2,544,549	\$2,544,549	\$9,032,818	(\$9,500)
CHAPTER 6: FINANCIAL MANAGEMENT								
6-2	Apply for a Certificate of Excellence in Financial Reporting (p. 6-13)	(\$825)	(\$825)	(\$825)	(\$825)	(\$825)	(\$4,125)	
6-3	Redesign Format for Monthly and Quarterly Reporting (p. 6-18)	\$0	\$0	\$0	\$0	\$0	\$0	(\$24,000)
6-4	Rescind or Amend Sections 21-2121 Through 21-2131 of the School Code (p.6-24)	\$0	\$931,140	\$931,140	\$931,140	\$931,140	\$3,724,560	
6-5	Create an Internal Auditor's Office (p. 6-25)	\$0	(\$229,023)	(\$229,023)	(\$229,023)	(\$229,023)	(\$916,092)	
6-6	Reduce One Position in Fixed Assets (p. 6-27)	\$0	\$47,329	\$47,329	\$47,329	\$47,329	\$189,316	
6-14	Reduce Two Positions in Budget Office (p.6-60)	\$0	\$0	\$159,040	\$159,040	\$159,040	\$477,120	
CHAPTER 6 SUBTOTAL (COSTS)/SAVINGS		(\$825)	\$748,621	\$907,661	\$907,661	\$907,661	\$3,470,779	(\$24,000)
CHAPTER 7: PURCHASING, WAREHOUSING, AND CONTRACT MANAGEMENT								
7-6	Eliminate One Expeditor Position (p. 7-16)	\$0	\$49,413	\$49,413	\$49,413	\$49,413	\$197,652	
7-12	Eliminate the Account Clerk Position (p. 7-27)	\$21,944	\$43,887	\$43,887	\$43,887	\$43,887	\$197,492	
7-13	Liquidate Surplus Personal Computers (p.7-28)	\$0	\$0	\$0	\$0	\$0	\$0	\$270,000
7-16	Eliminate an Auto Mechanic I Position (p.7-32)	\$14,331	\$57,325	\$57,325	\$57,325	\$57,325	\$243,631	
7-18	Reclassify the AV Repairman to a Repairman Coordinator (p. 7-35)	(\$2,413)	(\$4,826)	(\$4,826)	(\$4,826)	(\$4,826)	(\$21,717)	
CHAPTER 7 SUBTOTAL (COSTS)/SAVINGS		\$33,862	\$145,799	\$145,799	\$145,799	\$145,799	\$617,058	\$270,000

**EXHIBIT 13-2 (Continued)
CHAPTER-BY-CHAPTER SUMMARY OF COSTS/COST AND SAVINGS**

CHAPTER REFERENCE		ANNUAL (COSTS) OR SAVINGS/REVENUE					TOTAL FIVE YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
		2005-06	2006-07	2007-08	2008-09	2009-010		
CHAPTER 8: FACILITY USE AND MANAGEMENT								
8-2	Close Schools and Eliminate Excess Capacity (p. 8-15)	\$0	\$0	\$13,520,000	\$13,520,000	\$13,520,000	\$40,560,000	
8-4	Contract With Value Engineers (p. 8-20)	\$1,170,000	\$1,170,000	\$1,170,000	\$1,170,000	\$1,170,000	\$5,850,000	
8-5	Reduce Change Order Rate (8-23)	\$780,000	\$1,560,000	\$1,560,000	\$1,560,000	\$1,560,000	\$7,020,000	
8-6	Reduce Maintenance Budget (p. 8-28)	\$0	\$0	\$1,100,000	\$1,100,000	\$1,100,000	\$3,300,000	
8-9	Reduce Cleaning Supply Budget (p. 8-38)	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000	
CHAPTER 8 SUBTOTAL (COSTS)/SAVINGS		\$2,050,000	\$2,830,000	\$17,450,000	\$17,450,000	\$17,450,000	\$57,230,000	\$0
CHAPTER 9: TRANSPORTATION								
9-1	Hire Transportation Assistant (p.9-12)	(\$30,157)	(\$46,876)	(\$46,876)	(\$46,876)	(\$46,876)	(\$217,661)	
9-2	Shift Non-Public High School Students to PAT (p.9-14)	\$170,495	\$170,495	\$170,495	\$170,495	\$170,495	\$852,475	
9-4	Implement New Bell Schedule and Reduce Need of 38 Buses (p.9-18)	\$0	\$1,451,600	\$1,451,600	\$1,451,600	\$1,451,600	\$5,806,400	
CHAPTER 9 SUBTOTAL (COSTS)/SAVINGS		\$140,338	\$1,575,219	\$1,575,219	\$1,575,219	\$1,575,219	\$6,441,214	\$0
CHAPTER 10: TECHNOLOGY MANAGEMENT								
10-2	Consolidate Technology Positions (p. 10-13)	\$279,409	\$279,409	\$279,409	\$279,409	\$279,409	\$1,397,045	
10-3	Delete Two Call Center Specialists (p. 10-17)	\$78,716	\$78,716	\$78,716	\$78,716	\$78,716	\$393,580	
10-5	Develop and Implement a Disaster Recovery Plan (p. 10-22)	\$0	(\$60,000)	(\$60,000)	(\$60,000)	(\$60,000)	(\$240,000)	
CHAPTER 10 SUBTOTAL (COSTS)/SAVINGS		\$358,125	\$298,125	\$298,125	\$298,125	\$298,125	\$1,550,625	\$0
CHAPTER 11: FOOD SERVICES								
11-1	Hire Recruiting and Meal Application Coordinator and Pay for Background Checks and Physicals (p. 11-11)	(\$46,475)	(\$46,475)	(\$46,475)	(\$46,475)	(\$46,475)	(\$232,375)	
11-2	Eliminate Competitive Food Sales in Machines and Student Stores (p. 11-14)	\$448,200	\$448,200	\$448,200	\$448,200	\$448,200	\$2,241,000	
11-3	Implement New Lunchroom Staffing Formula and Eliminate Playground Duty for Elementary Lunch Aides (p. 11-16)	\$338,184	\$338,184	\$338,184	\$338,184	\$338,184	\$1,690,920	
11-4	Use Food Services Department for Catering Board Meetings (p. 11-18)	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$12,000	

**EXHIBIT 13-2 (Continued)
CHAPTER-BY-CHAPTER SUMMARY OF COSTS/COST AND SAVINGS**

CHAPTER REFERENCE		ANNUAL (COSTS) OR SAVINGS/REVENUE					TOTAL FIVE YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
		2005-06	2006-07	2007-08	2008-09	2009-010		
11-5	Seek Bids from Food Services Department (p. 11-20)	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$16,000	
11-6	Increase Student Lunch Prices (p. 11-25)	\$300,409	\$300,409	\$300,409	\$300,409	\$300,409	\$1,502,045	
11-7	Eliminate One Elementary Delivery Route (p. 11-26)	\$0	\$0	\$57,900	\$57,900	\$57,900	\$173,700	
11-8	Collect Unpaid Student Debts (p. 11-28)	\$9,960	\$9,960	\$9,960	\$9,960	\$9,960	\$49,800	
11-9	Implement Student Cards and Accounts for Food Purchase (p. 11-31)	\$32,310	\$32,310	\$32,310	\$32,310	\$32,310	\$161,550	
CHAPTER 11 SUBTOTAL (COSTS)/SAVINGS		\$1,088,188	\$1,088,188	\$1,146,088	\$1,146,088	\$1,146,088	\$5,614,640	\$0
CHAPTER 12: SAFETY AND SECURITY								
12-1	Reduce Span of Control Within the Division of School Safety (p. 12-8)	\$0	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$400,000)	
12-3	Reclassify Police Officers as Professionals (p. 12-12)	\$0	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)	(\$200,000)	
12-4	Establish Evening Shift and Reduce Overtime (p. 12-13)	\$125,000	\$150,000	\$150,000	\$150,000	\$150,000	\$725,000	
12-5	Provide Regular Training for Officers and Aides (p. 12-15)	(\$10,000)	(\$10,000)	(\$10,000)	(\$10,000)	(\$10,000)	(\$50,000)	
12-6	Secure Grant of Cooperative Funding for Safety and Security Functions p. 12-17)	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$200,000	
12-10	Implement Districtwide Identification Badges (p. 12-24)	\$0	(\$20,000)	(\$20,000)	(\$20,000)	(\$20,000)	(\$80,000)	(\$100,000)
CHAPTER 12 SUBTOTAL (COSTS)/SAVINGS		\$115,000	\$20,000	\$20,000	\$20,000	\$20,000	\$195,000	(\$100,000)
TOTAL SAVINGS		\$3,957,180	\$8,597,426	\$24,662,366	\$24,662,366	\$24,662,366	\$86,541,704	\$270,000
TOTAL (COSTS)		(\$89,870)	(\$574,925)	(\$574,925)	(\$574,925)	(\$574,925)	(\$2,389,570)	(\$133,500)
TOTAL NET SAVINGS		\$3,867,310	\$8,022,501	\$24,087,441	\$24,087,441	\$24,087,441	\$84,152,134	\$136,500
TOTAL FIVE-YEAR NET SAVINGS INCLUDING ONE-TIME SAVINGS							\$84,288,634	

APPENDIX:
SURVEY RESULTS

EFFICIENCY REVIEW OF THE PITTSBURGH SCHOOL DISTRICT

CENTRAL OFFICE ADMINISTRATOR SURVEY (Response Rate = 77%)

PART A:

1. I think the overall quality of public education in The Pittsburgh School District is:

Excellent	6%
Good	48
Fair	34
Poor	6
Don't Know	6

2. I think the overall quality of education in The Pittsburgh School District is:

Improving	42%
Staying the Same	28
Getting Worse	20
Don't Know	11

Students are often given the grades A, B, C, D and F to denote the quality of their work. Suppose teachers and administrators were graded the same way.

3. In general, what grade would you give the teachers in The Pittsburgh School District?

A	11%
B	55
C	18
D	2
F	3
Don't Know	11

4. In general, what grade would you give the school administrators in The Pittsburgh School District?

A	11%
B	48
C	22
D	6
F	5
Don't Know	9

5. In general, what grade would you give the central office administrators in The Pittsburgh School District?

A	8%
B	46
C	25
D	5
F	11
Don't Know	6

6a. How long have you been in your current position in The Pittsburgh School District?

1-5 years	49%
6-10 years	18
11-20 years	20
21 years or over	12

7. How long have you worked in The Pittsburgh School District?

1-5 years	23%
6-10 years	12
11-20 years	25
21 years or over	40

6b. How long have you been in a similar position in The Pittsburgh School District?

