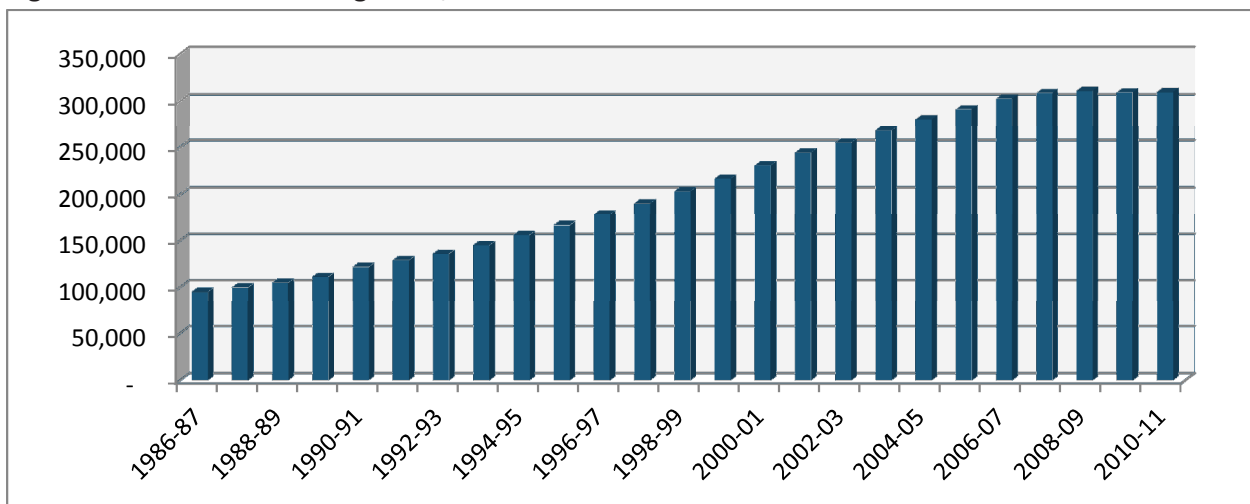# Chapter 1 – Executive Summary

This executive summary represents the results of an Educational and Operational Efficiency Study conducted for the Clark County School District (CCSD) by Gibson Consulting Group, Inc., (Gibson) an education consulting firm based in Austin, Texas. This study began on May 27, 2011 and was completed August 31, 2011.

The intent of this study was to examine CCSD structures and processes and recommend operational and educational efficiencies, with a core focus on increasing student achievement. The study was not intended to be a comprehensive evaluation of CCSD's efficiency, but rather to identify major areas that the district should focus on to increase efficiency and effectiveness in its educational programs and operational services.
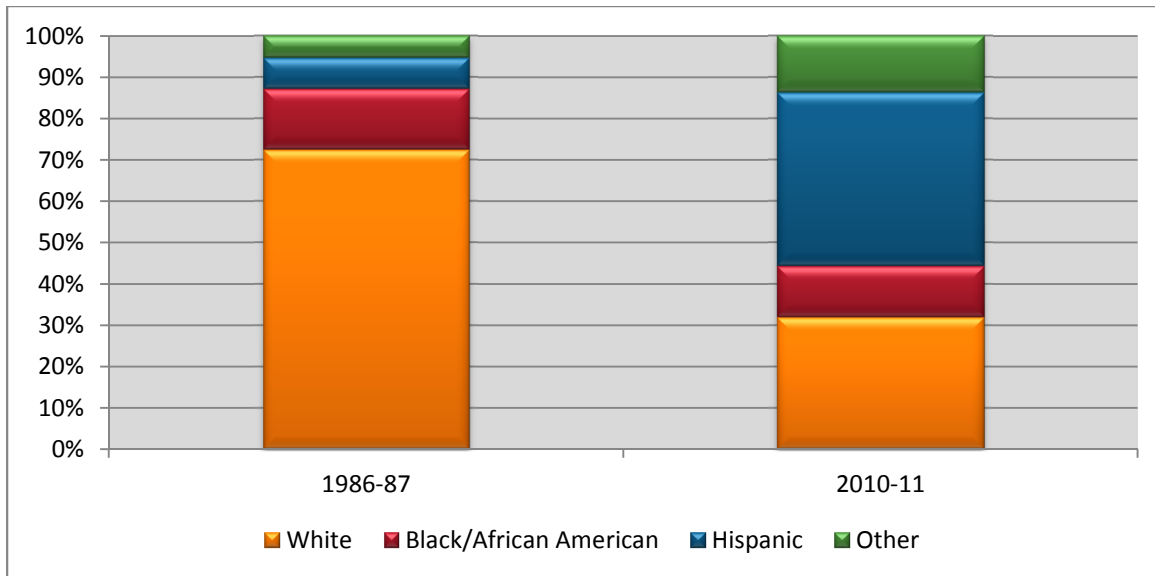
This study took place during a critical juncture in CCSD's existence. After 25 years of rapid growth (see Figure 1.1) and changing demographics (see Figure 1.2), during which time CCSD became the fifth largest school system in the U.S., growth has virtually stopped due to an economic downturn in Nevada. Between 1986-87 and 2007-08, CCSD added 200,000 students – the current size of the Houston Independent School District in Texas.

Figure 1.1. CCSD enrollment growth, 1986-87 to 2010-11

Source: CCSD Demographics, Zoning and GIS, 2011

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Figure 1.2. CCSD student ethnicity, 1986-87 and 2010-11

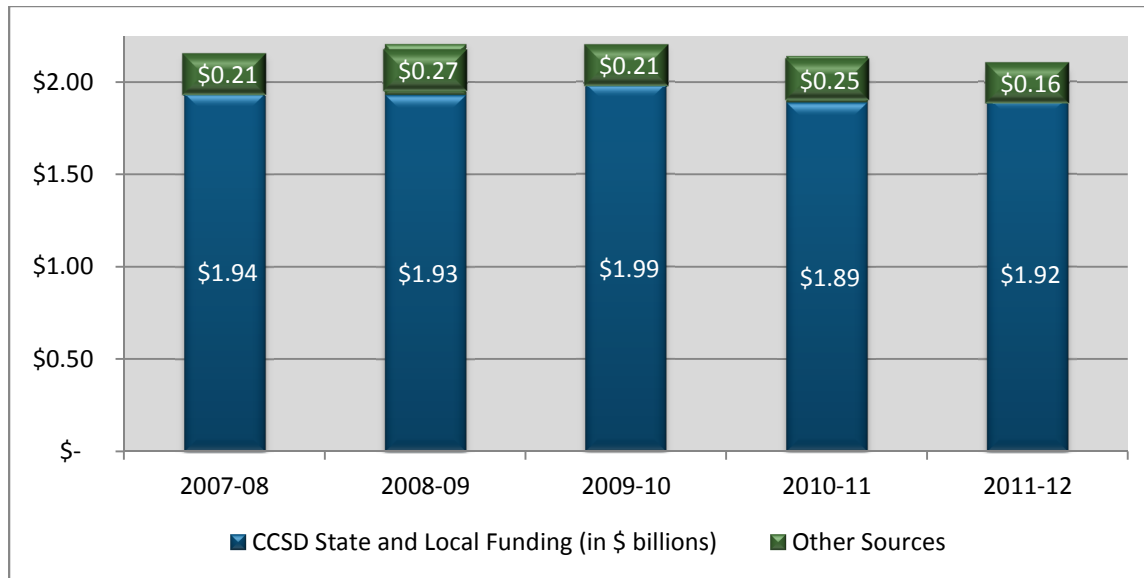Source: CCSD Demographics, Zoning and GIS, 2011

During this period of growth, the district built up to 16 new schools each year and hired thousands of new teachers and other employees to meet the increased demands. This level of growth is unheard of in American public education. CCSD's ability to match this demand with the necessary facilities, staff, and financial resources has been a remarkable achievement.

