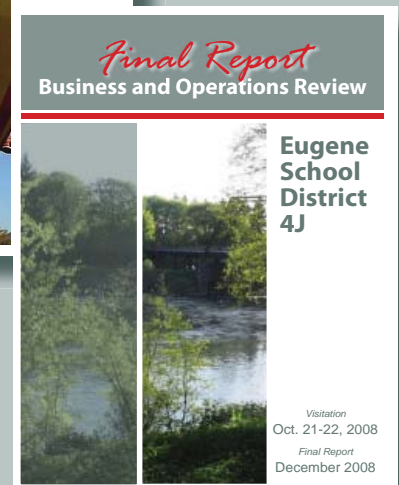
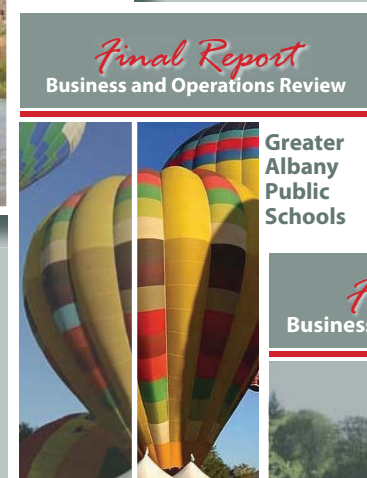
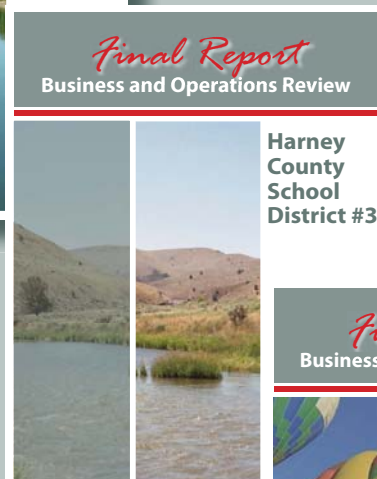
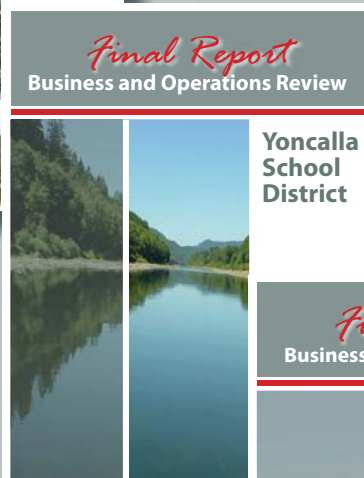


OSBA/OASBO Business & Operations Review Grant *Final Report*

January 2009



Beaverton School District
Yoncalla School District
Harney County School District #3
Greater Albany Public Schools
Eugene School District 4J

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Message from the Team: Accountability Front and Center

As Oregon faces a major recession, “accountability” lands in an even brighter public spotlight. How can we show citizens that government spends their tax dollars wisely? How can we identify areas to improve?

Thanks to an \$85,000 grant from the Chalkboard Project, a unique partnership was born last year to tackle this challenge in public schools. I’m proud to share our progress in this report – and to thank Beaverton, Yoncalla, Harney County, Greater Albany and Eugene school districts for putting themselves in the spotlight as our pilot projects.

According to a study commissioned last September by Chalkboard, Oregonians are almost split between the belief that we don’t have enough money for schools – or, that schools are not “spending what they get efficiently.” In fact, when asked about obstacles to success, 56 percent chose “central administration waste and inefficiency” as either big or very big obstacles. Earlier research by other organizations showed similar findings...which means public perception hasn’t budged, despite our attempts to show and tell how schools *are* accountable and successful.

To address these concerns – and help districts improve efficiencies – the Oregon Association of School Business Officials (OASBO), Oregon School Boards Association (OSBA) and The Chalkboard Project partnered to create the voluntary Business & Operations Review project.