1-5 years	37%
6-10 years	23
11-20 years	23
21 years or over	17

PART B:

STATEMENTS ON SURVEY INSTRUMENT	CATEGORY (SEE LEGEND)*					
	SA (%)	A (%)	N (%)	D (%)	SD (%)	DK (%)
1. The emphasis on learning in The Pittsburgh School District has increased in recent years.	25	42	12	9	5	8
2. Our schools are safe and secure from crime.	14	34	20	20	6	6
3. Our schools effectively handle misbehavior problems.	5	26	18	25	17	9
4. Our schools have sufficient space and facilities to support the instructional programs.	31	38	9	9	5	8
5. Our schools have the materials and supplies necessary for instruction in basic skills programs such as writing and mathematics.	23	38	12	12	5	9
6. Our schools can be described as "good places to learn."	11	52	15	15	3	3
7. There is administrative support for controlling student behavior in our schools.	12	29	23	11	15	9
8. Most students in our schools are motivated to learn.	5	31	23	26	6	9
9. Lessons are organized to meet students' needs.	8	42	15	11	6	18
10. The curriculum is broad and challenging for most students.	15	38	11	15	3	17
11. There is little a teacher can do to overcome education problems due to a student's home life.	14	15	12	35	18	5
12. Teachers in our schools know the material they teach.	11	54	12	6	5	12
13. Teachers in our schools care about students' needs.	22	43	15	11	3	6
14. Teachers expect students to do their very best.	14	48	20	8	5	6
15. Principals and assistant principals in our schools care about students' needs.	25	49	14	6	3	3
16. In general, parents take responsibility for their children's behavior in our schools.	5	14	17	34	26	5
17. Parents in this school district are satisfied with the education their children are receiving.	2	26	34	14	8	17
18. Most parents seem to know what goes on in our schools.	2	17	18	32	20	11
19. Parents play an active role in decision-making in our schools.	5	20	18	31	20	6
20. This community really cares about its children's education.	9	34	22	15	14	6
21. Funds are managed wisely to support education in The Pittsburgh School District.	15	26	15	12	22	9
22. Sufficient student services are provided in The Pittsburgh School District (e.g., counseling, speech therapy, health).	25	45	6	11	8	6
23. School-based personnel play an important role in making decisions that affect schools in The Pittsburgh School District.	18	25	22	17	11	8
24. Students are often late arriving to and/or departing from school because the buses do not arrive to school on time.	3	6	17	23	28	23
25. The food services department provides nutritious and appealing meals and snacks.	11	31	23	9	12	14

Legend:

*SA = Strongly Agree, A = Agree, N = Neither Agree/Disagree, D = Disagree, SD = Strongly Disagree, DK = Don't Know

PART C:

STATEMENTS ON SURVEY INSTRUMENT	CATEGORY (see legend)				
	E (%)	G (%)	F (%)	P (%)	DK (%)
1. Board of Education members' knowledge of the educational needs of students in The Pittsburgh School District.	5	18	31	35	11
2. Board of Education members' knowledge of operations in The Pittsburgh School District.	3	28	34	29	6
3. Board of Education members' work at setting or revising policies for The Pittsburgh School District.	3	15	35	32	14
4. The School District Superintendent's work as the educational leader of The Pittsburgh School District.	17	25	26	15	17
5. The School District Superintendent's work as the chief administrator (manager) of The Pittsburgh School District.	17	31	17	20	15
6. Principals' work as the instructional leaders of their schools.	18	42	26	8	6
7. Principals' work as the managers of the staff and teachers.	18	48	20	8	6
8. Teachers' work in meeting students' individual learning needs.	11	46	28	5	11
9. Teachers' work in communicating with parents.	5	35	31	14	15
10. Teachers' attitudes about their jobs.	3	34	42	12	9
11. Students' ability to learn.	12	42	31	8	8
12. The amount of time students spend on task learning in the classroom.	2	37	35	8	18
13. Parents' efforts in helping their children to do better in school.	0	11	42	38	9
14. Parents' participation in school activities and organizations.	0	12	26	54	8
15. How well students' test results are explained to parents.	5	34	31	12	18
16. The cleanliness and maintenance of facilities in The Pittsburgh School District.	29	42	22	5	3
17. How well relations are maintained with various groups in the community.	8	32	37	12	11
18. Staff development opportunities provided by The Pittsburgh School District for teachers.	23	34	28	9	6
19. Staff development opportunities provided by The Pittsburgh School District for school administrators.	18	35	22	9	15
20. The school district's job of providing adequate instructional technology.	32	34	12	14	8
21. The school district's use of technology for administrative purposes.	32	34	22	8	5

Legend:

*E = Excellent, G = Good, F = Fair, P = Poor, DK = Don't Know

PART D: Work Environment

STATEMENT	SA (%)	A (%)	N (%)	D (%)	SD (%)	DK (%)
1. I find The Pittsburgh School District to be an exciting, challenging place to work.	29	43	9	9	9	0
2. The work standards and expectations in The Pittsburgh School District are equal to or above those of most other school districts.	23	38	11	14	6	8
3. The Pittsburgh School District officials enforce high work standards.	20	42	9	20	9	0
4. Most The Pittsburgh School District teachers enforce high student learning standards.	9	45	15	14	6	11
5. The Pittsburgh School District teachers and administrators have excellent working relationships.	8	37	20	22	6	8
6. <u>Teachers</u> who do not meet expected work standards are disciplined.	3	17	25	25	17	14
7. <u>Staff</u> who do not meet expected work standards are disciplined.	3	22	26	23	15	11
8. I feel that I have the authority to adequately perform my job responsibilities.	37	34	8	14	8	0
9. I have adequate facilities in which to conduct my work.	34	45	12	6	3	0
10. I have adequate equipment and computer support to conduct my work.	42	43	6	5	5	0
11. The workloads are equitably distributed among teachers and among staff members.	9	23	18	14	17	18
12. No one knows or cares about the amount or quality of work that I perform.	8	8	22	34	28	2
13. Workload is evenly distributed.	5	22	25	15	26	8
14. If there were an emergency in the schools, I would know how to respond appropriately.	31	49	9	3	3	5
15. I often observe other teachers and/or staff socializing rather than working while on the job.	6	15	12	34	23	9

Legend:

*SA = Strongly Agree, A = Agree, N = Neither Agree/Disagree, D = Disagree, SD = Strongly Disagree, DK = Don't Know

PART E: Job Satisfaction

STATEMENT	SA (%)	A (%)	N (%)	D (%)	SD (%)	DK (%)
1. I am very satisfied with my job in The Pittsburgh School District.	40	31	9	14	6	0
2. I plan to continue my career in The Pittsburgh School District.	46	29	12	5	8	0
3. I am actively looking for a job outside of The Pittsburgh School District.	6	9	17	22	46	0
4. Salary levels in The Pittsburgh School District are competitive.	20	42	6	14	18	0
5. I feel that my work is appreciated by my supervisor(s).	35	42	11	3	9	0
6. I feel that I am an integral part of The Pittsburgh School District team.	38	31	18	5	8	0
7. I feel that there is no future for me in The Pittsburgh School District.	8	6	14	15	55	2
8. My salary level is adequate for my level of work and experience.	15	38	11	15	20	0

Legend:

*SA = Strongly Agree A = Agree, N = Neither Agree/Disagree, D = Disagree, SD = Strongly Disagree, DK = Don't Know

PART F: Administrative Structure and Practices

STATEMENT	SA (%)	A (%)	N (%)	D (%)	SD (%)	DK (%)
1. Most administrative practices in The Pittsburgh School District are highly effective and efficient.	11	28	23	18	14	6
2. Administrative decisions are made promptly and decisively.	8	26	18	28	15	5
3. The Pittsburgh School District administrators are easily accessible and open to input.	5	40	15	14	18	8
4. Authority for administrative decisions is delegated to the lowest possible level.	3	17	23	26	15	15
5. Teachers and staff are empowered with sufficient authority to effectively perform their responsibilities.	6	43	12	25	8	6
6. Major bottlenecks exist in many administrative processes which cause unnecessary time delays.	22	28	28	8	8	8
7. The extensive committee structure in The Pittsburgh School District ensures adequate input from teachers and staff on most important decisions.	8	23	26	22	11	11
8. The Pittsburgh School District has too many committees.	11	23	25	18	8	15
9. The Pittsburgh School District has too many layers of administrators.	12	23	20	26	12	6
10. Most of The Pittsburgh School District administrative processes (e.g., purchasing, travel requests, leave applications, personnel, etc.) are highly efficient and responsive.	8	34	12	15	20	11
11. Central office administrators are responsive to school needs.	14	40	23	6	9	8
12. Central office administrators provide quality service to schools.	14	42	22	5	9	9

Legend:

*SA = Strongly Agree, A = Agree, N = Neither Agree/Disagree, D = Disagree, SD = Strongly Disagree, DK = Don't Know

PART G: The Pittsburgh School District Operations

School District Program/Function	Should Be Eliminated	Needs Major Improvement	Needs Some Improvement	Adequate	Outstanding	Don't Know
a. Budgeting	2	23	28	20	17	11
b. Strategic planning	3	18	35	20	8	15
c. Curriculum planning	0	17	25	20	14	25
d. Financial management and accounting	0	11	18	29	23	18
e. Community relations	0	29	23	28	5	15
f. Program evaluation, research, and assessment	2	35	22	23	5	14
g. Instructional technology	0	18	20	31	22	9
h. Pupil accounting	0	20	23	25	11	22
i. Instructional coordination/supervision	0	14	23	37	12	14
j. Instructional support	0	14	20	35	17	14
k. Federal Programs (e.g., Title I, Special Education) coordination	3	11	20	38	5	23
l. Personnel recruitment	3	46	22	8	2	20
m. Personnel selection	3	51	18	11	3	14
n. Personnel evaluation	2	40	22	26	2	9
o. Staff development	2	29	22	31	11	6
p. Data processing	2	17	22	28	15	17
q. Purchasing	0	18	20	38	9	14
r. Safety and security	0	11	25	34	22	9
s. Plant maintenance	0	5	23	35	25	12
t. Facilities planning	0	14	22	29	14	22
u. Transportation	0	5	18	34	23	20
v. Food service	0	6	22	35	17	20
w. Custodial services	2	0	26	38	26	8
x. Risk management	0	9	14	32	3	42
y. Administrative technology	0	8	23	40	22	8
z. Grants administration	2	6	20	32	14	26

PART H: General Questions

1. The overall operation of The Pittsburgh School District is:

Highly efficient	3%
Above average in efficiency	29
Average in efficiency	40
Less efficient than most other school districts	23
Don't know	5

2. The operational efficiency of The Pittsburgh School District could be improved by:

Outsourcing some support services	17%
Offering more programs	14
Offering fewer programs	28
Increasing the number of administrators	19
Reducing the number of administrators	29
Increasing the number of teachers	43
Reducing the number of teachers	6
Increasing the number of support staff	51
Reducing the number of support staff	11
Increasing the number of facilities	9
Reducing the number of facilities	59
Rezoning schools	52
Other	22

EFFICIENCY REVIEW OF THE PITTSBURGH SCHOOL DISTRICT

PRINCIPAL SURVEY (Response Rate = 83%)

PART A:

1. I think the overall quality of public education in The Pittsburgh School District is:

Excellent	20%
Good	56
Fair	21
Poor	3
Don't Know	0

2. I think the overall quality of education in The Pittsburgh School District is:

Improving	63%
Staying the Same	25
Getting Worse	11
Don't Know	0

Students are often given the grades A, B, C, D and F to denote the quality of their work. Suppose teachers and administrators were graded the same way.

3. In general, what grade would you give the teachers in The Pittsburgh School District?

A	20%
B	46
C	28
D	1
F	0
Don't Know	4

4. In general, what grade would you give the school administrators in The Pittsburgh School District?

A	37%
B	45
C	15
D	0
F	0
Don't Know	3

5. In general, what grade would you give the central office administrators in The Pittsburgh School District?

A	11%
B	44
C	23
D	13
F	6
Don't Know	4

6a. How long have you been in your current position in The Pittsburgh School District?

1-5 years	54%
6-10 years	27
11-20 years	8
21 years or over	11

7. How long have you worked in The Pittsburgh School District?

1-5 years	4%
6-10 years	10
11-20 years	24
21 years or over	62

6b. How long have you been in a similar position in The Pittsburgh School District?