The recent downturn in the economy has also contributed to flat funding levels for education in recent years, leaving Nevada ranked 47th out of the 50 states in per pupil spending.[1] In fiscal year 2009, Nevada spent $7,615 per student to support operating expenditures, compared to the U.S. average of $10,190.[2] Since 2007-08, CCSD state and local revenues have declined from $1.94 billion to $1.92 billion (see Figure 1.3). CCSD total revenues have declined from $2.15 billion in 2007-08 to $2.08 billion in 2011-12 and have dropped each of the past three years.

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[1] Based on current operating expenditures per student, National Education Association, Rankings and Updates, 2008-09

[2] Source: National Education Association, "Rankings & Updates" 2008-09.

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Figure 1.3. CCSD Revenues (in $ billions), 2007-08 through 2011-12

Source: CCSD 2011-12 Annual Budget Report; 2010-11 and 2011-12 are projected amounts.

Throughout its growth period, the district has struggled to make substantial gains in student performance. To accelerate the pace of growth in student achievement through major educational reform, the CCSD Board selected a new superintendent in September 2010, Mr. Dwight Jones. Superintendent Jones has established an aggressive reform agenda, as reflected in his May 2011 report *A Look Ahead: Phase 1 Preliminary Reforms Report*[3]. This guiding document establishes higher expectations for CCSD staff and students with the goal of having each student "ready by exit." To do this, Superintendent Jones asserts that "we must do things differently" and overcome the barriers that inhibit reform. Many of these reform initiatives are already underway, and the progress of these reforms was evident during this study including:

- Emphasis on performance management and accountability.

- Development of student data dashboards and more strategic data usage.

- Establishment of performance zones to focus resources on schools with the highest needs.

- Emphasis on Return on Investment – to determine if the programs and interventions in which CCSD is investing are providing the desired academic returns.

- Expansion of the Empowerment Schools, whereby schools have more flexibility to allocate resources to meet their own needs.

- Adoption of a growth model to measure student progress and identify those programs that achieve substantial improvement in student achievement.

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[3] *A Look Ahead: Phase 1 Preliminary Reforms Report – Improving Achievement in the Clark County School District* Superintendent of Schools Dwight D. Jones (May 2011)
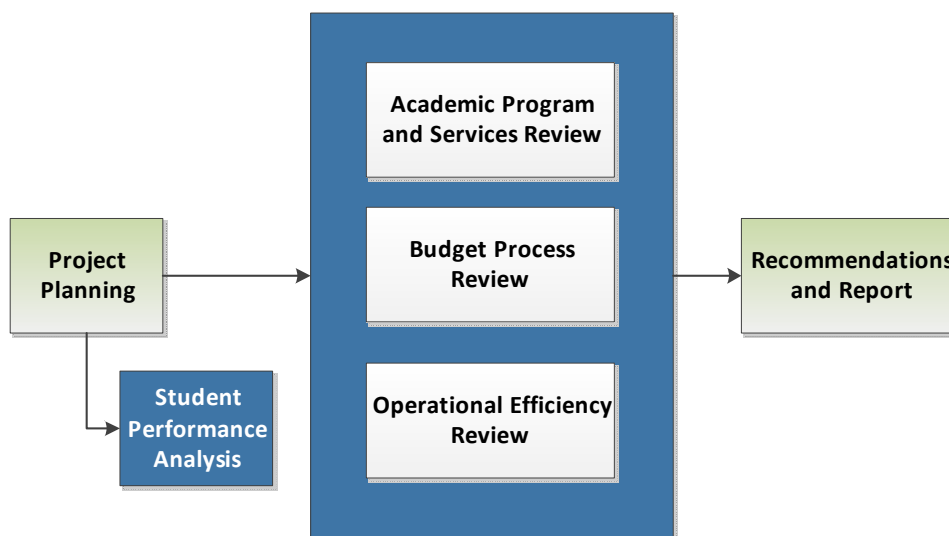
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- Implementation of a school performance framework that focuses on yearly academic growth of students and enables staff to learn more easily from each other about what works.

The impetus for this Educational and Operational Efficiency Study was based on a growing concern that, in the midst of higher academic expectations, a more challenging student population, and increasingly limited financial resources, something must be done to ensure that student performance is not compromised. Numerous internal efforts have been undertaken over the past several years to improve efficiency, reduce costs, modify programs and staffing formulas, and identify additional revenues. The Superintendent commissioned this study to provide a fresh and objective view of the organization's efficiency, and to identify major opportunities to reduce costs or re-purpose funds to better support needed investments in his educational reform agenda.

Study Methodology

The methodology used by Gibson to conduct this study involved six major tasks, four of which represent major analysis components (see Figure 1.4) that are discussed below.

Figure 1.4 Project methodology

Source: Gibson Consulting Group, Inc.

- A **student performance analysis** was conducted through two separate research efforts by American Institutes for Research (AIR), a subcontractor to Gibson for this study. The student performance analysis included a trend analysis of CCSD student performance over the past six years, and a comparison of CCSD to three peer districts selected based on similar size and demographics, among other factors.

- **Academic programs and services** were analyzed in terms of their efficiency and effectiveness in supporting the academic needs and priorities of CCSD in a cost-effective manner. The review

included curriculum development and implementation, teacher professional development, student assessment, school operations, and specific academic programs.

- A **budget process review** evaluated the effectiveness of the budget process in allocating district resources to meet CCSD needs and priorities. The transparency of the budget document – the ability to justify and effectively communicate district spending levels – was also evaluated.

- The **operational review** analyzed areas including district organization and management, financial management, human resources, technology, facilities management, transportation and food services to identify opportunities to reduce costs and/or improve the efficiency and effectiveness of these units. The operational review also evaluated global organizational and management elements of CCSD, including how decisions are made.

This study focused on major findings and recommendations to improve educational and operational programs, and was not intended to be an efficiency report card on every aspect of CCSD programs and services. Emphasis was placed on the district's General Fund expenditures, which are used to support most of its operations. Separate funds used for capital expenditures and debt service were excluded for purposes of this study. In certain situations, other funds (e.g., Title I and food services) were discussed if a recommendation had an effect on the district's General Fund or if there were management issues related to these funds.

During the initiation of the project, data from all major areas were analyzed and interviews were conducted with CCSD staff to identify the key areas to be addressed during the remainder of the project. This approach resulted in a filtering of issues by the project team and the subsequent in-depth analysis of selected issues. Some operational and program areas, such as the CCSD Police Services Division, Community Involvement, and Vegas PBS did not have major issues related to efficiency or did not have significant opportunities for cost reduction. Accordingly, these areas are not included in this report.