We based our model on five years of national research, and decades of business experience among Oregon school business experts. We looked at similar models in Florida, Texas, Pennsylvania, Arizona and New Jersey. Our expert team then “Oregonized” the model to fit our unique challenges.

Our approach was positive – not punitive. We met two goals:

1) To identify best practices we can share with other districts; and 2) identify areas to improve in each district we reviewed.

School officials are constantly looking for cost-savings, whether facing shrinking budgets or funding innovative ideas. This project moved us from the research phase to actual practice; to evaluate the appropriateness and accuracy of our initial assumptions while refining the process; and to provide an objective look at the operational effectiveness of the five pilot districts in specific program areas.

Our results? We developed self-evaluation tools to help Oregon school districts and ESDs evaluate their own effectiveness; identified numerous best practices; partnered with several other states and provinces to use the Electronic Resource Center (ERC) which allows us to post best practices for access by any school district – here and around the world.

Our pilot districts were very transparent and critical of their operations. They readily identified and discussed areas they wanted to improve. They were eager to hear our findings, and open to all recommendations. In fact, some started making changes even before our final report.

This isn't a new issue for school business folks. For as long as we can remember, resource allocation issues have plagued us. After all, we're business people – the penny pinchers. We call it the “tractor or the teacher?” dilemma. If a district faces the choice of buying a new tractor to save time and money, or, placing another teacher in a classroom, which do you buy?

In a perfect world, we should buy both – because every dollar saved with a good tractor means one more dollar for the teacher!

Angie Peterman, Pilot Project Leader

Angie is the Executive Director for the Oregon Association of School Business Officials and President of the Association of School Business Officials International. She is a former business manager for the South Umpqua School District and has 33 years of accounting, municipal finance, and district operations experience.

Introduction -- Facing High Expectations

Today's public expects schools to operate effectively *and* efficiently, while meeting the diverse needs of our future citizens. Citizens want assurance that tax dollars are spent wisely before voting to spend more on buildings or programs.

In recent years, public interest – therefore media interest – in public education accountability and transparency has grown. For example, legislative bills regarding mandatory performance audits were introduced during recent sessions in Oregon, while the public asks “why can't schools simply operate like businesses?”

The answer lies in the differences in purpose. According to a report by the Governmental Accounting Standards Board (GASB), governments are fundamentally different from for-profit business enterprises in several important ways. They have different purposes, processes ranging from how money is generated and spent, to the laws governing budgets and operations.

These differences require separate accounting and financial reporting standards – not only to obey state and federal laws, but to meet society's political and social expectations.

The purpose of government is not to generate a financial return on investment but to provide public services and goods effectively and efficiently, as determined through the political process. School districts exist to provide educational services to all children. These services are necessary to enhance or maintain the well-being of citizens. In contrast, business focuses primarily on generating a financial return on investment.

School districts and education service districts (ESDs) *want* to be responsive to public demands. They are stewards of the public's taxes, and are looking for affordable external business and operations reviews to help them become more efficient.

An overwhelming interest

This pilot project was intended to:

- a) Identify best practices used in school districts
- b) Develop a database or electronic means of sharing those best practices with other districts
- c) Refine a self-evaluation document and develop other tools districts can use to determine where they may need additional review or support
- d) Increase public confidence in public education and our utilization of resources

Review team members included volunteers and paid consultants. More than 40 volunteers from various organizations, agencies and the private sector met to create the model. Actual reviewers numbered 28 and teams ranged from 6 to 21 members.

When we called for district participants, response was overwhelming. More than 30 raised their hands to compete for five projects. The team established selection criteria focused on diversity. Criteria included enrollment, geographic location, poverty, English language learners, special

needs population, and actual historic spending information. Districts ranged in size from 338 to more than 37,000 students and were geographically dispersed around the state.

Districts were aware of their potential weaknesses when we arrived—nothing was “hidden” from the team. We discovered that districts wanted a “fresh set of eyes” to objectively review their practices and procedures. Review team members often shared their own lessons learned from long careers in school business to suggest improvements. This allowed districts to begin brainstorming methods of modifying practices and procedures before the review process was even completed.