1-5 years	38%
6-10 years	35
11-20 years	15
21 years or over	11

PART B:

STATEMENTS ON SURVEY INSTRUMENT	CATEGORY (SEE LEGEND)*					
	SA (%)	A (%)	N (%)	D (%)	SD (%)	DK (%)
1. The emphasis on learning in The Pittsburgh School District has increased in recent years.	58	28	7	6	1	0
2. Our schools are safe and secure from crime.	7	69	14	6	4	0
3. Our schools effectively handle misbehavior problems.	13	55	15	14	1	1
4. Our schools have sufficient space and facilities to support the instructional programs.	17	44	4	25	8	1
5. Our schools have the materials and supplies necessary for instruction in basic skills programs such as writing and mathematics.	39	42	3	11	3	1
6. Our schools can be described as "good places to learn."	23	58	11	8	0	0
7. There is administrative support for controlling student behavior in our schools.	27	58	7	4	4	0
8. Most students in our schools are motivated to learn.	7	45	24	15	7	1
9. Lessons are organized to meet students' needs.	13	61	14	8	4	0
10. The curriculum is broad and challenging for most students.	17	61	14	7	1	0
11. There is little a teacher can do to overcome education problems due to a student's home life.	10	11	24	27	24	4
12. Teachers in our schools know the material they teach.	11	62	18	7	1	0
13. Teachers in our schools care about students' needs.	14	66	11	7	1	0
14. Teachers expect students to do their very best.	15	59	18	6	1	0
15. Principals and assistant principals in our schools care about students' needs.	45	49	4	0	1	0
16. In general, parents take responsibility for their children's behavior in our schools.	1	21	31	24	21	1
17. Parents in this school district are satisfied with the education their children are receiving.	3	49	27	17	1	3
18. Most parents seem to know what goes on in our schools.	3	25	34	23	13	3
19. Parents play an active role in decision-making in our schools.	4	21	39	25	8	1
20. This community really cares about its children's education.	6	41	20	20	10	4
21. Funds are managed wisely to support education in The Pittsburgh School District.	10	41	18	15	10	6
22. Sufficient student services are provided in The Pittsburgh School District (e.g., counseling, speech therapy, health).	21	32	10	21	13	3
23. School-based personnel play an important role in making decisions that affect schools in The Pittsburgh School District.	17	38	15	18	10	1
24. Students are often late arriving to and/or departing from school because the buses do not arrive to school on time.	4	17	14	27	30	8
25. The food services department provides nutritious and appealing meals and snacks.	7	35	14	21	20	3

Legend:

*SA = Strongly Agree, A = Agree, N = Neither Agree/Disagree, D = Disagree, SD = Strongly Disagree, DK = Don't Know

PART C:

STATEMENTS ON SURVEY INSTRUMENT	CATEGORY (see legend)				
	E (%)	G (%)	F (%)	P (%)	DK (%)
1. Board of Education members' knowledge of the educational needs of students in The Pittsburgh School District.	4	20	28	39	8
2. Board of Education members' knowledge of operations in The Pittsburgh School District.	7	28	45	13	7
3. Board of Education members' work at setting or revising policies for The Pittsburgh School District.	3	25	38	30	4
4. The School District Superintendent's work as the educational leader of The Pittsburgh School District.	23	37	18	15	7
5. The School District Superintendent's work as the chief administrator (manager) of The Pittsburgh School District.	21	39	21	13	6
6. Principals' work as the instructional leaders of their schools.	35	45	14	6	0
7. Principals' work as the managers of the staff and teachers.	42	45	10	3	0
8. Teachers' work in meeting students' individual learning needs.	13	52	28	7	0
9. Teachers' work in communicating with parents.	7	37	42	14	0
10. Teachers' attitudes about their jobs.	4	54	31	11	0
11. Students' ability to learn.	10	61	24	6	0
12. The amount of time students spend on task learning in the classroom.	7	55	31	7	0
13. Parents' efforts in helping their children to do better in school.	1	7	51	37	4
14. Parents' participation in school activities and organizations.	1	10	44	44	1
15. How well students' test results are explained to parents.	4	38	45	11	1
16. The cleanliness and maintenance of facilities in The Pittsburgh School District.	11	58	23	8	0
17. How well relations are maintained with various groups in the community.	6	38	45	8	3
18. Staff development opportunities provided by The Pittsburgh School District for teachers.	17	39	17	25	1
19. Staff development opportunities provided by The Pittsburgh School District for school administrators.	13	39	24	24	0
20. The school district's job of providing adequate instructional technology.	34	30	30	7	0
21. The school district's use of technology for administrative purposes.	30	41	24	6	0

Legend:

*E = Excellent, G = Good, F = Fair, P = Poor, DK = Don't Know

PART D: Work Environment

STATEMENT	SA (%)	A (%)	N (%)	D (%)	SD (%)	DK (%)
1. I find The Pittsburgh School District to be an exciting, challenging place to work.	38	37	14	7	4	0
2. The work standards and expectations in The Pittsburgh School District are equal to or above those of most other school districts.	32	46	11	4	3	3
3. The Pittsburgh School District officials enforce high work standards.	30	41	17	8	4	0
4. Most The Pittsburgh School District teachers enforce high student learning standards.	18	49	14	17	1	0
5. The Pittsburgh School District teachers and administrators have excellent working relationships.	13	55	25	4	3	0
6. <u>Teachers</u> who do not meet expected work standards are disciplined.	3	41	21	21	11	3
7. <u>Staff</u> who do not meet expected work standards are disciplined.	3	42	21	21	10	3
8. I feel that I have the authority to adequately perform my job responsibilities.	32	39	14	10	4	0
9. I have adequate facilities in which to conduct my work.	28	49	8	11	3	0
10. I have adequate equipment and computer support to conduct my work.	39	46	6	7	1	0
11. The workloads are equitably distributed among teachers and among staff members.	11	41	20	23	6	0
12. No one knows or cares about the amount or quality of work that I perform.	13	21	8	34	21	3
13. Workload is evenly distributed.	6	30	25	23	14	3
14. If there were an emergency in the schools, I would know how to respond appropriately.	46	52	0	1	0	0
15. I often observe other teachers and/or staff socializing rather than working while on the job.	6	4	10	39	38	3

Legend:

*SA = Strongly Agree, A = Agree, N = Neither Agree/Disagree, D = Disagree, SD = Strongly Disagree, DK = Don't Know

PART E: Job Satisfaction

STATEMENT	SA (%)	A (%)	N (%)	D (%)	SD (%)	DK (%)
1. I am very satisfied with my job in The Pittsburgh School District.	35	39	14	8	3	0
2. I plan to continue my career in The Pittsburgh School District.	42	34	10	7	3	4
3. I am actively looking for a job outside of The Pittsburgh School District.	7	6	18	28	41	0
4. Salary levels in The Pittsburgh School District are competitive.	32	46	4	13	3	1
5. I feel that my work is appreciated by my supervisor(s).	27	34	14	11	14	0
6. I feel that I am an integral part of The Pittsburgh School District team.	23	38	24	8	6	1
7. I feel that there is no future for me in The Pittsburgh School District.	6	4	14	27	45	4
8. My salary level is adequate for my level of work and experience.	25	34	10	20	11	0

Legend:

*SA = Strongly Agree A = Agree, N = Neither Agree/Disagree, D = Disagree, SD = Strongly Disagree, DK = Don't Know

PART F: Administrative Structure and Practices

STATEMENT	SA (%)	A (%)	N (%)	D (%)	SD (%)	DK (%)
1. Most administrative practices in The Pittsburgh School District are highly effective and efficient.	15	45	14	18	7	0
2. Administrative decisions are made promptly and decisively.	10	45	15	21	7	1
3. The Pittsburgh School District administrators are easily accessible and open to input.	23	35	15	18	8	0
4. Authority for administrative decisions is delegated to the lowest possible level.	3	20	25	31	14	7
5. Teachers and staff are empowered with sufficient authority to effectively perform their responsibilities.	15	56	11	13	4	0
6. Major bottlenecks exist in many administrative processes which cause unnecessary time delays.	10	34	24	23	8	1
7. The extensive committee structure in The Pittsburgh School District ensures adequate input from teachers and staff on most important decisions.	6	32	18	28	14	1
8. The Pittsburgh School District has too many committees.	6	23	32	23	7	10
9. The Pittsburgh School District has too many layers of administrators.	13	25	27	24	10	1
10. Most of The Pittsburgh School District administrative processes (e.g., purchasing, travel requests, leave applications, personnel, etc.) are highly efficient and responsive.	11	34	20	15	18	1
11. Central office administrators are responsive to school needs.	10	45	17	13	14	1
12. Central office administrators provide quality service to schools.	10	41	21	13	14	1

Legend:

*SA = Strongly Agree, A = Agree, N = Neither Agree/Disagree, D = Disagree, SD = Strongly Disagree, DK = Don't Know

PART G: The Pittsburgh School District Operations

School District Program/Function	Should Be Eliminated	Needs Major Improvement	Needs Some Improvement	Adequate	Outstanding	Don't Know
a. Budgeting	0	14	24	32	28	1
b. Strategic planning	4	20	27	31	15	3
c. Curriculum planning	0	31	25	28	14	1
d. Financial management and accounting	0	11	21	34	30	4
e. Community relations	1	17	25	37	15	4
f. Program evaluation, research, and assessment	1	37	31	17	11	3
g. Instructional technology	1	15	34	21	27	1
h. Pupil accounting	0	10	25	39	14	11
i. Instructional coordination/supervision	1	27	32	27	11	1
j. Instructional support	1	27	37	23	11	1
k. Federal Programs (e.g., Title I, Special Education) coordination	1	13	25	41	15	4
l. Personnel recruitment	0	54	18	18	4	6
m. Personnel selection	0	51	21	20	6	3
n. Personnel evaluation	0	34	31	27	6	3
o. Staff development	0	42	23	25	8	1
p. Data processing	0	13	35	27	15	10
q. Purchasing	0	17	37	25	14	7
r. Safety and security	1	11	23	51	13	1
s. Plant maintenance	3	10	28	35	18	6
t. Facilities planning	1	17	25	35	11	10
u. Transportation	0	4	21	58	13	4
v. Food service	1	27	20	38	13	1
w. Custodial services	1	11	24	46	15	1
x. Risk management	0	10	23	28	11	28
y. Administrative technology	0	7	37	28	23	6
z. Grants administration	0	18	18	34	13	17

PART H: General Questions

1. The overall operation of The Pittsburgh School District is:

Highly efficient	3%
Above average in efficiency	47
Average in efficiency	38
Less efficient than most other school districts	11
Don't know	1

2. The operational efficiency of The Pittsburgh School District could be improved by:

Outsourcing some support services	20%
Offering more programs	27
Offering fewer programs	17
Increasing the number of administrators	24
Reducing the number of administrators	17
Increasing the number of teachers	68
Reducing the number of teachers	1
Increasing the number of support staff	68
Reducing the number of support staff	9
Increasing the number of facilities	10
Reducing the number of facilities	49
Rezoning schools	49
Other	13

EFFICIENCY REVIEW OF THE PITTSBURGH SCHOOL DISTRICT

TEACHER SURVEY RESULTS (Response Rate = 41%)

PART A:

1. I think the overall quality of public education in The Pittsburgh School District is:

Excellent	11%
Good	55
Fair	29
Poor	5
Don't Know	1

2. I think the overall quality of education in The Pittsburgh School District is:

Improving	50%
Staying the Same	28
Getting Worse	20
Don't Know	3

Students are often given the grades A, B, C, D and F to denote the quality of their work. Suppose teachers and administrators were graded the same way.

