

EXECUTIVE SUMMARY

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

Since its inception, the program has expanded to include a greater number of school divisions each year. In August of 2005, MGT of America was awarded a contract to conduct an Efficiency Review of the Bath County Public Schools (BCPS). As stated in the Request for Proposals (RFP), the purpose of the study is to conduct an external review of the efficiency of various offices and operations within BCPS and to present a final report of the findings, recommendations, and projected costs and/or cost savings as recommendations. The object of the review is to identify ways that BCPS could realize cost savings in non-instructional areas in order to redirect those funds towards classroom activities.

Overview of Bath County Public Schools

Bath County is rural and sparsely populated. More than 50 percent of the land in Bath County is designated as George Washington National Forest, and thus unavailable for development. Bath County offers a wide variety of activities for nature lovers and outdoor sports enthusiasts.

Bath County Public Schools is a small, rural school division located in the mountains of western Virginia - west of Staunton and north of Roanoke. It is the mission of BCPS to meet the educational needs of the diverse student population with the highest standards possible and to be the schools of choice for Bath County citizens. The division consists of one high school and two elementary schools and has approximately 100 instructional staff. The schools offer a wide range of academic programs and athletic/extra-curricular activities to less than 800 students. Overall, school facilities are well maintained and provide a safe teaching and learning environment. All schools remain fully accredited. Each school and the division has met adequate yearly progress (AYP) for the past three years, in compliance with the requirements of No Child Left Behind.

Review Methodology

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

- be based upon a very detailed work plan and time schedule;
- specifically take into account the unique student body and environment within which the school division operates;

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

With this in mind, our methodology primarily involved a focused use of Virginia review guidelines as well as MGT's audit guidelines following the analysis of both existing data and new information obtained through various means of employee input. Each of the strategies we used is described below.

Review of Existing Records 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 recent information related to the various administrative functions and operations we would review in Bath County Public Schools.

More than 100 documents were requested from BCPS. Examples of materials MGT requested included, but were not limited, to the following:

- school board policies and administrative procedures;
- organizational charts;
- program and compliance reports;
- technology plan;
- annual performance reports;
- independent financial audits;
- plans for curriculum and instruction;
- annual budget and expenditure reports;
- job descriptions;
- salary schedules; and
- personnel handbooks.

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

Diagnostic Review

A diagnostic review of BCPS was conducted from April 3 through 5, 2006. An MGT consultant interviewed central office administrators, community leaders, school board members, and county board of supervisors concerning the management and operations of Bath County Public Schools.

Employee Surveys

To secure the involvement of central office administrators, principals/assistant principals, and teachers in the focus and scope of the efficiency review, two on-line surveys were prepared and disseminated in January 2006. Central office administrators and principals/assistant principals were combined due to the low number of staff in each group. Through the use of anonymous surveys, division staff were given the opportunity to express their views about the management and operations of Bath County Public Schools. These surveys were similar in format and content to provide a database for determining how the opinions and perceptions of central office administrators, principals/assistant principals, and teachers vary.

BCPS staff were given from January 23, 2006 through February 13, 2006 to respond. The BCPS response rates for the survey groups were good. Sixty-seven (67) percent of the administrator group returned a survey as did 71 percent of teachers. MGT compared all survey responses between the two employee groups and compared all BCPS administrators and teachers to those in the more than 30 districts where MGT has conducted similar surveys.

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

Conducting the Formal On-Site Review

A team of nine consultants conducted the formal on-site review of Bath County Public Schools during the week of April 18, 2006. As part of our on-site review, we examined the following BCPS systems and operations:

- Division Administration
- Personnel and Human Resources Management
- Financial Management
- Purchasing, Warehousing, and Fixed Assets
- Education Service Delivery and Management
- Facilities Use and Management
- Transportation
- Technology Management
- Food Services

Prior to the on-site review, each team member was provided with an extensive set of information about BCPS operations. During the on-site work, team members conducted detailed reviews of the structure and operations of Bath County Public Schools in their

assigned functional areas. All BCPS schools were visited at least once, and each of the three schools were visited more than once.

Our systematic assessment of Bath County Public Schools included the use of MGT's *Guidelines for Conducting Management and Performance Audits of School Districts*. In addition, the Commonwealth of Virginia school efficiency review guidelines were used. 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 of Bath County Public Schools, and the input of administrators in the school division. Our on-site review included meetings with appropriate central office and school-level staff as well as Bath County officials, and reviews of documentation provided by these individuals.

Comparison Summary

MGT performed a data comparison between Bath County Public Schools and other divisions in its Cluster-divisions that are close to the same size and the same part of the Commonwealth. When comparing data on the Bath County Public Schools to the other specified school divisions within the commonwealth of Virginia, BCPS has the second highest number of teachers per 1,000 students, the second lowest ratio of pupils to classroom teaching positions for grades K-7, and the lowest ratio of pupils to classroom teaching positions for grades 8-12.