A common victim of dwindling resources has been the area of support services. While districts struggle to educate students, facilities, grounds and other support service areas have seen more significant funding reductions — often with unintended consequences. School facilities across this state are in serious need of repair or replacement. Staffing within the area of operational support has been reduced to the level it is impossible to provide the full array of services necessary.

They face tough choices: paint a building or hire a teacher? The obvious choice is the teacher, but what are the long-term consequences of that decision? Damaged siding leads to deeper damage and a very pricy fix down the road.

Consider a tree: the trunk must be strong to support its many branches and fruit; it must be healthy to sustain the rest of the tree. If the trunk becomes weak, the rest of the tree is at risk.

These are just a few of the simple examples of the very difficult decisions facing K-12 education every day in our school systems. This project was a first step toward providing districts with innovative ideas and proven best practices to help them save money – which can be spent in the classroom.

Our Process – and a New Tool

We developed goals, then a self-assessment survey, with results studied by experts in each program area from human resources to transportation. Our experts included peers, business partners, industry and agency compliance experts. Phases of the review process:

1. Planning – Develop a set of goals and objectives
2. Analysis – Review documents provided by staff and conduct extensive interviews
3. Evaluation – Team members individually and collectively draft reports identifying key findings within their specific area of expertise.
4. Reporting – A brief, formal presentation by the project leader to the district board and general public outlining commendations and opportunities.
5. Follow-up – The district is asked to provide feedback, prepare an evaluation of the process and report on which, if any, of the identified opportunities for improvement they don't feel appropriate for their district. One year from the review, the district has committed to provide the team with information regarding their progress.

These steps allowed the review team to adjust (i.e. improve) the process as we progressed through the five pilots. We now have a very extensive self-evaluation tool available to districts upon request. The tool allows districts to take a first look at their practices and procedures and target improvement areas. Housing best practices online in the ERC allows these districts to find solutions.

The Pilots -- What They Learned

You'll note many references to the exceptional staff at each of the schools reviewed. Their commitment to education was abundantly clear – even in the face of tight resources, and in some cases, crisis-level challenges.

The following section highlights our pilots, who they are, what they do well and how they can improve.

Beaverton School District

Beaverton (BSD) is Oregon's third-largest district west of Portland with an estimated population of 244,767 and more than 37,000 students. It covers about 57 square miles and consists of 49 schools: 32 elementary, eight middle, five high schools and four option schools. The district employs 2,505 teachers, 1,712 support staff and 122 administrators (92 school principals and vice-principals and 30 school support administrators). Thirty-nine percent of the student population is minority students, the largest portion being Latino and Asian American; 32 percent of the student population qualifies for free or reduced lunches and 13.9 percent qualify for special education services. More than 80 languages are spoken in its students' homes. These demographic changes have provided the impetus to more effectively meet the complex needs of students.

COMMENDATIONS

- ***Beaverton School District has an outstanding community-engagement program.*** Stakeholders, from all venues, are provided with extensive information regarding the district's performance. This information is provided, in a clear and easy-to-understand format, as evidenced by the posters, banners and printed materials available to students and community at large.
- ***The district has developed extensive business and education partnerships.*** Numerous business and education partnerships enhance operational practices and education for all students. IBM, Intel, Nike, and Pacific Office Automation are just a few partners that allow the district to leverage limited resources while addressing the needs and concerns of their business partners.
- ***The district has an innovative community partnership with parks and recreation district.*** District staff and contractors joined forces with the Tualatin Hills Parks and Recreation District to maintain district grounds and facilities. This innovative partnership allows BSD to share administrative and facility costs with other users thus reducing district expenses.
- ***The district has an excellent process to establish budget priorities.*** The district has established an Innovative Process Team (IPT). This is an excellent process to create budget priorities. It allows any area to bring forward their needs or initiatives and compare them to others. It was evident this process includes attention to actual needs and

directs funds to those needs while providing full disclosure of budget adjustments. The district developed a “resource allocation model” that allocates resources based on children’s needs, considering such factors as mobility and poverty.