Gibson collected over 1,000 documents from CCSD related to its educational and operational programs, such as organization charts, program descriptions, staff rosters, budgets, operational metrics, and performance reports. In addition, the district provided detailed student-level achievement data to support the analysis of student performance.

Almost 400 hours of interviews were conducted with approximately 260 CCSD staff members from June 18 through July 27, 2011. Interviews included district leadership, department heads and staff, operational leads, and support staff, among others. The review team also conducted focus group sessions with principals and selected staff groups. Because the study was conducted during the summer break, no school visits were conducted. However, findings and recommendations were based on the corroboration of data from district documents and information received through interviews and focus groups.

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Major Findings and Recommendations

The results of this study show that while CCSD is a low-cost provider of public education and is efficient in several areas, the district could better meet student needs through re-purposing its spending in academic areas, implementing cost reduction opportunities (primarily in operational areas), and improving management practices. The report's major findings are summarized below.
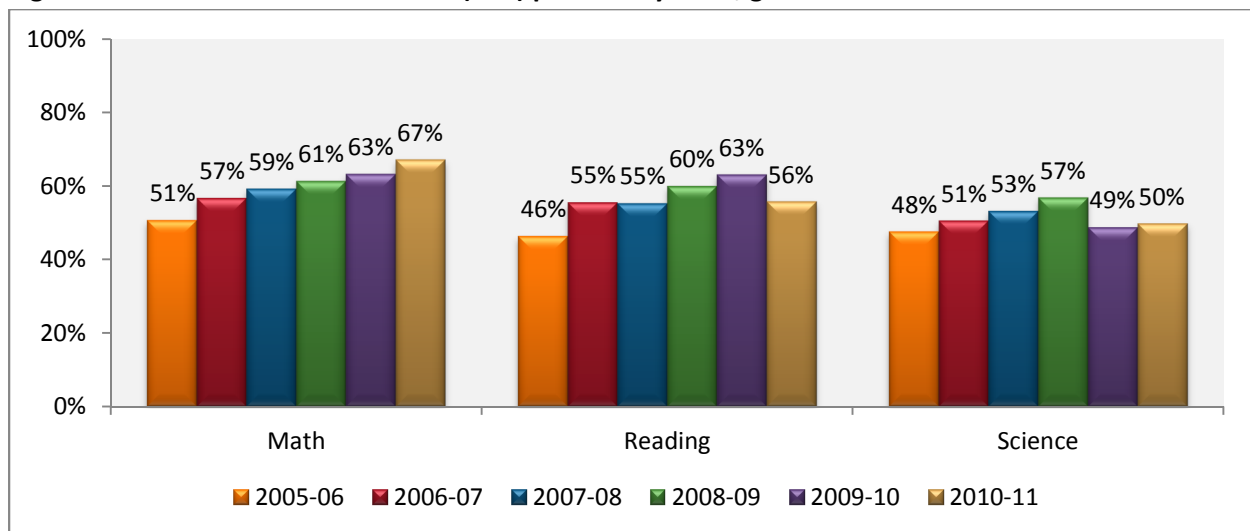
Student Achievement

This section presents an overview of CCSD's student achievement in three areas:

- Criterion Referenced Test (CRT) for grades 3 through 8 combined

- High School Proficiency Exam (HSPE) data for grade 10 (math, reading, and science) and grade 11 (writing)

- District-wide performance and other statistics for CCSD compared to three peer districts

CCSD's overall student performance is behind that of its peer districts as well as its own performance standards, and large achievement gaps still exist between student sub-groups. Forty-four percent of CCSD schools have the lowest possible rating ("in need of improvement") for Adequate Yearly Progress (AYP) based on criteria in the *No Child Left Behind Act*.

Overall, proficiency rates have shown upward trends, but remain below the district standard of 90 percent to 100 percent proficiency. Figure 1.5 presents the CCSD proficiency rates for grades 3 through 8 for the past six years. Declines in proficiency rates in reading in 2010-11 and in science in 2009-10 are attributed to new tests established in those subjects in those years.
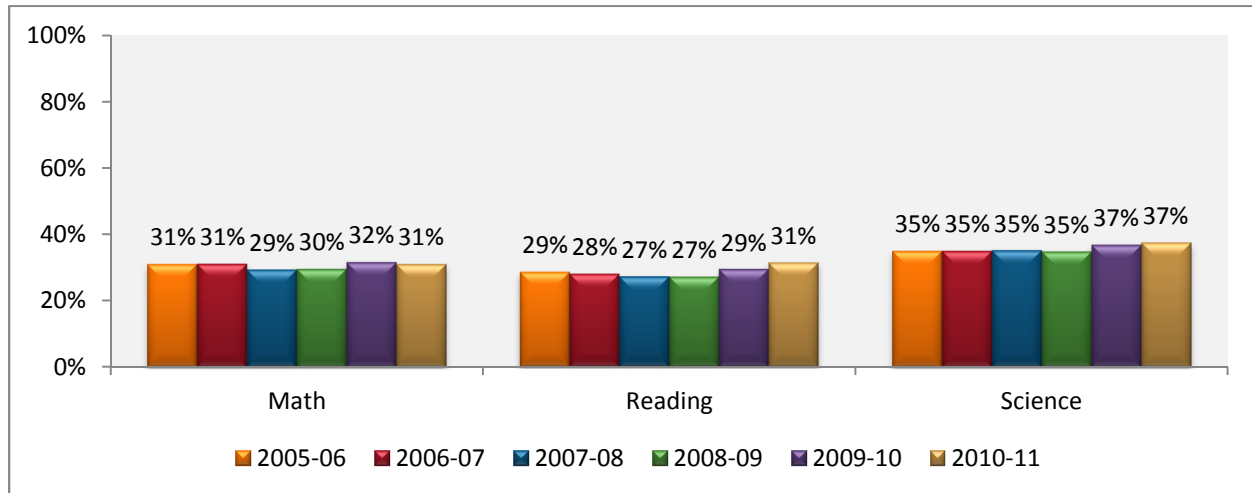
Figure 1.5. Criterion Referenced Test (CRT) proficiency rates, grades 3–8 combined

Source: Criterion Referenced Test data files provided by CCSD, 2005-06 to 2010-11.

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Achievement gaps in 2010-11 between Black/African-American students and White students in grades 3-8 range from 31 percentage points in math and reading to 37 percentage points in science, and these gaps have not substantively changed over the past six years (see Figure 1.6).

Figure 1.6. CRT achievement gaps between Black/African American and White students, grades 3-8 combined

Source: Criterion Referenced Test data files provided by CCSD, 2005-06 to 2010-11.

Note: Achievement gap is the difference between the proficiency rate of Black/African American and White students in each year. The CRT mathematics and science assessments were revised in 2009–10, and the CRT reading assessment was revised in 2010–11. The definition of the race/ethnicity classifications was revised in 2009–10.

Achievement gaps between Hispanic and White students have improved (become smaller) over the past six years, but still remain large – ranging from 26 to 31 percent in 2005-06 and from 18 to 28 percent in 2010-11. All three subject areas have shown declining gaps over the past six years (see Figure 1.7).