3. In general, what grade would you give the teachers in The Pittsburgh School District?

A	31%
B	51
C	13
D	0
F	0
Don't Know	4

4. In general, what grade would you give the school administrators in The Pittsburgh School District?

A	11%
B	34
C	32
D	14
F	6
Don't Know	4

5. In general, what grade would you give the central office administrators in The Pittsburgh School District?

A	4%
B	18
C	36
D	22
F	13
Don't Know	8

6. In what type of school do you teach this year?

Elementary School	51%
Junior High/Middle School	18
High School	25
Other	6

7. What grade or grades are you teaching this year?

Pre-K	4%	7	16%
K	18	8	16
1	21	9	20
2	21	10	21
3	22	11	21
4	22	12	20
5	23	Adult	1
6	15		

8. How long have you taught in The Pittsburgh School District?

1-5 years	24%
6-10	20
11-20	27
21 years or over	28

PART B:

STATEMENTS ON SURVEY INSTRUMENT	CATEGORY (SEE LEGEND)*					
	SA (%)	A (%)	N (%)	D (%)	SD (%)	DK (%)
1. The emphasis on learning in The Pittsburgh School District has increased in recent years.	27	45	10	10	4	3
2. Our schools are safe and secure from crime.	6	37	18	30	9	1
3. Our schools effectively handle misbehavior problems.	3	23	17	31	25	1
4. Our schools have sufficient space and facilities to support the instructional programs.	9	36	12	29	14	1
5. Our schools have the materials and supplies necessary for instruction in basic skills programs such as writing and mathematics.	13	45	10	20	9	3
6. Our schools can be described as "good places to learn."	10	54	19	14	4	1
7. There is administrative support for controlling student behavior in our schools.	6	33	16	24	19	1
8. Most students in our schools are motivated to learn.	4	35	18	29	13	1
9. Lessons are organized to meet students' needs.	19	60	12	7	1	1
10. The curriculum is broad and challenging for most students.	16	60	12	8	3	1
11. There is little a teacher can do to overcome education problems due to a student's home life.	14	25	21	30	8	1
12. Teachers in our schools know the material they teach.	32	57	8	3	0	1
13. Teachers in our schools care about students' needs.	39	50	8	2	1	1
14. Teachers expect students to do their very best.	39	48	9	3	0	0
15. Principals and assistant principals in our schools care about students' needs.	24	53	13	5	3	1
16. In general, parents take responsibility for their children's behavior in our schools.	1	14	17	35	31	2
17. Parents in this school district are satisfied with the education their children are receiving.	3	39	29	12	3	13
18. Most parents seem to know what goes on in our schools.	2	22	21	34	18	4
19. Parents play an active role in decision-making in our schools.	4	18	23	31	19	5
20. This community really cares about its children's education.	6	30	23	25	13	4
21. Funds are managed wisely to support education in The Pittsburgh School District.	3	15	20	31	24	7
22. Sufficient student services are provided in The Pittsburgh School District (e.g., counseling, speech therapy, health).	13	45	12	16	10	3
23. School-based personnel play an important role in making decisions that affect schools in The Pittsburgh School District.	5	26	23	25	15	6
24. Students are often late arriving to and/or departing from school because the buses do not arrive to school on time.	4	14	19	34	17	11
25. The food services department provides nutritious and appealing meals and snacks.	6	29	21	20	19	4

Legend:

*SA = Strongly Agree, A = Agree, N = Neither Agree/Disagree, D = Disagree, SD = Strongly Disagree, DK = Don't Know

PART C:

STATEMENTS ON SURVEY INSTRUMENT	CATEGORY (see legend)				
	E (%)	G (%)	F (%)	P (%)	DK (%)
1. Board of Education members' knowledge of the educational needs of students in The Pittsburgh School District.	2	11	35	43	9
2. Board of Education members' knowledge of operations in The Pittsburgh School District.	2	16	40	30	12
3. Board of Education members' work at setting or revising policies for The Pittsburgh School District.	2	11	38	38	11
4. The School District Superintendent's work as the educational leader of The Pittsburgh School District.	9	25	29	22	15
5. The School District Superintendent's work as the chief administrator (manager) of The Pittsburgh School District.	9	26	31	19	15
6. Principals' work as the instructional leaders of their schools.	16	41	27	14	2
7. Principals' work as the managers of the staff and teachers.	17	40	26	14	2
8. Teachers' work in meeting students' individual learning needs.	29	54	15	2	1
9. Teachers' work in communicating with parents.	24	52	20	2	2
10. Teachers' attitudes about their jobs.	13	39	35	11	1
11. Students' ability to learn.	8	49	33	9	1
12. The amount of time students spend on task learning in the classroom.	12	46	28	12	2
13. Parents' efforts in helping their children to do better in school.	1	12	41	43	3
14. Parents' participation in school activities and organizations.	2	11	31	53	4
15. How well students' test results are explained to parents.	5	28	37	18	11
16. The cleanliness and maintenance of facilities in The Pittsburgh School District.	9	35	32	23	1
17. How well relations are maintained with various groups in the community.	6	29	39	11	15
18. Staff development opportunities provided by The Pittsburgh School District for teachers.	20	38	24	17	0
19. Staff development opportunities provided by The Pittsburgh School District for school administrators.	8	17	12	5	58
20. The school district's job of providing adequate instructional technology.	14	43	27	14	2
21. The school district's use of technology for administrative purposes.	13	37	21	8	21

Legend:

*E = Excellent, G = Good, F = Fair, P = Poor, DK = Don't Know

PART D: Work Environment

STATEMENT	SA (%)	A (%)	N (%)	D (%)	SD (%)	DK (%)
1. I find The Pittsburgh School District to be an exciting, challenging place to work.	19	51	16	9	5	0
2. The work standards and expectations in The Pittsburgh School District are equal to or above those of most other school districts.	20	41	13	11	5	10
3. The Pittsburgh School District officials enforce high work standards.	18	44	19	12	5	2
4. Most The Pittsburgh School District teachers enforce high student learning standards.	22	56	12	6	1	3
5. The Pittsburgh School District teachers and administrators have excellent working relationships.	6	29	28	23	11	4
6. <u>Teachers</u> who do not meet expected work standards are disciplined.	5	22	19	22	15	17
7. <u>Staff</u> who do not meet expected work standards are disciplined.	3	19	18	23	16	20
8. I feel that I have the authority to adequately perform my job responsibilities.	32	46	9	8	5	0
9. I have adequate facilities in which to conduct my work.	25	49	7	13	6	0
10. I have adequate equipment and computer support to conduct my work.	24	45	8	16	7	0
11. The workloads are equitably distributed among teachers and among staff members.	8	26	14	26	21	4
12. No one knows or cares about the amount or quality of work that I perform.	8	17	18	33	21	3
13. Workload is evenly distributed.	5	26	17	26	21	5
14. If there were an emergency in the schools, I would know how to respond appropriately.	20	58	10	7	3	1
15. I often observe other teachers and/or staff socializing rather than working while on the job.	3	10	15	33	35	3

Legend:

*SA = Strongly Agree, A = Agree, N = Neither Agree/Disagree, D = Disagree, SD = Strongly Disagree, DK = Don't Know

PART E: Job Satisfaction

STATEMENT	SA (%)	A (%)	N (%)	D (%)	SD (%)	DK (%)
1. I am very satisfied with my job in The Pittsburgh School District.	23	45	14	11	6	0
2. I plan to continue my career in The Pittsburgh School District.	33	49	8	4	3	3
3. I am actively looking for a job outside of The Pittsburgh School District.	3	7	14	26	48	3
4. Salary levels in The Pittsburgh School District are competitive.	12	40	8	21	19	1
5. I feel that my work is appreciated by my supervisor(s).	17	43	13	15	11	2
6. I feel that I am an integral part of The Pittsburgh School District team.	17	44	16	13	8	1
7. I feel that there is no future for me in The Pittsburgh School District.	3	6	14	31	44	3
8. My salary level is adequate for my level of work and experience.	8	32	11	27	22	1

Legend:

*SA = Strongly Agree, A = Agree, N = Neither Agree/Disagree, D = Disagree, SD = Strongly Disagree, DK = Don't Know

PART F: Administrative Structure and Practices

STATEMENT	SA (%)	A (%)	N (%)	D (%)	SD (%)	DK (%)
1. Most administrative practices in The Pittsburgh School District are highly effective and efficient.	4	24	21	30	14	7
2. Administrative decisions are made promptly and decisively.	3	25	20	31	15	6
3. The Pittsburgh School District administrators are easily accessible and open to input.	6	25	21	27	15	5
4. Authority for administrative decisions is delegated to the lowest possible level.	2	10	25	19	10	33
5. Teachers and staff are empowered with sufficient authority to effectively perform their responsibilities.	6	39	18	22	12	2
6. Major bottlenecks exist in many administrative processes which cause unnecessary time delays.	14	35	21	9	6	15
7. The extensive committee structure in The Pittsburgh School District ensures adequate input from teachers and staff on most important decisions.	2	17	22	29	17	13
8. The Pittsburgh School District has too many committees.	15	30	25	7	2	22
9. The Pittsburgh School District has too many layers of administrators.	27	34	18	5	2	14
10. Most of The Pittsburgh School District administrative processes (e.g., purchasing, travel requests, leave applications, personnel, etc.) are highly efficient and responsive.	3	21	25	18	16	18
11. Central office administrators are responsive to school needs.	2	13	26	22	18	20
12. Central office administrators provide quality service to schools.	2	15	28	20	16	20

Legend:

*SA = Strongly Agree, A = Agree, N = Neither Agree/Disagree, D = Disagree, SD = Strongly Disagree, DK = Don't Know

PART G: The Pittsburgh School District Operations

School District Program/Function	Should Be Eliminated	Needs Major Improvement	Needs Some Improvement	Adequate	Outstanding	Don't Know
a. Budgeting	0	34	33	11	1	20
b. Strategic planning	1	28	31	16	1	22
c. Curriculum planning	0	24	34	29	6	7
d. Financial management and accounting	0	28	29	14	0	28
e. Community relations	1	29	32	23	3	13
f. Program evaluation, research, and assessment	3	19	30	29	3	16
g. Instructional technology	0	16	29	36	11	7
h. Pupil accounting	1	15	21	28	2	34
i. Instructional coordination/supervision	4	15	25	39	5	14
j. Instructional support	2	18	29	37	7	7
k. Federal Programs (e.g., Title I, Special Education) coordination	2	16	24	32	6	20
l. Personnel recruitment	2	24	23	21	2	28
m. Personnel selection	1	26	25	24	2	22
n. Personnel evaluation	1	18	25	39	2	14
o. Staff development	2	23	26	36	9	4
p. Data processing	1	11	18	30	4	37
q. Purchasing	1	16	20	23	2	38
r. Safety and security	1	23	31	32	4	9
s. Plant maintenance	1	14	21	31	5	28
t. Facilities planning	1	16	20	24	2	38
u. Transportation	1	11	20	36	3	29
v. Food service	1	22	25	33	5	14
w. Custodial services	1	20	25	37	9	8
x. Risk management	1	8	18	22	2	50
y. Administrative technology	1	9	16	25	4	45
z. Grants administration	1	10	15	21	2	50

PART H: General Questions

1. The overall operation of The Pittsburgh School District is:

Highly efficient	2%
Above average in efficiency	17
Average in efficiency	51
Less efficient than most other school districts	24
Don't know	5

2. The operational efficiency of The Pittsburgh School District could be improved by:

Outsourcing some support services	18%
Offering more programs	30
Offering fewer programs	13
Increasing the number of administrators	7
Reducing the number of administrators	49
Increasing the number of teachers	79
Reducing the number of teachers	1
Increasing the number of support staff	64
Reducing the number of support staff	10
Increasing the number of facilities	20
Reducing the number of facilities	25
Rezoning schools	32
Other	11

**School District of Pittsburgh
Response to This Report**

LB&FC Note: The final report has been adjusted to address various issues raised in the District's response to the original draft report. As a result, some of the comments made in the response to the draft report may not apply to the final version.

**SCHOOL DISTRICT OF PITTSBURGH
DRAFT FINAL MGT REPORT
RESPONSE TO RECOMMENDATIONS**

June 10, 2005

Recommendation 4-9:

Revise the Board-adopted organizational plan of July 1, 2005 following the hiring of the new Superintendent.