- ***District investment in enhanced school safety.*** The district has a stellar property liability and student safety program, making good use of outside law enforcement agencies and its own school resource officers. Also, school buses are replaced regularly, and new buses include global positioning software. The district currently estimates annual savings of \$1 million from risk management practices and self-insurance program.

OPPORTUNITIES FOR IMPROVEMENT

- ***Limited resources strain district ability to update and maintain technologies.*** The district faces resource challenges in the technology area. This limits its ability to integrate more functions, establish a replacement cycle for technology and provide consistent and equitable support through out the district.
- ***Improved automation of payroll, time keeping and leave-tracking functions needed.*** The district should develop an electronic system to track hourly employee time, coordinate its leave-tracking systems and explore current utilization of the existing software system. Pencil-and-paper activities that support payroll functions through out the district are much too extensive and costly. Work should be done to automate more of these processes and consolidate tasks using the software resources available.
- ***Analyze cost-effectiveness of the food service program at school level.*** Participation rates at some schools are low – conduct an analysis on how to boost participation. Financial stability of the program can be improved by increasing participation. BSD had already begun this process by the time the final report was delivered to the district.
- ***Explore the causes of high staff turnover rates.*** Staff retention is perceived as an area of needed improvement, but the district doesn’t have any data to support or deny this. The district should create a system for tracking specific information about staff turnover so causes can be identified and solutions explored.

Yoncalla School District

Yoncalla (YSD) is a small rural district just off I-5 in Douglas County. This small district was established in 1863. Current population is about 1,157 with enrollment at about 340 students. YSD covers 159 square miles and consists of one K-8 building and one high school. The district employs 23 teachers, 31 support staff, and 2.5 administrators (one elementary/middle school principal, one high school principal and a half-time superintendent).

Like many small districts, Yoncalla struggles to provide the level of education its community desires. The declining timber industry resulted in declining population and student enrollment. At the time of our review, the district faced a recall initiative of one board member. While it was

evident staff morale was affected, those interviewed referred to the situation as a challenge that they would rise to meet.

COMMENDATIONS

- ***The district provides an exceptional mentor program for first-year teachers.*** Given its size, Yoncalla has done a remarkable job providing a mentor program for first-year teachers. The program provides a stipend to the mentor and time for the mentor and protégé to meet. The mentor program focuses on observations, workshops, in-service and assistance in lesson planning. The mentor program is based upon a variety of models developed, implemented and applied by other districts.
- ***The district has taken steps to reduce costs and increase efficiencies in transportation.*** The district has reduced idling times of their buses, developed and adopted a replacement plan for buses and worked to coordinate extra-curricular transportation with neighboring districts. Each of these practices reduces costs.
- ***District staff has developed an outstanding nutrition program.*** YSD staff provides a variety of high quality meals for such a small operation. All meals are prepared and presented in an appetizing fashion. Staff indicates that participation at the high school is 50-60 percent, an excellent rate given the campus is open at lunchtime.

OPPORTUNITIES FOR IMPROVEMENT

- ***Develop a multi-year plan for budgeting.*** Long-term financial planning is central to stable educational services. Yoncalla's declining enrollment means that even if overall state fiscal conditions remain strong, a shrinking student base will make it difficult to continue the same level of service.
- ***Develop more detailed financial reports to the board.*** District staff should develop and provide periodic financial reports to the board that compare actual expenditures-to-date with appropriations. The board's fiduciary responsibility includes ensuring that the district doesn't overspend its appropriations. Board oversight should ensure that expenditures do not exceed appropriations.
- ***Focus on proactive rather than reactive maintenance.*** One of the common victims of budget constraints and limited resources is facility maintenance. Effective school maintenance protects capital investment, ensures the health and safety of students, and supports educational performance. The review team recommended the system and scope for documented planned and preventive maintenance (PM) tasks and procedures for major building equipment be reviewed. Recognizing PM as a basic part of operating facilities – and planning and implementing a continual operating expense – is less costly and in educational disruption than reacting as things break.
- ***Provide additional training to the board and administration on public meetings law, labor and employment issues.*** The board and administration need additional training in