The Bath County Public Schools reports the second highest instruction disbursements per pupil and the third highest administration disbursements per pupil. In regard to receipts by fund source, the division reports that most of their funds come from local funds. When compared to the peer divisions, Bath County reports the second lowest percentage of receipts from state funds, but is comparable to the peer division average in federal and other funds.

In terms of student demographics, Bath County has the second-lowest student population and the second-highest student population per 1,000 general population. Bath has the same number of total schools as the peer division average and the median percentage of economically disadvantaged students among these peer divisions.

Commendations

Detailed findings for each commendation for exemplary practices are found in the full report in Chapters 2 through 10. Following are the major commendations for which Bath County Public Schools is recognized.

- Bath County School Board meets all minimum Commonwealth school administrative staffing criteria as set forth in the revised Standards of Quality (**Chapter 2**).
- Bath School Public Schools School Board, superintendent, administration, and staff develop a comprehensive meeting agenda information packet that is provided members of the school board (**Chapter 2**).

- BCPS has a user-friendly policy manual and related forms and procedures are placed on the division's intranet site (**Chapter 2**).
- BCPS School Board and administration have done a good job of keeping the cost of legal services expenses low (**Chapter 2**).
- BCPS utilizes a survey of teachers to assess the types of professional development activities and programs that will best meet their needs (**Chapter 3**).
- BCPS strengthened its mentorship program piloted last school year, created a mentorship training program called BEST (Beginning Educator Support and Training), and surveyed mentors and mentorees to bring further improvements to the program (**Chapter 3**).
- BCPS increased its efforts to recruit high quality teachers to BCPS in light of upcoming teacher retirements over the next five years (**Chapter 3**).
- BCPS has established a documented facilities planning process (**Chapter 6**).
- BCPS maintains clean schools with staffing levels below best practice levels (**Chapter 6**).
- The secretary to the superintendent is commended for excellent performance supporting the Office of Transportation's administrative requirements. She performs this critical function in an exceptional manner (**Chapter 7**).
- BCPS is commended for the teaming and responsive cooperation to ensure the safe transportation of Bath County students (**Chapter 7**).
- Bath County Public Schools is commended for their reportable accident rate (**Chapter 7**).
- BCPS is commended for their radio communications between buses and the myriad of base stations located throughout the school division (**Chapter 7**).
- BCPS has established a permanent Technology Advisory Committee (**Chapter 8**).
- BCPS provides good technology support to the schools (**Chapter 8**).
- BCPS has implemented and maintains an effective infrastructure (**Chapter 8**).

- BCPS purchased five-year warranties on computer equipment (**Chapter 8**).
- BCPS created the Technology Assistant Program (**Chapter 8**).

Major Findings and Recommendations

Although this executive summary briefly highlights key efficiency issues in Bath County Public Schools, detailed recommendations for improving operations are found throughout the main body of the full report. Key recommendations for improvement include the following:

- Develop and implement a full school board member in-service development program (**Chapter 2: Recommendation 2-2**).
- Create board committees for board evaluation and the superintendent evaluation (**Chapter 2: Recommendation 2-3**).
- Appoint a community-based task force charged with coordinating with the Bath County Board of Supervisors and BCPS School Board to collaboratively develop a memorandum of agreement for shared services (**Chapter 2: Recommendation 2-4**).
- Establish a written BCPS School Board approved contract for legal services and annually assess those services (**Chapter 2: Recommendation 2-8**).
- Clarify the organizational chart to more clearly reflect the structure of the organization (**Chapter 2: Recommendation 2-9**).
- Follow the board-adopted Policy AF more closely and obtain more community involvement in the development of the Comprehensive Plan (**Chapter 2: Recommendation 2-10**).
- Organize and implement three strategies to improve communications within BCPS and monitor organizational health (**Chapter 2: Recommendation 2-11**).
- Employ a coordinator in the Office of Instruction and Personnel to provide assistance in carrying out responsibilities for the effective management of personnel and human resources services (**Chapter 3: Recommendation 3-1**).
- Review personnel data quarterly for accuracy and timeliness and revise reports to make available to executive staff information in an understandable format (**Chapter 3: Recommendation 3-2**).

- Develop and implement an employee feedback system to assist central office administrators and staff in evaluating the quality of its services and promoting improvement **(Chapter 3: Recommendation 3-3)**.
- Develop a long-range plan including recruitment strategies **(Chapter 3: Recommendation 3-5)**.
- Develop summary financial reports for the school board, the board of supervisors, and the public **(Chapter 4: Recommendation 4-1)**.
- Delegate payment approval to the superintendent and Business Manager **(Chapter 4: Recommendation 4-2)**.
- Develop a policy that provides guidance as to when budget adjustments are to be prepared and complete the process to align the budget document with annual school expenditure reporting requirements **(Chapter 4: Recommendation 4-4)**.
- Establish a detailed purchasing policy and develop a written procedures manual that provides standard guidance to employees **(Chapter 4: Recommendation 4-8)**.
- Develop a written activity fund operations manual to help ensure funds are administered properly **(Chapter 4: Recommendation 4-9)**.
- Track fixed assets acquired from BCPS funds and develop fixed asset policies to direct the management of the division's investment in capital items **(Chapter 4: Recommendation 4-10)**.
- Eliminate a minimum of eight teaching positions by merging small classes and provide instruction through multi-level elementary classes or distance learning and dual enrollment at the secondary level **(Chapter 5: Recommendation 5-1)**.
- Continue to develop strong core curricula aligned with the Standards of Learning (SOLs), state and federal mandates, and local needs **(Chapter 5: Recommendation 5-2)**.
- Develop and implement a divisionwide walk-through guide for classroom observations **(Chapter 5: Recommendation 5-3)**.
- Ensure that teachers maximize the amount of time allocated for instruction **(Chapter 5: Recommendation 5-4)**.
- Revise and implement a local plan for educating gifted and talented students **(Chapter 5: Recommendation 5-5)**.