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Figure 1.7.CRT achievement gaps between Hispanic and White students, grades 3-8 combined
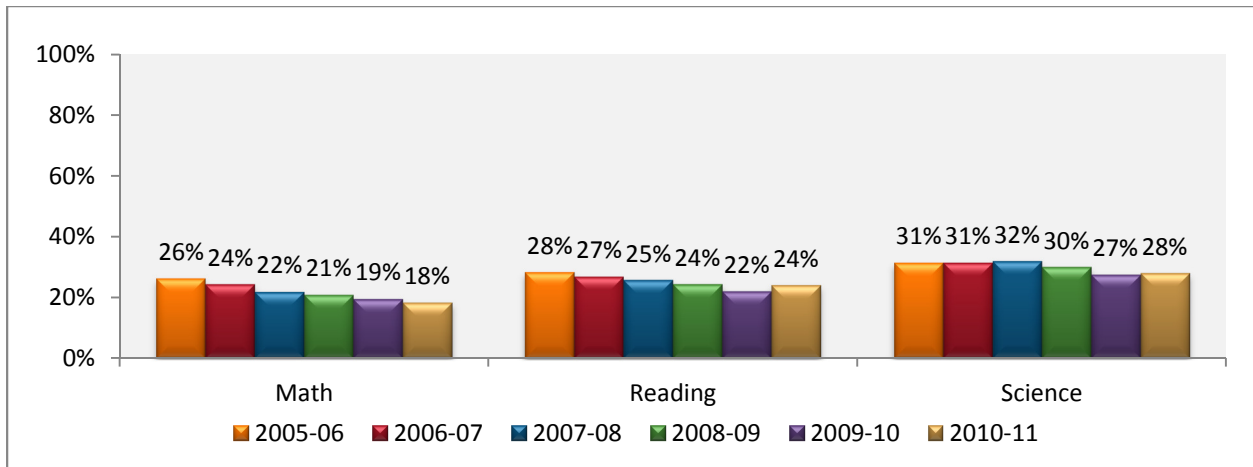

Source: Criterion Referenced Test data files provided by CCSD, 2005-06 to 2010-11.

Note: Achievement gap is the difference between the proficiency rate of Hispanic and White students in each year.

High school proficiency rates have historically been lower in math and science. In 2010-11, just over one-half (52 percent) of CCSD students were proficient in these two subject areas. Figure 1.8 provides High School Proficiency Exam (HSPE) proficiency rates for 10th grade students in math, reading, and science, and for 11th grade students in writing.

Figure 1.8. HSPE proficiency rates, grade 10 for math, reading, and science; grade 11 for writing

Source: High School Proficiency Exam data files provided by CCSD, 2005-06 to 2010-11.

Note: The math test was revised in 2009-10 and the reading test was revised in 2010-11.

The peer district analysis conducted during this study compared CCSD to three other large school districts with similar demographics – the Houston Independent School District (HISD) – Texas, Broward

County Public Schools (BCPS) – Florida, and Miami-Dade County Public Schools (M-DCPS) – Florida. Table 1.1 presents a profile of CCSD and the peer districts.

Table 1.1. Demographic information for comparison districts (2009–10)

District Information	CCSD	Houston	Broward	Miami-Dade
State	Nevada	Texas	Florida	Florida
Locale type	Suburb, Large	City, Large	Suburb, Large	Suburb, Large
Number of schools	370	309	325	546
Number of students	307,059	202,773	256,137	345,804
Percent FRPL eligible students	43.8%	59.3%	52.8%	68.0%
Percent LEP students	16.8%	28.5%	9.5%	17.2%
Percent SPED students	10.5%	8.1%	12.3%	11.0%
Percent Title I schools	53.5%	88.0%	61.2%	67.2%

Source: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD)

Note: As Common Core of Data student enrollment data were used for CCSD and peer districts, CCSD enrollment numbers in Table 1.1 differ from those used in the full report.

CCSD student performance was generally below the performance levels of these peer districts, particularly in math and reading for the lower grades (3-6). Mean SAT and ACT scores and Advanced Placement test scores were comparable to the peer districts, but participation rates for these tests at CCSD were substantially lower than their peers. Table 1.2 presents selected student performance measures for CCSD and the comparison districts. The red shaded boxes below indicate where CCSD is the lowest performing among the peer districts.

Table 1.2. District performance information for comparison districts (2009–10)

Student Performance Indicator[a]	CCSD	Houston	Broward	Miami-Dade
District AYP status	Met[4]	Not met	Not met	Not met
% proficient, all grades, reading	66.2%	84%	63%	59%
% proficient, all grades, math	63.5%	81%	72%	66%
% proficient, Grade 3, reading	59.8%	89%	72%	68%
% proficient, Grade 3, math	65.3%	83%	80%	78%
% proficient, Grade 4, reading	64.1%	72%	81%	70%
% proficient, Grade 4, math	65.6%	76%	87%	72%
% proficient, Grade 6, reading	62.7%	81%	69%	62%

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[4] For the 2009–10 school year CCSD made AYP, but the district failed to make AYP for the 2010–11 school year and has been designated as a "watch" district.

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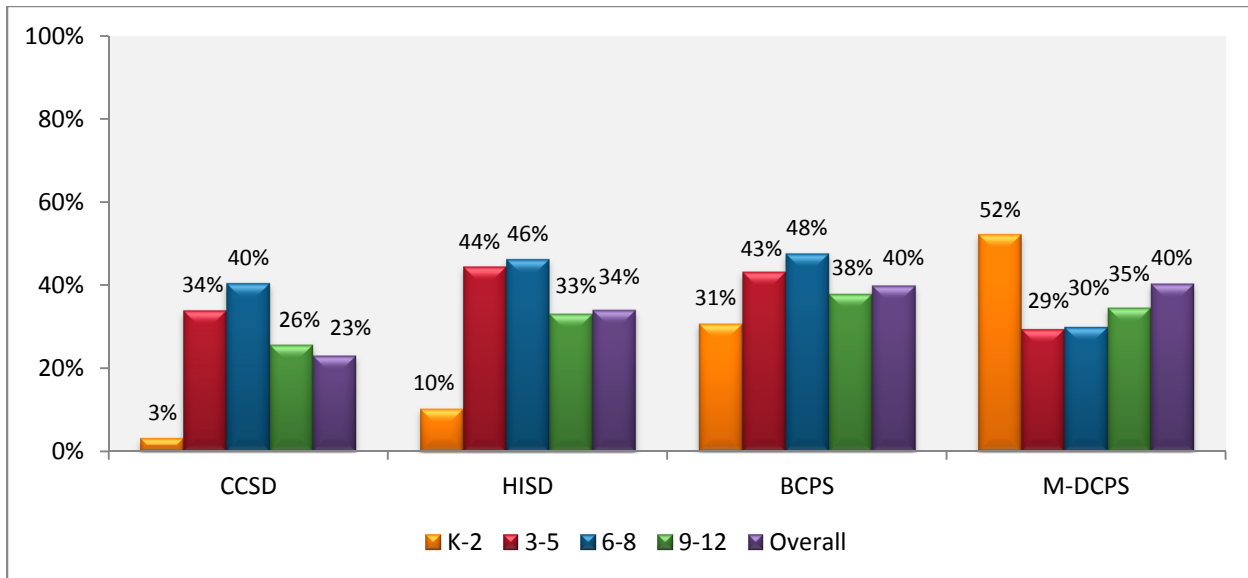| Student Performance Indicator[a]	CCSD	Houston	Broward	Miami-Dade
% proficient, Grade 6, math	61.1%	79%	64%	53%
Mean SAT total score	1423	1388	1456	1426
SAT participation rate	30.6%	54%	51%	48%
Mean ACT total score	21.1	18.8	18.6	17.5
ACT participation rate	20.6%	27%	57%	54%
% AP exams scored 3–5	45.1%	38%	45%	39%
AP exam participation rate [b]	11.3%	24%	29%	29%
Four-year graduation rate [c]	68.1%	74%	78%	72%
Single-year dropout rate (Grades 9–12) [c]	4.8%	3.7%	1.6%	4.0%

[a] All proficiency rates are based on assessments specific to each state.