the area of public meetings law and its application to labor and employment issues. The board should seek training regarding basic provisions of the district's labor agreements, which should reduce potential inadvertent contract violations and support the ongoing development of effective dispute-resolution skills. This is an area that can be very costly to a district; training is a key to insuring compliance with the legal issues, contracts and board policies.

Harney County School District

Harney County (Burns-Hines) is a small district in Oregon's largest county in Southeast Oregon, with 990 students. The county covers about 10,180 square miles and Burns-Hines schools and several other districts serve 1,200 students. The district consists of Slater Elementary School, Hines Middle School, and Burns High School. It employs about 145 teachers, support staff and administrators. About 14 percent of the student population consists of minority students and about 15 percent qualify for special education services. The district's families speak primarily English, with some Paiute or other Native American languages, and some Spanish.

COMMENDATIONS

- ***District has effectively reduced class sizes even in tough economic times.*** Classic research from Tennessee in the late 1980s generated class-size reductions across the country. Project STAR (Student-Teacher Achievement Ratio) found that children in grades K-3 with classes of 13-17 students performed better than in classes of 22-25 students. The district has made deliberative efforts to reduce class sizes in these primary grades. For example 2007-2008 enrollment in kindergarten classes range from 13-19. First grades class enrollment ranges from 17-19; second grade from 22-25; and third grade from 23-28.
- ***The district developed cost-saving measures in transportation.*** Multi-tier bus routes have been developed to increase vehicle efficiency, particularly between the elementary and middle schools. The district was divided into two geographic sections for determining AM and PM kindergarten attendance to minimize bus mileage for mid-day routes. And, the district initiated procedures to limit vehicle idling times and the resulting exhaust fumes in student loading areas.
- ***District gets creative with Technology.*** The district utilizes Harney ESD for information and technology (IT) support, including the installation, upgrading, and maintenance of the district's operational and curriculum-based computers, as well as hosting the district's server and providing internet access. In addition, the district utilizes the StRUT (Students Recycling Used Technology) program to recondition decommissioned government computers. This program allows students to receive technical training while classrooms get computers for little or no cost.
- ***District leadership communicates effectively with community.*** The district's positive attitude – and affect on student achievement – during tough economic times and during budget controversy is the result of a committed staff and board. Having access to local

(and locally owned) newspaper and radio stations willing to share district information is almost unheard of. The superintendent capitalizes on this, and he should extend the opportunity by encouraging guest columns from other administrators and board members.

OPPORTUNITIES FOR IMPROVEMENT

- ***Develop current budget projects and monitor fund balances on a continuous basis.*** The review team arrived on May 13, 2008 to find the administrative staff working to balance the budget for the next fiscal year. The night before our arrival, a budget meeting was held with substantial community participation as various cuts were being discussed in an attempt to balance the budget for the 2008-09 fiscal year. A news reporter indicated the shortfall was about \$800,000. Through the review process, team members were able to provide some assistance in balancing the 2008-09 budget and recommendations for the future. Staff should propose balanced budgets to their Budget Committee take care when estimating fund balances and closely monitor calculations as the fiscal year progresses.
- ***Centralization of certain human resource functions.*** At least two areas could benefit from a more centralized approach that ensures consistency and reduces potential liability. The laws governing the Oregon Family Leave Act (OFLA) and Family Medical Leave Act (FMLA) are very complex. The district would be well served to centralize this function or designate a district level person trained in the complexities of the law. The other is the hiring process which is extremely decentralized within the district. Hiring processes must be consistent, equitable and effective in selecting appropriate candidates to fill positions; comply with all relevant state and federal laws; be legally defensible.
- ***District should review vehicle and facility security.*** The district should review procedures for securing buses and their transportation facility. Even though this area is rural, security of the transportation facility warrants added attention. The current location makes it extremely difficult to secure the facility when no one is on site; however, attention to closing and securing the office and repair areas is critical when no staff is available. This is particularly important given the immediate proximity to the high school. School Transportation Security Assessment (STSA) offers both DVD and written materials to assist in developing safety and security procedures.