- Ensure that the BCPS media programs demonstrate the essential elements of standards-based curriculum and instruction (**Chapter 5: Recommendation 5-6**).
- Ensure that school improvement plans reflect student achievement data and formative evaluation procedures (**Chapter 5: Recommendation 5-7**).
- Implement the recommendations of the Virginia Department of Education Technical Assistant Team to improve career and technical education programs in Bath County (**Chapter 5: Recommendation 5-8**).
- Explore the options for implementing schoolwide discipline programs in all schools (**Chapter 5: Recommendation 5-9**).
- Revise the BCPS guidance curriculum to be consistent with national standards as shown in the American School Guidance Association guidelines and the Virginia Department of Education regulations (**Chapter 5: Recommendation 5-10**).
- Develop activities, timelines, and data collection elements for documenting and reporting improved educational and functional outcomes for students with disabilities (**Chapter 5: Recommendation 5-11**).
- Task the Director of Maintenance with custodial supervisory responsibilities in the areas of cleaning standards and techniques (**Chapter 6: Recommendation 6-1**).
- Conduct facility assessments of the elementary schools (**Chapter 6: Recommendation 6-2**).
- Coordinate maintenance contracts with the county maintenance department (**Chapter 6: Recommendation 6-3**).
- Establish a cleaning supply budget for each school (**Chapter 6: Recommendation 6-4**).
- Implement an aggressive energy management program (**Chapter 6: Recommendation 6-5**).
- Experiment with a policy change to enhance the recruitment and retention of reliable substitute drivers with the objective of retaining at least two by offering the incentive of paying for the 48 hours of driver training after the trained substitute has earned at least \$400 as a substitute driver (**Chapter 7: Recommendation 7-2**).
- Implement an automated computer-based system to manage bus routes and student pickup points in Bath County Public Schools (**Chapter 7: Recommendation 7-9**).

- Hire a full-time administrative and parts control position to manage parts inventory and maintenance records as part of a vehicle management information system (VMIS) (**Chapter 7: Recommendation 7-11**).
- Implement a spare bus policy mandating 10 percent of the peak use bus fleet as spares (**Chapter 7: Recommendation 7-13**).
- Provide ASE certification training for the BCPS mechanic and Director of Transportation (**Chapter 7: Recommendation 7-15**).
- Expand the responsibilities of the Technology Advisory Committee (**Chapter 8: Recommendation 8-1**).
- Acquire and maintain a software package that allows parents to see progress information of their children in a secure manner (**Chapter 8: Recommendation 8-2**).
- Raise the price of the meals being served (**Chapter 9: Recommendation 9-1**).
- Reduce the cafeteria staffing level at Valley Elementary School (**Chapter 9: Recommendation 9-2**).

Fiscal Impact

Based on the analyses of data obtained from interviews, surveys, community input, state and local documents, and first-hand observations in the Bath County Public Schools, the MGT team developed more than 75 recommendations in this report. Nineteen (19) recommendations have fiscal implications, which are summarized below. **It is important to keep in mind that the identified savings and costs are incremental and cumulative.**

As shown below in Exhibit 1, full implementation of the recommendations in this report would generate a gross savings of more than \$3.2 million over five years and a total net savings in excess of \$2.3 million after total savings (costs) and one-time savings (costs) are included. 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 1 below shows the total costs and savings.

**EXHIBIT 1
SUMMARY OF ANNUAL COSTS AND SAVINGS**

CATEGORY	YEARS					TOTAL FIVE-YEAR SAVINGS (COSTS)
	2006-07	2007-08	2008-09	2009-10	2010-11	
TOTAL SAVINGS	\$640,610	\$649,110	\$649,110	\$649,110	\$649,110	\$3,237,050
TOTAL (COSTS)	(\$194,562)	(\$178,462)	(\$176,470)	(\$176,470)	(\$176,470)	(\$902,434)
TOTAL NET SAVINGS (COSTS)	\$446,048	\$470,648	\$472,640	\$472,640	\$472,640	\$2,334,616
TOTAL ONE-TIME SAVINGS (COSTS)						(\$27,785)
TOTAL FIVE-YEAR SAVINGS (COSTS) INCLUDING ONE-TIME SAVINGS (COSTS)						\$2,306,831