[b] Advanced Placement exam participation rates are used as a proxy for AP course enrollment.

[c] 2009–10 graduation and dropout rates based on CCSD data from http://www.nevadareportcard.com; BCPS and M-DCPS data from http://www.fldoe.org/eias/eiaspubs/xls/graddroprate0910.xls; HISD data from http://www.tea.state.tx.us/acctres/dropcomp/years.html.

CCSD also struggles more with certain student sub-groups than does its peer districts. The percentage of Limited English Proficient (LEP) students overall that are considered English proficient is 23 percent for CCSD, and ranged from 34 percent to 40 percent among the peer districts. In kindergarten, the difference in proficiency compared to peers is much larger, as only 3 percent of the youngest CCSD LEP students (grades K-2) are considered English proficient while 10 to 52 percent of peer group K-2 students are proficient (see Figure 1.9). It is important to note that the LEP population in Florida (whose country of origin is typically Cuba) differs from the LEP populations in Texas and Nevada (whose country of origin is typically Mexico). Nonetheless, all three comparable districts (M-DCPS, HISD, and BCPS) have a higher percentage of English proficiency among their respective LEP populations than CCSD. This suggests that the programs in M-DCPS, HISD, and BCPS are more effective in supporting the English acquisition of their LEP populations than is the program in CCSD.

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Figure 1.9. Percentage of LEP students considered English proficient in CCSD and peer districts (2010–11)

Sources: 2010–11 English proficiency results based on English Proficiency Status (EPS) data provided by CCSD; Comprehensive English Language Learning Assessment (CELLA) data provided by BCPS and M-DCPS; Texas English Language Proficiency Assessment System (TELPAS) data provided by HISD.

Note: Because LEP students in CCSD had either an English Language Proficiency Assessment (ELPA) score, a Language Assessment Survey (LAS Links) score, or both scores in the data set provided by the district, English Proficiency Status codes for all students were used for this comparison.

During the peer district review, research was conducted with each of the comparison districts to identify successful practices to improve student performance, many of which are now underway at CCSD or recommended in this report.

Educational Alignment and Focus

The existence of organizational silos, driven primarily by different funding sources, has contributed to an excessive number of academic programs, interventions, assessments, and staff professional development programs in CCSD. It appears that decisions have been made without coordination under a single district philosophy, and departments and schools have had the freedom to purchase or select programs on their own. At a global level these cumulative efforts are not generating significant gains in student achievement. At the micro level the district does not track information necessary to determine if specific student programs and interventions are actually having the intended effect. These programs and interventions often overlap, and according to input from principals during focus groups, they are at times in conflict with each other.

The district's supplemental reading programs provide an example of the duplicative programming. Table 1.3 lists some programs used in the district to support literacy. Additional programs selected and purchased by the schools are not centrally tracked. Schools may use Title I funds to purchase instructional programs and, as long as these programs are deemed "scientifically evidence based," there

are few restrictions on purchasing. Since this approach does not appear to be contributing to higher student achievement, program procurement practices should be re-evaluated and changed.

Table 1.3 – Examples of district instructional reading programs – Literacy support

Program and Grade Levels	Elementary School	Middle School	High School
Tier I Core Programs (Adopted Textbooks)			
Harcourt Trophies	•		
McMillan McGraw-Hill	•		
Scott Foresman	•		
Tier I Supplemental Programs			
Compass Learning	•	•	•
Classworks	•	•	
Earobics Step 1-2	•		
Study Island	•	•	
Fast ForWord	•	•	
Achieve 3000	•	•	
Tier II Intervention			
Burst	•		
Fast ForWord	•	•	
Harcourt Trophies Intervention	•		
Read 180 Enterprise Ed.	•	•	•
Time Warp Plus	•		
Voyager Passport	•		
Language		•	•
Corrective Reading		•	•
Voyager Journeys		•	•
Tier III Intensive Intervention			
Fast ForWord	•	•	
Language!	•	•	•
Voyager Passport	•		
Voyager Journeys		•	•
Read 180 Enterprise Edition		•	•
Corrective Reading		•	•
System 44		•	•

Source: *Response to Instruction. A K-12 Multi-Tiered System of Support. A General Education Initiative.*, CCSD

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Nine different CCSD reporting units provide literacy professional development. Interviews with district and school administrators and academic managers indicate that teachers often receive conflicting information and recommendations based upon the division or program providing the professional development. The numerous and varied professional development offerings competing for the same audience sometimes create a "forced choice" of particular programs that may prevent access to important information contained in others.

Multiple assessments are used to evaluate student achievement during the school year. Table 1.4 provides examples of elementary assessments for reading and math. However, senior CCSD staff members stated that it is not known if other assessments may be in use across the district.

Table 1.4. Examples of elementary assessments for reading and mathematics

Elementary Assessments	
Screening/Benchmark Assessments	- AIMSweb (six assessments of reading and mathematics) - DIBELS - Scholastic Reading Inventory - Vital Indicators of Progress
Diagnostic Assessments (to determine skill deficit)	- CORE Phonics Survey - Developmental Reading Assessment - Qualitative Spelling Inventory - MClass - Scholastic Phonics Inventory
Progress Monitoring Assessments	- AIMSweb (six assessments of reading and mathematics) - DIBELS - Vital Indicators of Progress - STAR Math

Source: *Response to Instruction. A K-12 Multi-Tiered System of Support. A General Education Initiative., CCSD*

The district cannot successfully implement a performance management system with this number of assessments. Given the district's 30+ percent in-district student mobility rate, students are adversely affected when the assessments vary from school to school. When students transfer within the district, teachers do not have the information they need, in a format with which they are accustomed to working, that describes a student's learning progress or learning challenges. The number and variation of assessments also greatly complicates data analysis at the district level and across individual schools, as well as contributes to the fragmentation of the support systems in professional development.