Response:

The current organization structure was developed to manage the district during the Superintendent search transition period. The Offices of Human Resources and Technology are both being assessed for operational efficiency and service delivery. A lead person "Executive Director" will be identified for each office after the permanent Superintendent candidate is identified. Other staff reductions in one or both of these offices will offset these positions resulting in a net savings to the district.

Recommendation 4-12:

Adopt and implement a staffing formula for determining the administrative staffing of schools, and assign assistant principals based on this formula.

Response:

The assignment of assistant principals is not a function managed fiscally at the central office level. Schools are given site-based allocations based on their projected enrollments and they decide how to staff their schools. This is part of our site-based management process that enables school principals and Parent School Community Councils to determine how to best use available resources to meet the needs of students and staff.

The formula for calculating savings is also incorrect because administrators are usually certified professional staff and are placed back into schools when their positions are cut. Staff lowest in seniority would be displaced or dismissed. Their salaries are much lower than an assistant principal.

Recommendation 4-13:

Assign responsibility for the performance review of principals.

Response:

Under the current organization structure, the Executive Director of School Management, The Executive Director of Support Services, The Executive Director of Academic Services and the Chief Academic Officer all assist with the performance review of principals. There are also four lead principals who provide assistance with the formative evaluation of principals through technical assistance, coaching, learning walks, review of student work, co-observations and professional development sessions.

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Recommendation 5-1:

Reinstate the position of Director of the Office of Human Resources.

Response:

This recommendation is to "reinstate" the position of the Director of the Office of Human Resources. That position has not existed for some time. The recently closed position which headed the work of the department was the position of Chief of Human Resources.

Recommendation 5-2:

Provide for comprehensive and systematic cross training of personnel.

Response:

This recommendation is appropriate. HR Staff have long been concerned for the lack of cross training within the department and significant steps have been taken in the last 90 days to develop plans to cross train personnel so that all key functions are known by at least one other individual within Human Resources.

Recommendation 5-3:

Update all personnel policies and procedures in the Board Policy Manual.

Response:

This recommendation is appropriate although the need for Board approval of any policy revisions makes this task problematic in light of the debate which often occurs relative to policy development and approval. A systematic process for working through existing policies to ensure their viability given current operations is an appropriate recommendation, however.

Recommendation 5-4:

Revise the procedural manual for the Office of Human Resources.

Response:

HR procedures were documented approximately three years ago. That document should be updated in light of the introduction of PeopleSoft, the reorganization, and other developments.

Recommendation 5-5:

Develop job descriptions for new positions and delete position descriptions for jobs that have been eliminated.

Response:

Job description information is collected for the purpose of describing the duties and qualifications for the positions which are posted throughout the District. That information, together with the work which was done by the consulting firm of Corvel several years ago,

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covers a wealth of information; however, that information is not in a consistent, user friendly, format and needs to be structured and organized. Inasmuch as there are hundreds of positions within the District, this work may best be suited to a special project focus, perhaps performed by a college intern(s) during the summer of 2006.

Recommendation 5-6:

Develop and administer an exit interview to all employees leaving the Pittsburgh School District, combine all the data from the interview, present the findings annually to the superintendent and the Board of Education.

Response:

This recommendation is being met as an exit interview format and implementation plan was developed in the spring of 2005 and is targeted for implementation for the start of 2005-2006 school year.

Recommendation 5-7:

Establish an effective incentive plan for employees that will minimize the employee turnover rate in the Pittsburgh School District.

Response:

A question exists as to whether or not this would be a proper use of District resources inasmuch as the District turnover rate is not out of line with other Districts and it is not believed that employees are leaving to work in other school districts but, rather, resignations often occur when spouses are relocated, decisions are made to pursue other lifestyles or a career change is made. The exit interview process, described above, will be implemented for next school year and should be given a chance to yield data before this recommendation is implemented.

Recommendation 5-8:

Develop a plan to offer contingency contracts earlier in the year to teachers who meet the eligible list criteria.

Response:

Contingency contracts were developed for use in the spring of 2005. This tool is only appropriate in hard to fill subject areas and should be renewed annually to assist recruiting high quality candidates in hard to fill subject areas.

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Recommendation 5-9:

Create a comprehensive data base of information regarding all facets of the Pittsburgh School District recruiting efforts.

Response:

This recommendation should be implemented.

Recommendation 5-10:

Conduct analyses of the year end recruitment reports to determine if funds that are being allocated to visit particular campuses are best suited to meet the needs of the Pittsburgh School District.

Response:

This recommendation should be implemented.

Recommendation 5-11:

Continue the employee notification regarding certification requirements in order to retain professional employees and reduce turnover rates due to professionals not meeting certification requirements.

Response:

It is believed that this recommendation should, actually, have been a commendation in view of the fact that the Human Resources department has been proactive in managing the certification requirement which has been imposed legislatively through No Child Left Behind and Act 48.

Recommendation 5-12:

Survey the new teacher orientation participants regarding the significance of the topics offered and the effectiveness of the trainers and compile the results into a data base for reference and future planning.

Response:

It is believed that this recommendation should have been a commendation in view of the fact that a comprehensive survey is administered to new teacher induction participants which provides meaningful information for future planning.

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Recommendation 5-13:

Evaluate professional development activities and create a data base for information regarding the Act 48 professional education plan.

Response:

It is believed that this recommendation should be made to persons responsible for professional development in the District. Human Resources currently maintains the data base that records Act 48 credits awarded to teachers. This recommendation goes to an evaluation of actual programs which are offered, not a function of Human Resources.

Recommendation 6-1:

Prepare a single Annual Financial Report for the Pittsburgh School District.

Response:

Management agrees. The Finance Division will prepare a single Annual Financial Report. This recommendation is in process for the fiscal year ended December 31, 2004.

Recommendation 6-2:

Prepare the 2005 Annual Financial Report to be consistent with the guidelines recommended by the Government Finance Officers Association (GFOA), meet the requirements for a Certificate of Excellence in Financial Reporting, and seek the certificate.

Response:

Management agrees. The Finance Division will prepare the CAFR submission. This recommendation is in process for the fiscal year ended December 31, 2004.

Recommendation 6-3:

Redesign the format for monthly and quarterly reporting to include financial data that will provide information that is based on the projected year-end financial position of the Pittsburgh School District, and modify the accounting system to allow for the reporting of the financial position only for active special revenue funds.

Response:

Management agrees with the recommendation, but disagrees that it can be accomplished with existing resources. Management estimates the need for approximately 160 hours of nVision programming to convert the reports at an estimated one-time cost of \$24,000.

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Recommendation 6-4:

Contact the members of the State Legislature to request that Sections 21-2121 through 21-2131 of the Pennsylvania School Code of 1949 be amended or rescinded, and the function of the Office of the School Controller be eliminated in the Pittsburgh School District.

AND

Recommendation 6-5:

Establish an Internal Auditing Department that will consist of an Internal Auditor and four support positions.

Response:

The School Controller submits the following response:

The School Controller takes strong exception to the proposed findings and recommendations in MGT's draft report pertaining to his Office.

The internal audit function as performed by the School Controller has been both effective and efficient. The departmental staff has 3 CPA's and an attorney who has passed the first half of the CPA exam.

The Deputy School Director, Ronald Schmeiser, is a retired audit partner of a large international public accounting firm. Earlier, he was an assistant professor of accounting at Duquesne University for 11 years, where he taught auditing. He chaired and spoke at many American Institute of CPA's and Pennsylvania Institute of CPA's conferences around the country.

He took an early retirement from the firm to become Director of Finance for the City of Pittsburgh under Mayor Richard Caliguiri, a position he held 7 years. He was a member of the Government Finance Officers Association (GFOA) Committee on Accounting, Auditing, and Financial Reporting. This committee oversaw the "Certificate of Excellence" program mentioned elsewhere in the preliminary report. As a part of his active involvement, he was chosen to be a speaker at a GFOA Annual Meeting.

The Office has provided the expertise and independent reviews required by the financial activities of the School District, which has an annual budget that is 30% more than the City's. There has never been a major financial scandal because of the checks and balances provided by an independent School Controller's Office working in conjunction with the School District's Finance Department.

The Controller is elected in every large political body in Pennsylvania. This includes the Pennsylvania Auditor General, counties throughout the Commonwealth (including Allegheny County), and every large and medium sized city in the state, including not only Pittsburgh and Philadelphia, but Erie, Scranton, Allentown, and others. In Pittsburgh and Philadelphia, the elected Controller also serves in that capacity for both the City and the School District. The most significant reason Pennsylvania adopted this system is to assure the independence of the Controller, an elected official who is responsible to the taxpayers of the two largest School Districts in the state.

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The MGT draft report's proposed recommendation for the establishment of an internal audit department while abolishing the elected School Controller is replete with references to the Superintendent of Schools being involved in hiring and supervision (see proposed Organizational Chart which has the internal audit department reporting to the Superintendent). This would compromise the most basic concept of independence in an effective internal control system (see attached article of a massive fraud and embezzlement in the Roslyn, NY, school district).

The proposal that the internal audit department's staffing be reduced to 5 is ludicrous. The remaining staff could not begin to accomplish all the required responsibilities and duties set forth in the Pennsylvania School Code of 1949. This could expose the School District to the same type of fraudulent activity as experienced by Roslyn, NY.

The MGT consultant did not interview the elected School Controller during his visit to Pittsburgh, and the interview with the Deputy School Controller lasted only 20 minutes. At that time, the consultant did not express any concerns or potential findings. Had he done so, the Deputy School Director would have provided the consultant with ample evidence to counter and dispel his concerns. Some of the comments relative to the School Controller's Office are included below:

1. The perception among vendors that the School District is a slow payer and that there are major bottlenecks in administrative processing may or may not be correct. But the School Controller's Office does little or nothing to contribute to those problems, and has improved processing time in the past year.
2. The approval of disbursements is a vital internal control function which is heavily relied upon by Deloitte & Touche to determine its audit scope. If the School Controller's Office did not perform this function, Deloitte & Touche's workload would expand greatly to determine its ability to rely on the existing internal control. Moreover, the School Controller's Office does discover errors during this process (the majority of cases not being material).

The MGT draft report commented that "internal control benefits are minimal because there have been no report by the School Controller in recent years that has identified any internal control issues of significance". This comment is not valid, and would seem to indicate that its' author doesn't understand the process of internal control. First, Deloitte & Touche has the responsibility of commenting on any weakness in the annual management report issued to the School District. The School Controller's Office activity is a major part of the internal control function. The fact that Deloitte & Touche hasn't commented on internal control weaknesses in the management letter in recent years indicates that the existing controls are strong.

The School Controller's Office is constantly on the alert for internal control problems. The Deputy School Controller and Director of Finance have worked together on many occasions to correct any potential weaknesses.

The comment that the School Controller's activity is redundant is also misleading. By its very nature, audit activity is redundant since it requires a check of other parties work.

The MGT draft report indicates the School Controller's Office does not train school principals and treasurers relative to the school activity funds. In fact, the School Controller's Office, in

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conjunction with the Finance Department, has provided a series of training sessions for school principals and treasurers. In addition, the auditors have an exit conference with the school officials, where the findings are gone over and explained, further adding to the schools' personnel's training.

The savings claimed by the draft report are illusory. The staffing level of the internal audit department proposed by the MGT draft report is ludicrously understated. If the requisite internal control functions are to be properly staffed and performed for the Pittsburgh School District, with a budget of over a half billion dollars, only minimal savings from the current staffing cost are possible.

Recommendation 6-5:

Establish an Internal Auditing Department that will consist of an Internal Auditor and four support positions.