Greater Albany Public Schools

Oregon's 13th largest school district began as Albany Union High School in 1951. In 1979, 18 elementary feeder school districts merged with the high school district to become Greater Albany Public Schools. Located in the middle of Oregon's Willamette Valley, about 20 miles south of Salem, the district covers over 133 square miles and includes the cities of Albany, Millersburg and Tangent as well as outlying areas of Linn and Benton counties. The district population is estimated at 58,000; schools have more than 9,000 students in 14 elementary, three middle, two high schools and one alternative school. District buildings include a transportation facility, a maintenance facility and the district office building. Thanks to voter support, a \$55 million bond measure was approved in November 2006. The district is in the midst of major capital

improvements that include construction of a new school, expansion of several schools, renovation of science labs and district-wide upgrades of electrical and water systems.

COMMENDATIONS

- ***District computer replacement program both innovative and cost-effective.*** The district has developed a program to purchase off-lease computers from Dell for students. Computers have been leased, refurbished and sold at deep discounts. The program allows the district to replace student computers on a six-year cycle. (The district technology plan indicates the district will work toward an eight-year replacement cycle.) Spare computers are purchased through this program by the IT department and made available when a computer breaks down, thus limiting down-time. The program also affords the district consistency in equipment and more efficient operations and training. Computers that are replaced are discarded or reallocated.
- ***District nutrition services program is a first-rate.*** The district offers an exemplary program integrating food service with the instructional program. Among the best practices other districts can benefit from are: culinary competition at the elementary and high school; student work programs that develop positive work habit; work experience programs coordinated with the Chamber of Commerce and local business; and a culinary arts program coordinated by the local community college.
- ***Transportation program supports drivers and excels at safety.*** GAPS drivers are well-trained and participate in the state's safety competition. The district proudly displays the trophies that the drivers have won over the years. For several years, GAPS has had the overall winner and top-10 state winner, and those drivers compete in the international competition. District administration has developed various ways to support and recognize their staff including a "driver of the month" and "classified appreciation days."

OPPORTUNITIES FOR IMPROVEMENT

- ***Develop a consistent method to address performance issues.*** The district is inconsistent with follow-through once performance problems are identified. Employee performance issues need to be approached by a consistent identification of issues, a clear implementation plan to address the issues and follow-up plans for assistance. This program should include specific training for supervisors and building principals on evaluating staff and coaching staff.
- ***Review the practice of fueling school buses.*** School buses are fueled at a card-lock station, where the auto service worker is stationed from 7:30-9:30 a.m. Drivers take buses to the station, wait for their turn to get their buses fueled, continue waiting during fueling and then drive their buses back to the transportation center. The district should evaluate this practice for efficiency and consider other procedures such as "wet service," which is the practice of hiring a fuel truck to fuel the buses in the bus yard rather than driving them to a fueling station.

- ***District should review current custodial/maintenance staffing model.*** The district uses a staffing model called Classified Staffing Units (CSU), which allows building administrators to staff classified personnel at their buildings based on the number of students. The staffing model did not take building size or complexity into consideration. In some instances, staffing of custodial workers in a building was not adequate to meet cleaning standards. The district should explore a more objective system of custodial staffing which considers more than population or facility size.

Eugene School District

The district that would become Eugene School District 4J (4J) started in 1854, five years before Oregon attained statehood. 4J currently spans about 155 square miles in the southern Willamette Valley and its boundaries include about 85 percent of the city of Eugene, the town of Coburg and a small part of Linn County to the north. The district serves 17,000 students in 26 elementary school programs, 13 middle school programs (including a K-8 program), eight high school programs, and three charter schools.