In summer 2011, CCSD implemented a re-organization around performance zones that will help focus the district's resources on its most pressing needs. These performance zones report to a deputy superintendent, who is accountable for coordinating all academic programs and services provided to schools in these zones. While these two changes provide the organizational framework for success, operational changes to dismantle the organizational silos and promote a coordinated effort are still
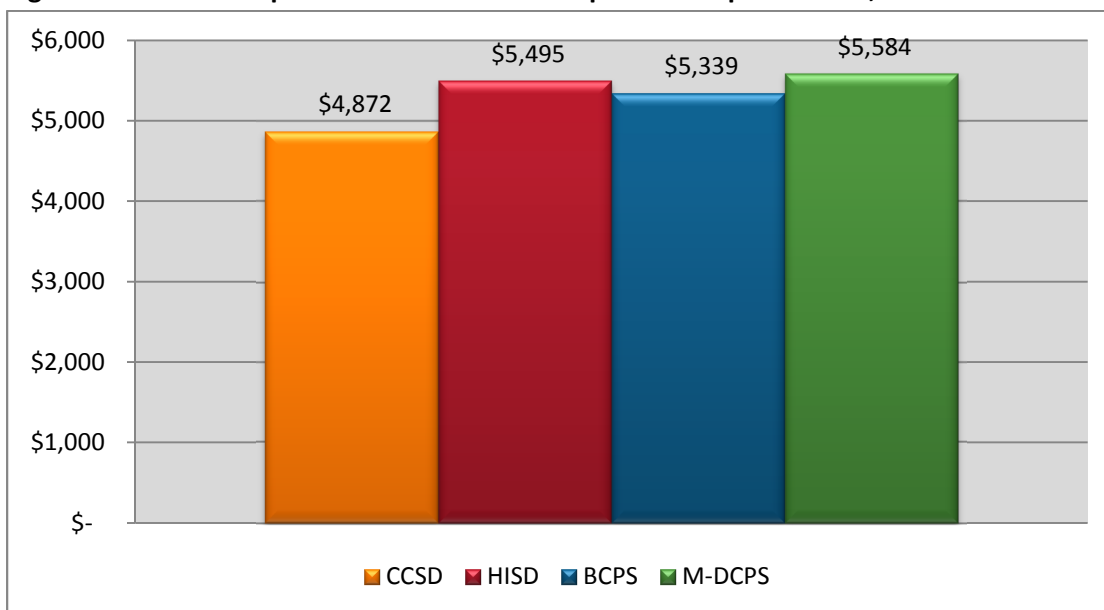
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needed. The recommendations in this report will provide the district with specific suggestions to maximize the effectiveness of this new structure. Through re-purposing its expenditures and using cross-functional teams, CCSD should be able to provide more effective and efficient educational programs and student support services by focusing on a smaller set of better-aligned academic, assessment, and professional development programs.

Efficiency

Educational Efficiency

CCSD's instructional spending per student is $500 to $800 per student lower than its peer districts (see Figure 1.10)
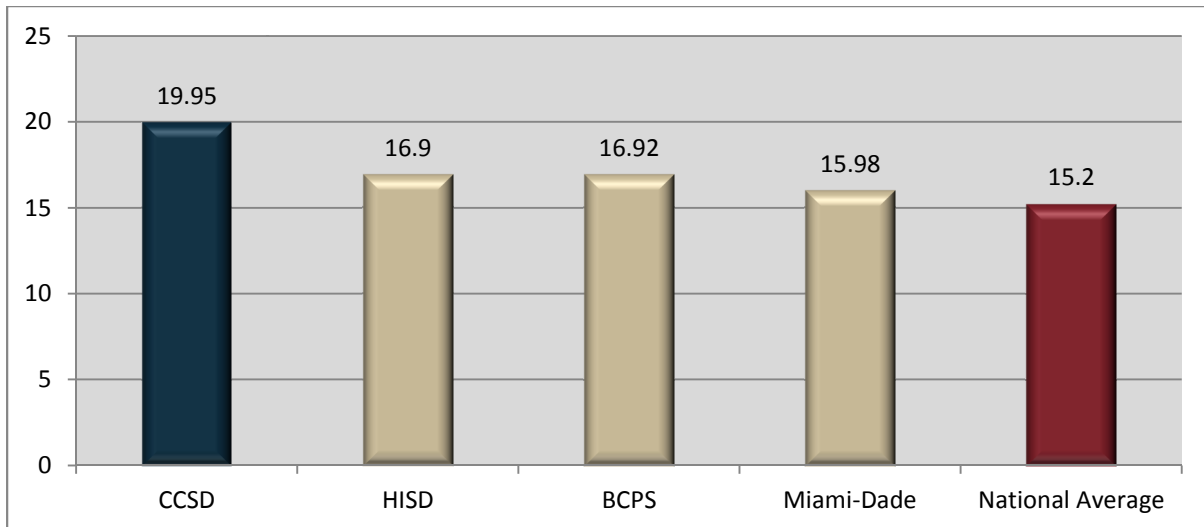
Figure 1.10. Peer comparison of instructional expenditures per student, 2009-10

Source: CCSD 2009-10 Actual Expenditures by Program; Florida Department of Education 2009-10 Annual Financial Report and Comprehensive Annual Financial Report; Texas Education Agency 2009-10 PEIMS District Financial Actual Report.

This variance is due primarily to a larger pupil-teacher ratio at CCSD (see Figure 1.11). CCSD's pupil-teacher ratio of 19.95 is 20 percent higher than the average of its peer districts and 31 percent higher than the national average. This indicates that CCSD has 20 percent fewer classroom teachers than its peers relative to its student population, and 31 percent fewer teachers than the national average. While this may imply "more efficient" instruction, there is little evidence that larger class sizes are helping the district achieve higher student performance.

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Figure 1.11. CCSD pupil-teacher ratio compared to peer districts, 2010-11

Sources: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD); Nevada Department of Education, Quick Stats, February 2011.

CCSD has some low enrollment courses in its high schools that could be converted to the district's virtual learning model in order to reduce costs. There are also positions in magnet schools that could be absorbed into other existing school-based, regional and central office positions.

According to CCSD central office estimates, Educational Computer Strategists (ECS) – teachers located at schools to support instructional technology and the integration with effective teaching – spend a significant amount of their time on computer technical support activities. This is not is not an effective use of their time.

Operational Efficiency

CCSD's operating cost structure (for operational areas such as maintenance, transportation, food services and administrative functions) is closer to its peers, with lower costs in some areas (building maintenance and operations, and food services) and higher in others (student support services). While CCSD has very lean staffing levels in several major operational areas due to efficient operations, other factors contribute to cost levels above industry standards and benchmarks. For example:

- **Custodial Services – High Productivity, High Cost**. Custodial service staff productivity rates (measured in gross square feet per custodian) are above industry standards, and further above levels of most school systems. This is due in part to a highly structured program that standardizes cleaning procedures and supplies. However, primarily because of pay and benefit differences, CCSD's custodial cost is $2.34 per square foot, significantly above the industry benchmark of $1.59.[5]

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[5] American School and University Journal, 2009.

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- **Building Maintenance – Low Productivity, Low Cost.** CCSD costs for building maintenance (including repairs and maintenance, but excluding custodial services) are lower than benchmarks, but not because the operation is more efficient. The district has several opportunities to significantly improve maintenance staff productivity, but cost reductions obtained through these efficiencies need to be reinvested in a more substantial preventive maintenance program to ensure that buildings and their components meet functional requirements through their expected service life. CCSD devotes 6 percent of its maintenance effort to preventive maintenance, compared to best practice levels of over 50 percent.