Response:

Management agrees with the establishment of an internal audit department should Recommendation 6-4 be implemented, but notes that the recommended staffing level and composition would require very careful review. Although there are opportunities for efficiencies and economies of scale, we strongly disagree that the Accountant IV that conducts management review and training on procurement cards and cell phone, as well as the Accountant V that trains principals and school treasurers should be transferred to the internal auditing department. Transferring the positions removes appropriate segregation of duties.

Moreover, we believe that the internal audit department should report to the Board's audit committee to maximize independence of the work performed.

The report does not indicate, as it should, that moving from 100% prepayment audit to periodic sample testing of disbursement items will reduce the amount of assurance that external auditors can place on certain classes of transactions. This will require additional testing with different risk assessments by our external audits, at an estimated annual cost of \$10,000. Even if the recommendation does not change, the additional cost should be disclosed.

Recommendation 6-6:

Reduce one position responsible for managing the Fixed Assets Program.

Response:

Management agrees in part with the finding. OMB Circular A110 requires an inventory of fixed assets purchased from Federal funds once every two years. We believe that appropriate internal controls require the inventories to be conducted by someone other than the custodial school/department of the equipment. As such, comparisons with school districts that simply have schools and departments inventory their own equipment or signoff on a list of equipment is not apples to apples with best practices. A comparison of staffing levels and procedures of similarly sized districts including Anchorage, Charleston, Cincinnati, Indianapolis, Jefferson

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County, Newark, Norfolk, Omaha, Portland and Seattle suggests that to maintain quality in this program at least two positions are necessary in the Pittsburgh School District. **Nonetheless, using existing resources, management will reduce the FTE count in Finance by one position for the 2006 budget to implement this recommendation.**

Recommendations 6-7 through 6-16, except for 6-9:

Various related to Budget development, management and reporting.

Response:

The Office of Budget Development and Management Services will take the recommendations under advisement.

Recommendation 6-9:

Initiate a process to convert the fiscal year for the General, Food Services, and Capital Projects Funds to a July-June calendar.

Response:

Management agrees that converting the fiscal year carries many advantages, but vehemently disagrees that such a change constitutes a savings or that it can be accomplished with existing resources. Note the following:

- **What is proposed is not the correct accounting treatment.*** Generally accepted accounting principles (GAAP) direct that governmental funds recognize revenues in the accounting period in which they become susceptible to accrual (when they become both measurable and available to finance expenditures of the fiscal period). Because the tax bill is for a 12 month period, at best the District could recognize six months worth of the real estate revenue, but that six months worth would be much closer to 50% of the annual collections than 95% with the correct accounting treatment. The difference would be recorded as deferred revenue, a liability, rather than as revenue. The district has confirmed this understanding with its external auditors, Deloitte & Touche.
- Fund balance reported on PDE 2057 on a June 30th basis has historically been higher than the fiscal year fund balance reported on the audited statements as of December 31st. This annual event is not a savings, but rather a timing difference in cash flows associated with local tax revenues and debt service expenditures. Not only is \$99 million not the historical difference, but it is also grossly misleading to label this as a savings. See also attached exhibit.
- June 30th closely approximates the District's peak fund balance, just as it does for the City of Pittsburgh and Allegheny County, with which the District is frequently compared. Reporting fund balance on a December 31st basis for all three entities given their similar tax collection cycle provides residents of the School District of Pittsburgh comparability. Simply put, even the City of Pittsburgh on the verge of

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bankruptcy appears flush with cash at June 30th because of the timing of cash flows. Changing the fiscal year does not change the underlying economic condition of the entity.

- Although June 30th closely approximates the School District of Pittsburgh's peak fund balance, it is almost exactly the low point of the fiscal cycle for our suburban counterparts. In other words, comparing Pittsburgh's fund balance at June 30th six months into the tax collection cycle with Upper St. Clair School District's June 30th balance after twelve months of run out will not yield meaningful results.
- The District's cash flow cycle will require us to maintain significantly higher balances at June 30th than school districts that levy and collect taxes July to June or else we will be net borrowers of funds by November or December. Maintaining this higher balance could be difficult in the face of Act 48 of 2003 which prohibits the school district from increasing real property taxes unless the adopted budget includes an estimated ending unreserved, undesignated fund balance which is not more than 8% of total budgeted expenditures.

Running a six month fiscal year would require one additional audit within a 12 month period, requiring the one-time expenditure of approximately \$165,000 based upon the District's current external audit contract.

The current calendar fiscal year is built into our financial systems across modules. Making the change would require significant technology resources that we approximate to be equivalent to the implementation of e-Procurement, or roughly \$600,000 in one-time expenses. Likewise, the conversion would impose upon the City of Pittsburgh (our tax collector) systems changes to accommodate reporting tax activity with the same collections dates to different fiscal years for the City and School District. We approximate the conversion cost of accommodating accurate reporting of accruals and the application of collections and other activity to the proper fiscal year to the City of Pittsburgh at roughly the equivalent to 1/3 the implementation of e-Procurement, or roughly \$200,000. Both cost estimates would require confirmation through a request for proposal process. Given the significant system conversion challenges, the timeline is not achievable.

Beyond the accounting, financial reporting and software conversion issues, **significant legal hurdles exist to the recommendation as proposed**. Our General Counsel writes:

By memo dated June 6, 2005, you have requested that I review the question of the change of fiscal year which apparently has been recommended by MGT in the interest of affecting a positive change in the fund balance. I have reviewed an excerpt of the report and would point out the following matters for your consideration:

This fiscal year and budgeting process for school districts of the first class A (Pittsburgh) and first class (Philadelphia) is found in Sections 6-651 through 6-652.1 of the School Code. Section 651 provides as follows:

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“In all school districts of the... first class A, the fiscal year shall begin on the first day of January in each year; provided the Board of Public Education in any district of the first class A may by resolution adopted by 2/3 vote of the members thereof at a meeting of the Board after not less than 10 days notice of the fact of such resolution would be presented for action at such meeting fixed the fiscal year of such school district so as to be on the first day of July of each year until the first day of January is herein above provide.”

Section 652 provides:

“In all school districts of the... first class A, the school taxes for the following fiscal year shall be levied annually by the Board of Public Education on or after the first Monday of December and before the end of the current fiscal year.”
(emphasis added).

The provisions of Section 652.1 dealing with specific taxing powers are not relevant for this discussion.

It is clear from the reading of these sections that the Board of Education has the power to change the fiscal year provided the statutory requirements as to notice and supermajority vote are met. However, it is also clear in Section 652 that, regardless of the commencement date of the fiscal year, taxes are levied before the end of the current fiscal year for the following fiscal year. Thus, it is clear that the fiscal year and the tax cycle must be the same. If the Board were to vote to change the fiscal year from a calendar year to a July 1 – June 30 year, the resolution imposing the taxes would be adopted in June with taxes to be collected commencing July 1st through the following June 30th. I should also note that a fund balance is just a snap shot in time so that it is mistaken to assume that a district on a July 1 – June 30 cycle would have the same cash flow pattern as a district on a January 1 – December 31 cycle. School districts on a July 1 cycle typically experience the greatest flow of income in the period August to December when real estate taxes are paid with other income received in April due to earned income tax payments. The School District of Pittsburgh, I am sure, experiences significant cash flow in the period 2 to 4 months following the tax levy in January which would not be the case if the School District had a July 1 fiscal year commencement date.

In summary, the budget year and tax cycle must be the same. If the School District wishes to seriously contemplate such a change, we would review further the consequences of having a tax levy in January with a tax levy to be followed in July. There are obvious legal impediments to such a plan.

Recommendation 6-9 might be best carried forward if the City of Pittsburgh would also convert its fiscal year, allowing both entities to convert fiscal and tax years. Neither would, however, see any one-time gain to fund balance.

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Recommendation 6-17:

Prepare an annual report (workers' compensation) to be presented to the Board of Education that provides multi-years claims information.

Response:

Management agrees.

Recommendation 6-18:

Enter into a process to select an insurance company to buy out the older workers' compensation claims and evaluate the potential of transferring these claims to an insurance company, especially if additional resources are available in the fund balance with the transition to a new fiscal year.

Response:

Management agrees, except for the continued characterization of a change in fiscal year as a savings. This recommendation is already in process.

Recommendation 7-6:

Eliminate one Expeditor position.

Response:

Management agrees, but would recommend implementation effective July 1, 2006.

Recommendations 7-9 and 7-20:

Related to Purchasing and EBE vendor files.

Response:

The two findings are inconsistent. Recommendation 7-9 requires purging inactive vendors, while recommendation 7-20 expands the vendor file to include firms that may not currently be doing business with the District, or may be doing so only as a subcontractor. The process in 7-9 would purge a number of vendors added in 7-20.

Recommendations 7-13 and 10-9:

Related to computers at Gladstone for the digital divide program.

Response:

Recommendation 7-13 directs an auction of computers, while 10-9 recommends that the program be studied. Which one is MGT recommending? In any event, the resale value should not be counted as a savings until the analysis called for by 10-9 is completed, or, in the event of a sale, until it is clear that the market is willing to pay the assumed cost per unit.

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We further note that a significant number of assets at Gladstone are well beyond their useful life and have not been updated through the digital divide program. These assets will likely cost the District money to dispose of.

Recommendation 7-16:
Eliminate one auto mechanic.

Response:
Management agrees, but would suggest implementation of the recommendation effective April 1, 2006.

Recommendation 8-1:
Fill the third District Coordinator [in Facilities] which is currently vacant.

Response:
First and foremost, the hiring of a third District Coordinator is contingent on current and future budget restraints. The District Coordinators regularly visit each of their assigned buildings on a rotating schedule and immediately visit the schools that have a high priority (life/safety) issue.

We are not surprised that a PTA president did not know that there are district coordinators. The District Coordinators work closely with the school administration and custodial staff and to the best of our knowledge have not had occasion to meet with the school PTA.

Currently, the review of capital improvement construction documents is performed by Facilities Division Design and Construction Administrators. To add this work to the District Coordinators would add an additional burden to this position and limit their effectiveness with other responsibilities.

We note that the example given about matte finish paint at the CAPA School is misleading. A semi-gloss paint finish was not used because it would detract from the art work that routinely is displayed throughout the building.

Recommendation 8-2:
Close schools to a level that the projected enrollment is approximately 90 percent of capacity.

Response:
The closing of schools is determined by the Board of Education. The Facilities Division provides any and all information requested by the Board of Education when they are formulating their decisions. Once a determination is made as to which buildings should be closed, the Facilities Division then investigates the building to determine what evolutions then become necessary to close it.

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We note that the estimated average savings from the additional closings would be closer to \$600,000 per facility, which would produce annual savings of approximately \$12 million, as opposed to the reported annual savings of \$19 million.**

The report should disclose the significant efforts underway by the School District to prepare a plan this summer for closings effective beginning with the 2006-07 school year.

Recommendation 8-3:

Complete the facility design guidelines and implement a formal education specification process.

Response:

We have already started to implement this process. To start up this procedure is a slow and evolving task and will take some time to realize the benefits.

Recommendation 8-4:

Implement a formal value engineering process.

Response:

This is another procedure that we have already implemented. We call it Constructability and have started using it on the Capital Improvement projects. Again, this will take time for us to be able to review its progress and quantify the benefits that we believe the District will realize from using it.

Recommendation 8-5:

Reduce the change order rate to an average of six percent for all major projects.

Response:

We have already begun to implement the *bulleted* items on page 8-21 and are working diligently to improve our communications and transfer of information concerning the educational and program needs of the School District.

Recommendation 8-6:

Reduce the maintenance budget proportionately to the reduction in excess facility space.

Response:

As the numbers of buildings in use are reduced the maintenance budget will follow suit.