The school board works extremely well together -- an observation also noted by several interviewees. Board members dedicate the necessary time through training and discussions to ensure that this level of success continues.

Eugene operates under a much decentralized approach. For many years it has used a site-based-decision making model allowing many decisions at the school level. Although this process has worked, board members are aware of the district's current struggles to maintain this approach in light of lagging enrollment and budget issues. The Board and staff communicated their desire to address this during the review.

COMMENDATIONS

- ***District has a clear and vibrant focus on students.*** As part of its recent strategic planning process the board launched "Shaping 4J's Future." The program is designed to assist the district in guiding programs and services over the next 5-7 years, in light of declining enrollment and changing demographics. As a result, the board's new goals are much more specific than before – in fact, they are far more specific than those of many other Oregon school boards. "The precision of our goals is informed by a very engaged citizenry," said Board Chair Charles Martinez. "We will experience tension that creates the possibility of failure – but that's courageous. How will we react when we struggle? We will share responsibility. That's the culture of Eugene."
- ***District offers outstanding custodial training.*** When new custodians are hired they complete a comprehensive training program which consists of one day in a classroom setting and two days on the job training in a building. This provides an excellent starting base for approved cleaning methods, use of district provided cleaning equipment and building orientation.

- **Transportation program offers innovative practices.** The district provides limited yellow bus service to high school students based on the Oregon State Board of Education approved waiver, dated Feb. 17, 2005. The waiver-identified “suitable and sufficient” transportation is provided by the Lane Transportation District (LTD.) District staff estimated the move from “yellow” bus to LTD provided a net savings of eight buses and allowed the time needed to offer tiered routing, thereby providing expanded bus capacity with a reduced number of vehicles. LTD currently provides students with free passes which 4J issues the passes to students with parental permission.

OPPORTUNITIES FOR IMPROVEMENT

- **Centralization versus decentralization.** The decentralized nature of 4J brings with it some unique challenges from a financial, accounting, purchasing and reporting perspective. To truly allow site-based-decision making, individual sites have been given the autonomy to make decisions based upon what they believe to be in their best interest. This can present significant challenges from an overall management and oversight perspective. One out-growth of the site-based-decision making model used by 4J can be duplication of functions/services within the district. Given demographic and budget challenges, the district should evaluate centralization of some of the accounting, purchasing, finance, reporting, and personnel functions.
- **Perform a systems analysis of the human resource system.** The human resource department faced significant challenges early in 2008. The district has taken extensive steps to begin addressing some of these issues. The district should undertake a systems analysis to insure efficiency and effectiveness of their immediate and long-term corrective action. Three key areas of focus include: degree of decentralization vs. centralization, review of the multitude of funding sources utilized at each site, and the impact of collective bargaining agreements.
- **District should analyze nutrition services and establish direction.** The Nutrition Services department works hard within some major constraints. The board needs to determine a direction for the program; staff then need to establish specific goals. Goals will guide staff and encourage innovation and greater service impact. In particular, the high school program would benefit from setting measurable goals and a refreshed approach to the free and reduced lunch program.

These commendations and opportunities for improvement are just a few identified by the review teams during this pilot project. One of the most exciting aspects is our ability to highlight “best practices” and make them available to others through the Electronic Resource Center (ERC).

Lessons Learned from the Team

One thing is clear: School districts strongly value an outside review and are very willing to implement change. When asked if they would recommend this process to other districts, one responded, “Yes, if a district is looking for a frank evaluation of their processes.” This district felt the process was especially valuable because reviewers are individuals with experience in school business operations and have an excellent understanding of the work. Word is spreading, so we’re getting more requests.

What is stopping districts from seeking these services? Funding cuts. As the review team discussed implementation of the recommendations provided to our pilot districts, the biggest reason districts decided against some of our ideas was lack of money. Even when districts see the benefit of spending money to make improvements, freeing up resources can make the improvement impossible. At least for now.