- **Energy Management – More Opportunities to Reduce Costs.** The district has an effective energy management program, and many energy conservation measures have been implemented that have helped reduce or hold the line on energy costs. Additional measures and related cost reductions are possible, but up-front investments will be required in most cases.

- **Food Services – High Productivity, Costs Under-represented**. After several years of operating deficits, new district food services management has restored the unit to a surplus and increased its financial stability over the past three years. Food service staffing is highly efficient due to a central kitchen facility that cooks and packages meals for the entire school district. However, the General Fund continues to incur costs for the benefit of the food services operation in the areas of custodial services, utilities, and waste removal. As a result, food service surplus levels – while much improved – do not adequately reflect the true financial performance of the food services operation. This should be changed.

- **Transportation – Moderate Productivity, More Opportunities to Reduce Costs**. Transportation services have become increasingly more efficient with the extensive staggering of bell schedules to increase bus and driver utilization. However, driver work rules provide for a minimum of six hours paid time per day, including up to one hour for breaks, when only four hours are scheduled for some drivers. This contributes to higher compensation and benefit costs. The Transportation Department also has more supervisory positions than industry standards, and has other opportunities for additional cost reductions.

- **Finance and Purchasing – Improved Productivity, More Opportunities Exist**. Finance and purchasing operations have been streamlined with the implementation of new information systems. Processes were re-engineered to take advantage of the technology and reduce work demands. The lack of integration between finance and human resources systems limits the maximum efficiency, particularly for the Human Resources Division, but also for the Finance Department.

During its period of rapid growth, the district provided attractive work schedules and compensation and benefit packages in order to recruit large numbers of new employees each year. Now that the growth has stopped and funding has remained flat, this pay structure is more difficult to afford. In some areas, such as custodial services and transportation, outsourcing is the only option for significantly reducing costs if work schedules, labor rates, and benefits cannot be reduced through collective bargaining.

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Information Systems and Management

Human Resources and Student Information Systems

The information systems supporting the Human Resources Division (for online applications, applicant tracking and employee management) are decades old, functionally obsolete, and are not integrated with the district's finance systems. These outdated mainframe systems (and the lack of integration) require significant resources to maintain, and contribute to extensive manual and paper-intensive procedures. Approximately 65 external databases and spreadsheets are currently maintained by the Human Resources Division to support basic transaction processing needs. These should be part of a single, integrated system. As a result, the Human Resources Division is consumed with transaction processing, limiting its ability to effectively support the more strategic human resource needs in the school district.

Primarily because of financial constraints, the district halted the implementation of a new human resources/payroll system it purchased in 2004. Current efforts are underway to select a vendor to assist in implementing the system, but funds have not been budgeted for 2011-12 to move this effort forward.

The district's student information management system is also obsolete. The current software, Schools Administrative Student Information (SASI) is no longer being upgraded or supported by the vendor. This creates a significant support issue and related risks for the district. Due to its outdated technical design, the SASI application is resource-intensive and not efficient compared to today's web-based student information management systems. The district has taken steps towards replacing SASI but more work and a significant investment will be required. This system should be replaced.

Information Management

Currently, the district's data are fragmented and often duplicated among computer applications, departments and business processes, residing on diverse data platforms (or on paper forms) and managed by different staff with varying skill levels. Although there are procedures in place for data management in those systems under the purview of Technology Information Systems Services, CCSD does not have a documented, district-wide enterprise data management framework. As a result, the district spends significant time and resources to make sure data are accurate, complete, consistent and timely. This was experienced firsthand by the review team during this study with respect to student achievement data and facilities management data.

The district does not currently track program/intervention participation data by student, and only a few programs are tracked at the school level. This limits the ability of CCSD to determine which programs are working or measure a Return on Investment (ROI).

The district is currently developing a data dashboard to support the efficient analysis of student achievement data. Part of this study involved the development of a similar analytical prototype for one of the operational areas. CCSD should expand the data dashboard to all educational and operational areas, and compare its performance to established performance standards, industry standards and benchmarks to support performance accountability. This will provide greater transparency and public

understanding of important performance information, and will support the engagement of CCSD management in the process of continuous improvement.

With the Superintendent's decision to place more importance on technology in the district's organization structure, CCSD will be better positioned to address information management issues. In 2011-12 this function will be reporting directly to the Superintendent.

Budget Process and Transparency

CCSD's budget process and calendar have been adversely affected in recent years by delayed information from the state legislature regarding appropriation levels. While the district does not have control over this, it does have control over other factors that can improve the budget process and the transparency of the annual budget report.

- CCSD's budget development activities occur before the annual academic planning processes instead of after. Because of this sequencing, the budget process does not have the opportunity to strategically meet student needs. This should be changed (see Figures 1.12 and 1.13).

Figure 1.12. Current sequencing of CCSD planning and General Fund budgeting activities

Source: CCSD 2010-11 District Improvement Plan; CCSD Budget Calendar; Interviews with CCSD principals and district administrators

Figure 1.13. Proposed sequencing of CCSD planning and General Fund budgeting activities

Source: Gibson Consulting Group, Inc.

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- The district's account codes are not configured to track expenditures against stated goals, targeted programs, or spending priorities, limiting the ability of CCSD to calculate a ROI for its key programs.
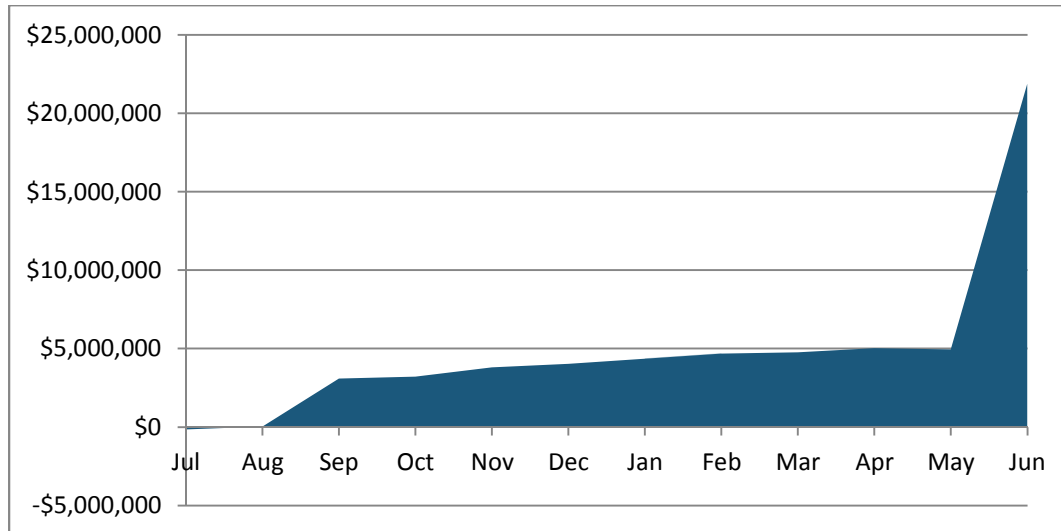
- Most schools are locked into staffing and spending levels by prescribed funding formulas. Only the 30 Empowerment Schools have the flexibility to reallocate resources to meet identified needs. District efforts are underway to increase the number of Empowerment Schools.