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Recommendation 8-7:

Acquire a computerized work order and inventory software program and implement accountability procedures.

Response:

Facilities Division has studied this issue on numerous occasions with Technology staff and consultants. The PeopleSoft team determined that the current product did not meet the needs for inventory and work order management. The Remedy software solution which Technology utilizes for Help Desk Support and/or PeopleSoft (Update related to the redesign of Vantive/CM) could be evaluated for adaptability to work order management goals. It probably would be advantageous for the Facilities Division to acquire a FM specific product to encompass the many needs related to Design, Project Management, Operations and Maintenance, and Budgetary/Financial Support. As mentioned prior, this issue has been discussed many times over the past 13 years; however, budget and workload constraints have not allowed for the implementation of such a system. The O/M savings, fiscal impact, and PPS/Facilities Division management priorities must be determined prior to the commitment to such a project.

Recommendation 8-8:

Monitor cleanliness of schools to determine if custodial staffing levels are sufficient.

Response:

The Plant Operations division is in the process of determining where increases in staffing may be warranted.

Recommendation 8-9:

Regulate the use of cleaning supplies to a maximum of \$0.06 per gross square foot of facility space.

Response:

The Plant Operations division has been involved in removing old, outdated cleaning supplies from our schools and installing new environmentally certified green seal (37) preferred products.

Recommendation 9-2:

Obtain agreement from the non-public schools listed in Exhibit 9-11 for the shift of the 650 students to PAT buses for daily transportation to and from their schools.

Response:

During the past ten years we have worked with both public and non-public schools to increase the number of students riding on Port Authority. Both Perry High and CAPA High students have now made this transition.

Where possible, we have also placed non-public school students on Port Authority.

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In some cases, when we have proposed such changes to non-public schools, we have met with resistance. Many parents believe that since they must pay taxes for public education they do not avail themselves of, that they should at least be entitled to yellow bus transportation for their children.

Bell times for non-public and Charter schools are set by each individual school, as dictated by Act 372. These schools are not obligated to use bell schedules that would save the transporting district money.

As much as possible, we continue to transport high school students via Port Authority.

Recommendation 9-4:

Implement coordinated start and end times for public and non-public schools in the Pittsburgh School District.

Response:

During the past twenty years, we have created models of new start and end times for Pittsburgh Public Schools with the aim of hooking up vehicles more efficiently. It has been difficult to achieve a system wide consensus for these changes.

Each school has a separate set of policies, programs, etc. all of which must be factored in to any bell schedule changes we have proposed.

The district has also tried to change the bell schedule for non-public schools. Most of these schools feel that they have the right to dictate their own starting and dismissal times because of Act 372. They have very little concern about the cost of the vehicles that transport to their schools.

Recommendations 9-5 through 9-11, except 9-10:

Related to carrier performance and contract compliance.

Response:

To fairly monitor the contract at the specified level, the District would require additional resources in the Transportation division. There may, for instance, be a need for an ASE certified mechanic that will work with our staff. More Transportation staff than the one recommended would be required to monitor contract and maintenance compliance.

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Recommendation 9-9:

Enforce the Pupil Transportation Agreement to ensure compliance by all carriers providing student transportation services.

Response:

It is impossible to enforce all stipulations of the service contract with our relatively small staff of ten people. Over the years Pupil Transportation staff has been reduced in size due to various budget cuts.

In the spring of 2003, we sought authorization to hire two new staff members to oversee performance of the carriers. We were granted permission to hire a Pupil Transportation safety coordinator.

Since the Pupil Transportation safety coordinator began work in September, 2003, she has been verifying drivers' credentials and driving from place to place monitoring the condition of school vehicles.

The rest of the Pupil Transportation staff works with parents, staff, etc. to initiate transportation, make daily route changes and solve any problems arising during the school day.

Although the work load of the safety coordinator warrants providing a helper for her, we can ill afford to assign any present staff to such an assignment without reducing the current level of service to students.

Recommendation 9-10:

Create and implement a policy and procedure to ensure that all carriers providing student transportation services have competent and effective training and safety programs and that failure to comply will result in sanctions or contract termination.

Response:

All accidents involving children are reported to the Transportation office. A yearly file is kept for accident and incident reports.

All CDL drivers are trained according to the state laws. All school bus drivers must have 20 total hours of school bus training, classroom and behind the wheel, before they are certified by the state.

Yearly safety meetings were held for drivers four out of the past five years.

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Recommendation 10-1:

Modify, review and evaluate the current Technology Plan and establish one Technology Planning Committee representative of all stakeholders.

Response:

Management agrees with the recommendation.

Recommendation 10-2:

Consolidate district technology functions into an Office of Technology; reassign technology staff; create and hire a Chief Information Officer.

Response:

Because of the pervasive impact throughout the entire \$500 million organization, the technology function at PPS should include the information functions “equally” and be called the “Office of Information & Technology”, and PPS should hire an Information and Technology Leader. The job description should (pg 10-12 & 10-13) require the leader to not only “know PPS data and specific needs” but also require the leader to “know” rather than merely “understand the technology component”. This unequal balance of “know” versus “understand” does not visibly declare to all stakeholders that there is a single go-to executive leader responsible for extracting useful informational and operational benefits from the investments in technology.

The recommendation to reassign the technology staff, at present, responsible for “project management” (PM) functions to also perform “programmer analyst” (PA) software developer functions not only creates a significant skill set challenge but also runs counter to best practices of high performing / exemplary technology organizations. This reassignment recommendation shifts PPS interdepartmental and OIT intradepartmental responsibilities, confirmed on pg. 10-10 as “a necessary function of OIT”, from four (4) horizontally focused dedicated PM staff to four (4) vertically focused un-dedicated PA staff.

- a. Counter to Best Practices - Research from CoSN, Consortium for School Networking, which is the primary voice (and PPS is a member) on how to advance K-12 education technology leadership to deliver measurable outcomes, confirms that project processes need to be analyzed and managed if:
 - Technology planning is to be guided by instructional priorities;
 - Technology initiatives are to integrate with school improvement programs;
 - Benefits from technology on teaching, learning, administration, and organizational change need to be documented.
- b. Skill Set Challenge – The skills of software developers (PA) are unequivocally inconsistent with the skills of project managers (PM). PMI, Project Management Institute, has significant multi-year research that confirms a PM has a 25% chance of adding some value as a PA, but that a PA has less than a 5% chance of adding some

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value as a PM within any industry segment or organizational structure. Page 10-10 lists the tasks that the four PA's "can provide [that are] the necessary analyses for each project."

The recommendation to delete the Coordinator of Program Management and Quality Assurance position removes a high-level administrative liaison or single-point-of-contact to support the day-to-day management of the "joint administrative and instructional software selection process" determinations of an Executive Steering Committee or a Technology Planning Committee (see pg. 10-3). During the past five (5) years PPS satisfaction surveys and anecdotal evidence has confirmed that PPS has confusing, overlapping, invisible processes for technology initiatives in the areas of:

- a. Prioritization;
- b. Fit with the PPS mission and improvement plan;
- c. Budgeting and total cost of ownership implications;
- d. Quality of software released into production;
- e. Necessary software application support levels.

The business / academic "owners" who depend on technology applications for day-to-day operations need a responsible single point-of-contact to improve utilization rates and delivery outcomes from technology. The Leader of the Office of Information and Technology, and other Coordinators can not individually fix or collectively find the time to measurably address the above listed realities. There are many nuances and special considerations in dealing with the myriad of people who have to work together to make an information technology task/initiative/project succeed.

The MGT Draft Report lists approximately 15 formal recommendations (outside of the Technology section of the Report) that involve significant "information and technology" fiscal and staffing implications. For example, implementing a new work order and inventory management system, or changing the dates of the fiscal calendar, have significant data transfer, information reporting, business process, costing, and staff resourcing implications. Balancing those issues is the responsibility of this Coordinator position and the responsibility of the Project Management and Quality Assurance unit. This Coordinator position should be retained.

The role and fiscal impact of the Cable Television Office is not defined. How, why and what value does this "new" unit deliver within OIT?

The number of Interns should not be reduced. They address an extremely cost-effective support mechanism for everyday activities, project support, project analysis (site reviews), and spontaneous mandates from inside (District) and outside entities (e-rate, State, contractors, etc.). Additionally, they complement the educational mission of PPS and are beneficial resources to the community once their internships are completed and they are released into the work force. It should also be noted that the program is deemed locally as a great success providing positive PR for the District while being analyzed by visiting school District's as a possible means of addressing support issues within their own districts.

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Recommendation 10-3:

Reduce staff at the Call Center by requiring users to submit requests via the Web, unless an Internet connection is not available, and withhold implementation of applications when supporting documentation is not provided to the Office of Technology.

Response:

Management disagrees with the recommendation. The challenges to implementing the recommendation include:

- Changing the culture in the District which has primarily utilized a phone-in call system over the past years and continues presently to rely on contacting the Call Center by this method overwhelmingly;
- Accepting new expanded roles of the Call Center in the future;
- Revising current call tracking system to possibly accommodate “real-time” interaction;
- Quality assurance checks;
- Supporting legacy applications.

The impact of the recommendation would include:

- Elimination of “real-time” solution capability;
- Anticipated increased downtime for end-users due to no “real-time” assistance available;
- Loss of instruction time;
- Call Center primarily locked into current roles;
- Insufficient resources to insure the District maintains a high level of quality assurance checks;
- Insufficient resources to maintain legacy applications especially SASI and Integrate. These are high maintenance applications which require specialized training and extensive resource.

Recommendation 10-4:

Revise the residential requirement to allow technology staff for positions such as Data Base Administrator, Systems Architect, and Data Warehouse-related programmers (for the Real Time Information System) to reside outside of the City of Pittsburgh.

Response:

Management agrees with the recommendation, but with the modification that it should apply to all Technology staff. Not including all staff would cause problems with reclassifications and reorganizations. It would also create management problems trying to decide which positions and staff are exempt and which are not.

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Recommendation 10-5:

Develop and implement a Disaster Recovery Plan for the Pittsburgh School District according to new state requirements.

Response:

While management agrees with the finding, the fiscal impact is unrealistic. The "estimate" identifies a one-time cost of \$61,000.00 for "servers" and an on-going cost of \$500 per year. It is the District's position that these estimates are unrealistic because there is no matrix available to justify this ad hoc solution as a viable path to back up the 300+ servers the District currently archives on a daily basis.

There are several strategies being researched by the District that may allow for multi-leveraging a significant WAN service line to another non-District entity. This will allow for dual sharing of the service line, dual entity addressing of remote-storage audit requirements and new educational/curriculum partnerships and initiatives.

Recommendation 10-6:

Create standardized school Web sites that provide a consistent format and add a hot link for staff e-mail addresses.

Response:

Management disagrees with the recommendation. The District has web standards and from the District's Home Page, each school has a standardized front page. The negative impact of the recommendation includes:

- Loss of the unique look and feel and the creativity of each school's web page;
- Because Dashboard is the preferred method of electronic communication between teachers and parents, having teacher email hot links would create unnecessary emails and confusion.

Recommendation 10-7:

Require that the Office of Technology approve all potential software and hardware purchases by schools prior to the issuance of a purchase order.

Response:

Management agrees with the recommendation.

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Recommendation 10-8:

Continue to develop the RTI application.

Response:

Management agrees with the recommendation, but we do not believe that it can be done with the current staff of nine developers (five RTI developers), while supporting all the new initiatives and meeting all mandated data requirements. Reengineering RTI to a new platform such as .NET will require developers assigned full-time to the task, not realistic with the current staff of five RTI developers.

Recommendation 10-9:

Assess the need, benefit and cost of the Emerging Links/Digital Divide Program.