We’re excited about providing an alternative. Currently, review options involve high-cost audits often with price tags exceeding \$150K. The total cost of Chalkboard’s five pilot districts was less than \$60,000 because we volunteered many hours. However, we’re confident this model can be offered at a very affordable price—a critical need in today’s school budget crisis.

Thanks to a year of developing the self-evaluation tool, districts can get started on their own, then delve into a bank of “best practices” coming soon to match their needs with solutions developed in other districts throughout the U.S. In the meantime, here’s what we learned and recommend:

- We need to develop more comparative data to help reviewers determine how a district “stacks up” against similar districts in each chosen area of review (e.g. custodial or transportation services.) While the Dept. of Education collects some of this data, it was difficult to capture “data points” reviewers needed to create comparisons, which would give the district a better benchmark of what they could change.
- While comparisons with similar districts are valuable, another measurement we need to develop is a way to chart progress—which means we need to define “before and after” data comparisons to mark improvement.
- While a general review of all operations helped districts; some had specific needs – for example, short-term financial borrowing to avoid a budget shortfall. We need a follow-up process to match subject experts with district making changes, to track progress.
- We should create a menu option for district to pick from, in addition to offering the full “eight course meal” of operations to review. A targeted review could also be less costly, since it focuses on fewer areas.
- Districts are clamoring to learn and share their experiences with outside reviews – and to maintain contact with review team members. This could be developed as a listserv, or Web section as part of OASBO, or utilizing the Pennsylvania ERC where OASBO will post best practices.

- We should develop a reference or resource packet to share on each of the eight operational areas reviewed during the pilot project. This document could organize resources and experts available to districts within each area.
- A financial management handbook would benefit all districts. We noticed a lack of understanding and support for basic financial management systems. Standards and policies exist, but we noticed many levels of understanding that could be remedied with a handbook.
- Because districts are cutting budgets, an alternative funding source is needed to help them conduct outside reviews. In the long run, money is saved. We also recommend a source of funding to implement some of the recommendations be available.

Where We Go From Here

OASBO agreed to create a “clearinghouse” of best practices with other districts. To facilitate that process, OASBO partnered with the Pennsylvania affiliate to access the PASBO Electronic Resource Center (ERC).

OASBO will now post the best practices identified through this pilot project to the ERC and make them available. The ERC includes partners from Illinois, Arizona, Connecticut, Oregon, Pennsylvania, Wisconsin and a group of Southeastern states. Posting on the ERC provides all of these states the opportunity to access our best practices and our districts will have access to the best practices posted by these other states.

Expanded service offerings need to be developed which will match subject area experts with districts. Districts can utilize these experts to expand the review into more specific areas and identify steps necessary to achieve their desired outcomes. Services would include bringing experts back in key areas to work with the district on development and implementation of these plans.

This review process is the initial step for districts. No district will be able to implement every recommendation made, nor will every recommendation necessarily be appropriate for every district. What districts will have are potential solutions, identified best practices and access to experts in numerous operational areas. A key to the long-term success in this or any other project like this lies in viewing it as an opportunity for continuous improvement. Districts should seek follow-up reviews of their successes and struggles once the initial review process has been completed. Nothing in education is static; this process shouldn't be either.

As for the model we created, the self-assessment tool and ERC is the perfect place for any district to start the process. You will find copies of each of the full reports from this project on the OASBO web site at www.oasbo.com or on the Chalkboard web site at www.chalkboardproject.org Contact OASBO at oasbo@comcast.net for additional information.

We look forward to keeping this project alive, in whatever form it takes as legislators, school districts, parents and citizens continue asking the tough questions – are we spending wisely? Are we efficient? How can we improve?

It all boils down to one goal— doing what's best for children and schools. And every dollar we save is one more dollar for a child.

Members of the Review Teams:

Pennsylvania Association of School Business Officials

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