Response:

Management agrees with the recommendation.

Recommendation 10-10:

Provide basic software training for users and develop an accountability process like that of the STaR Chart to ensure teachers are receiving training and providing technology integration in each school and classroom.

Response:

Management agrees with the recommendation.

Recommendation 11-1:

Improve food services recruiting efforts by paying for background checks and physicals for highly qualified candidates and increasing the role of food services administrators in hiring school-based lunchroom staff by hiring a new coordinator.

Response:

Food Service believes the recommendation will increase rapid entry into the workforce but not necessarily guarantee a higher caliber of employee. Food Service believes policies allowing the hiring process to begin with Food Service will create a more expeditious hiring practice and provide greater benefit to the department. With regard to the proposed coordinator, see response to recommendation 11-10.

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Recommendation 11-3:

Eliminate playground duty for elementary lunch aides.

Response:

Food service concurs with the finding of MGT. However, there are additional cost savings to be found in the area of Supervisory Aides I. By reducing the number of positions at each school (from 143 to 82) to match the number of serving lines, Food Service can see savings of \$338,184.00 per school year. Also, we suggest separate classifications, which would be relevant to Food Service responsibilities, for example *Elementary Food Service Aide I, Elementary Food Service Aide II, and Elementary Food Service Aide, Substitute.*

Recommendation 11-9:

Eliminate the meal ticket system and instead use identification cards and individual student accounts to improve efficiency and meal participation.

Response:

Food Service does not concur with this recommendation and believes the current district plan for implementing a student card system integrated with the RTI, having the ability to establish student accounts as well as electronic banking and other auxiliary services is appropriate.

Recommendation 11-10:

Assign the Coordinator proposed in Recommendation 11-1 with the responsibility to ensure the highest possible level for student participation.

Response:

This response also applies to recommendation 11-1.

Food Service does not believe this recommendation warrants the qualifications described for the position or would the position create a better quality employee or increase participation through greater outreach to secure Free/Reduced students. Therefore, we see no need to create such a position.

Food Service believes quality control, technology support and menu/nutritional analysis are areas that would provide greater cost control and savings rather than the recommendation to increase revenue.

Therefore, the department is receptive to creating a position, which would address those cost saving and technical support areas.

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Recommendation 12-1:

Reduce the span of control within the Division of School Safety.

Response:

We agree with the recommendations to create Police Sergeants positions to supervise security guards.

Recommendation 12-2:

Assign Division of School Safety personnel based on need.

Response:

The authority to assign school safety personnel already resides with the Chief of Safety. They are assigned and can be reassigned based on need.

Recommendation 12-3:

Reclassify sworn police officers onto the professional scale.

Response:

This is not necessary. The police officers received a substantial salary increase from the last collective bargaining agreement. Their current salary is commensurate with their responsibilities

Recommendation 12-4:

Establish an evening shift and reduce overtime.

Response:

This recommendation will be taken under advisement. The priority of providing safety to staff and students during the school day can not be compromised by shifting staff from day shift to evening shift.

Recommendation 12-5:

Provide regular training for police officers and school security aides.

Response:

We agree with the recommendation to increase professional development for officers and guards. The Safety office should be provided with a budget to support professional development activities. Supplemental funds can support this activity.

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Recommendation 12-6:

Pursue grant funds to support the Division of School Safety.

Response:

We agree that there are opportunities to secure grants to support activities of the Safety Office and they should be pursued.

Recommendation 12-7:

Increase coordination among the Department of Safe Schools, Office of Safe and Drug Free Schools, and the Division of School Safety and shift grant funds.

Response:

We agree that there should be close coordination between all Safe Schools offices and activities. This will occur under the new organization which eliminated the Coordinator of Safe Schools and shifted the responsibilities to the Chief of Safety.

Recommendation 12-8:

Provide officers and aides with the necessary equipment to perform their job functions.

Response:

The police officers already have the necessary equipment allowable under applicable Pennsylvania Laws and Board Policies. They have handcuffs and batons. The school security guards do not have arrest powers and are prohibited by Pennsylvania Law from possessing handcuffs, batons or other police equipment.

Recommendation 12-9:

Update the Division of School Safety Policies and Procedures Manual.

Response:

We agree and are in the process of updating the procedural manual.

Recommendation 12-10:

Include security personnel on campus management teams.

Response:

Security guards do participate on Discipline Committee meetings where such committees exist.

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Recommendation 12-11:

Establish district wide badge systems to promote greater security.

Response:

The Office of Technology is in the process of assessing the feasibility of implementing a district wide badge system for students. The badges will be used for student ids and for cafeteria purchases and library use.

Recommendation 12-12:

Provide additional training to principals on discipline management.

Response:

Discipline management will be included in the professional development sessions offered to principals.

March 2, 2005

Audit Shows Widespread Fraud in Long Island School District

By **BRUCE LAMBERT**

For eight years, top officials of an affluent Long Island school district systematically plundered taxpayer funds, illegally diverting at least \$11.2 million to themselves, relatives and friends in an array of goods and services from a 65-cent bagel to a \$1,800-a-night hotel suite to a mortgage on a luxury home in Florida, a new state audit says.

The case in Roslyn, N.Y., presents evidence of the most extensive such fraud ever encountered, national school experts say. It has already had repercussions in districts throughout New York, where school officials and bookkeepers say they are paying closer attention to budgets and accounts, and state auditors have stepped up their scrutiny.

The state audit report, entitled "Anatomy of a Scandal" and issued today by the New York State comptroller, Alan G. Hevesi, describes far deeper and wider corruption than previously disclosed. It said the audit found \$3 million more fraud than had been estimated last spring, when the first allegations became public. It also documents and analyzes cases of fraud beyond what school officials and the local district attorney had previously detailed.

Criminal investigations have already led to grand larceny indictments of the former superintendent, the former business manager and a former clerk, all of whom have pleaded not guilty to the charges. Prosecutors said they were reviewing the latest findings and considering further charges.

But the audit also found 26 additional beneficiaries of schemes to divert money. The auditors cautioned that at least some of those beneficiaries may have been innocent recipients of largesse, but the report also hinted that the illicit benefits may have compromised district employees who might otherwise have blown the whistle.

That largesse was at the expense of taxpayers in Roslyn, a district of high academic achievement with 3,300 students on Long Island's North Shore. Officials have speculated that schemes to divert money went undetected for so long because of public satisfaction with school performance, with a 95 percent graduation rate and a healthy share of high school seniors sent off to Ivy League colleges every year.

But Roslyn's education came at a cost: School property taxes for homeowners there average \$9,700 a year. In four years, the district's tax levy rose by 50 percent, to \$69 million in 2004 from \$46 million in 2000.

"Taxpayers are furious, and they have a right to be furious," said Mr. Hevesi at a news conference, hours before he was scheduled to make an unusual presentation of the audit to parents and other residents at the high school this evening. "We're going to clean this up," he said. "We're going to put the systems in to make sure this never happens again."

The top two culprits in named in the audit were the former superintendent, Frank A. Tassone, who was accused of taking in ill-gotten gains totaling \$2.4 million, and his former assistant superintendent for business, Pamela Gluckin, who was accused of taking \$4.6 million.

No item was too small or great or farfetched for the white-collar thievery, the auditors found. For example, they said, Ms. Gluckin used \$935,000 to pay the mortgages on three homes. But she also charged for the flood insurance for her Hamptons house and her \$989 water bill in Bellmore, as well \$16,000 for pet supplies, and for jewelry, art, furniture and numerous other things.

Mr. Hevesi voiced amazement at "the diversity of the schemes devised." They included personal items billed to taxpayers, illegal raises and bonuses, fraudulent salary reports to the pension system that inflated retirement payments and more than \$1 million in business contracts for friends and relatives with "no record that the district received anything of value in return," the report said.

It said taxpayers also paid for exotic trips to Thailand, Argentina, Morocco and Indonesia; \$549,120 for food and catering, dry cleaning bills, \$549,129 in illegal raises and bonuses and other benefits, a Rolex watch, cable television, \$5,236 for Mr. Tassone's Christmas cards and overtime for a clerk to prepare them, \$42,000 for his parking in Manhattan, 965 personal Federal Express deliveries, computers, a supersonic Concorde flight to London, Coach brand leather goods, \$19.95 for vitamins, boat insurance, artworks, rugs, a \$4,000 lunch for 40 at Rockefeller Center, furniture, a pool cleaner with remote control, business contracts for friends, Sony Playstations, a \$3 latte, a BMW and a Jaguar, telephones in Colorado and Pennsylvania, and an unspecified \$4,500 bill at the Mandalay Bay in Las Vegas.

Bills were paid to Tiffany, Tourneau, Bloomingdale's, Nordstrom's, Home Depot and other stores for personal purchases.

One startling disclosure in the state audit was that Mr. Tassone and Ms. Gluckin got the school district to pay not only for their personal credit card purchases but also more than \$1 million in cash withdrawals from automatic teller machines.

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ANALYSIS OF RECOMMENDATION 6-9**

6/7/2005

THE PURPOSE OF THIS DOCUMENT IS TO ILLUSTRATE THAT A CHANGE IN FISCAL YEAR IS NOT A "SAVINGS" BUT RATHER AN ANNUAL PHENOMENA DRIVEN BY THE DISTRICT'S REVENUE AND EXPENDITURE CYCLES.

TEST 1: COMPARE AUDIT (12/31) TOTAL FUND BALANCE TO PDE 2057 (6/30)

<u>12/31</u>	<u>6/30</u>	<u>YEAR END</u>	<u>SCHOOL YEAR</u>	<u>DIFFERENCE</u>
2001	2002	82,947,332	168,852,997	85,905,665
2002	2003	94,767,007	184,148,220	89,381,213
2003	2004	116,073,757	169,266,256	53,192,499

ANALYSIS: BECAUSE THE BULK OF TAXES ARE COLLECTED IN THE FIRST SIX MONTHS WHILE THE LION'S SHARE OF DEBT SERVICE OCCURS IN THE LAST SIX MONTHS, THE DISTRICT'S FUND BALANCE GROWS EACH AND EVERY YEAR FROM JANUARY TO JUNE. THE GROWTH HAS NOT BEEN \$99 MILLION.

TEST 2: COMPARE PDE 2057 (6/30) TOTAL FUND BALANCE TO AUDIT (12/31)

<u>6/30</u>	<u>12/31</u>	<u>SCHOOL YEAR</u>	<u>YEAR END</u>	<u>DIFFERENCE</u>
2002	2002	168,852,997	94,767,007	-74,085,990
2003	2003	184,148,220	116,073,757	-68,074,463
2004	2004	169,266,256	83,434,130	-85,832,126

ANALYSIS: THE DISTRICT DEPENDS ON EARLY CASH FLOWS TO FUND ACTIVITIES FROM JULY TO DECEMBER.

TEST 3: REVIEW REVENUES OVER EXPENDITURES FROM JUNE BOARD MINUTES

<u>6/30</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>	<u>DIFFERENCE</u>
2002	299,300,430	204,018,915	95,281,516
2003	296,176,740	200,649,940	95,526,800
2004	288,797,767	231,471,284	57,326,483

ANALYSIS: WHILE THE VERY PUBLICLY AVAILABLE INTERNAL STATEMENTS FOR 6/30 PERIODS DO NOT INCLUDE THE 60 DAY ACCRUAL PERIOD CAPTURED IN PDE 2057, THEY CONFIRM THAT ANNUALLY REVENUES EXCEED EXPENDITURES THROUGH THE FIRST SIX MONTHS OF THE CALENDAR YEAR.

CONCLUSION: AN ANNUAL TIMING OF CASH FLOWS DOES NOT REPRESENT A SAVINGS AND SHOULD NOT BE REPRESENTED AS SUCH.