- The budget document does not demonstrate a level of efficiency or effectiveness for the organization as a whole or its key functions. Performance measures currently disclosed in the budget are essentially operating statistics that reflect volume of effort but not performance. Some departments track efficiency and other performance measures internally, but this effort needs to be conducted system-wide and incorporated into the budget process and resulting budget document.

The district's budget process and budget monitoring process needs to be improved for federal grants. In 2010-11, a significant portion of the district's Title I expenditures occurred during the last month of the fiscal year (Figure 1.14). While some of these funds are used for the subsequent fiscal year, this spending pattern indicates that Title I expenditures are not well planned and are not effectively supporting strategic needs of the district.

Figure 1.14. CCSD's expenditures of Title I funds by month for FY 2011

Source: FY 2011Title I expenditure report provided by the Finance and Operations Division

Recommendations

This report contains recommendations to reduce costs as well as re-purpose existing expenditures to support CCSD's goals. Other recommendations relate to the improvement of management practices in the district. Some recommendations require investments, but most of these investments are non-recurring. The major recommendations can be summarized under four categories: (1) cost reduction, (2) re-purposing, (3) investments, and (4) management practices.

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(1) Cost Reduction. For purposes of this study, cost reduction recommendations estimated the impact on the district's General Fund, which is the fund that supports most of CCSD's operating expenditures. The General Fund is also the fund that is affected the most by state appropriations. Some of these cost reductions, such as those related to energy management, will require up-front investments. Major recommendations related to cost reductions are summarized as follows:

- Revise bus driver work rules and further stagger bell schedules to increase staff productivity, and reorganize the Transportation Department to reduce administrative staff levels.

- Implement additional energy conservation measures – some requiring up-front investments.

- Recover General Fund expenditures incurred on behalf of the food services fund.

- Convert low-enrollment Advanced Placement courses to the district's virtual learning model.

- Reduce the amount of non-standard purchases.

- Consider outsourcing opportunities to reduce costs (e.g., opportunities in custodial, transportation, and landscaping).

(2) Re-purposing. Re-purposing recommendations suggest a reallocation of existing expenditures to better support district needs and goals. It is assumed that cost reductions generated from increased efficiencies, fewer choices of education programs, student assessments and professional development offerings, or improved alignment with district priorities will be offset by needed investments in the same program area or department. Major recommendations to re-purpose CCSD expenditures are summarized as follows:

- Coordinate the selection of and focusing on a smaller number of effective educational programs and interventions, including instructional software, that are aligned with the district's curriculum and student needs.

- Standardize and enhance student assessment instruments so that a district-level analysis can be performed, comparisons can be made across schools, and individual students moving to different schools will be assessed in the same way.

- Coordinate and focus teacher professional development on a smaller number of effective programs that are aligned with academic goals and linked to the district's highest priorities. This will help ensure that teachers have the knowledge and skills needed to support student learning and achievement.

- Improve maintenance productivity through expanded work order planning, supply management, and better use of existing software, and reinvest cost reductions in the district's underfunded preventive maintenance program.

- Re-purpose the Educational Computer Strategist position – separating technical support, which is the responsibility of technology, from instructional support. This will more appropriately match skill sets to the school's needs, and better align instructional technology with the district's academic programs and priorities.

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(3) Investments. Several recommendations in this report require an investment by CCSD. Most of these investments are non-recurring projects, but may require some additional staff to support in future years. The major investment recommendations are:

- Develop an enterprise data management framework to support data integrity, consistency, and data-driven decision making throughout the district.

  – Establish enterprise data standards
  – Establish and document enterprise data processes
  – Establish and implement clear staff roles and responsibilities for data management
  – Establish efficient data integration across all mission critical systems

- Follow through with the decision to implement the district's human resources/payroll system and integrate it with the finance system to improve operating efficiency and data quality. This will allow Human Resources Division staff to devote more time to supporting the strategic needs of the district.

- Upgrade the district's student information management system to meet current district requirements and avoid the risks associated with the current product no longer being supported by the vendor.

- Expand efficiency measurement and the use of data dashboards to all operational areas and compare resulting data to district performance standards, industry standards and benchmarks to support performance accountability.

- Increase the capacity of the district's program evaluation unit to support the collection and analysis of program and intervention data so that the district can measure its academic ROI in specific programs at the student-, class-, grade-, school-, performance zone-, and district-levels.

(4) Management Practices. Recommendations to improve management practices require little or no investment, although they will require effort on the part of CCSD staff. The major management recommendations are summarized as follows:

- Develop and implement a decision-making framework so that school, regional, and central office staff will have a consistent understanding about what decisions are site-based and which are to be made centrally.

- Implement cross-functional teams to better coordinate academic programming and decision making in the district's new performance zone organization structure.

- Incorporate efficiency measurement into the budget process and budget reporting to increase the transparency of spending by operational areas, academic programs, and schools.

- Align federal grants financial management under the Deputy Chief Financial Officer to improve budget planning and control so that grants can more effectively support district priorities and student needs.

- Evaluate CCSD's behavior and continuation schools and their entry and exit procedures. Based on the results, pursue solutions to improve the efficiency and effectiveness of these schools and discipline management practices across all schools.

Because of the timing of this study, which was completed two months into the 2011-12 fiscal year, most of the cost reduction opportunities will not be realized until the 2012-13 fiscal year. District management should incorporate these recommendations into its planning efforts and initiatives, and consider them in the upcoming 2012-13 budget process that begins in November 2011. However, it may be feasible to pursue some recommendations during the 2011-12 fiscal year.

Table 1.5 provides a summary of the fiscal impact of the recommendations contained in this report. Once fully implemented, the recommendations will result in annual General Fund net cost reductions of approximately $52 million per year. Investments of $60.5 million will need to be made to achieve some of the cost-reductions (energy management) as well as the investment recommendations listed above. Other recommendations to re-purpose the district's spending are assumed to have a neutral fiscal impact as the potential cost reductions (of at least $25 million) are re-invested. Over the next five years, the cumulative fiscal impact of all recommendations contained in this report is a net cost reduction of approximately $162.1 million, or an average of $32.4 million per year.

Table 1.5. Summary of fiscal impact for recommendations

Fiscal Impact	Amount
Non-recurring Investments	($60,569,921)
Net annual cost reduction after full implementation	$52,001,391
Five-year net fiscal impact	$162,110,284
Estimate of annual amounts re-purposed for other use (in addition to net annual cost reduction)	>$25,000,000

Source: Gibson Consulting Group, Inc.

Table 1.6 on the following pages lists all recommendations by educational and operational area, and the subsequent fiscal impact over the next five years.

Table 1.6. Detailed fiscal impacts of recommendations

Recommendation	Non-Recurring Investments	2012-13	2013-14	2014-15	2015-16	2016-17	Total
Academic Programs and Services							
3-1.1. Develop cross-functional teams to better coordinate programs and services.	$0	$0	$0	$0	$0	$0	$0
3-1.2 Use outside assistance for curriculum development essential for implementation of Common Core State Standards.	$0	($225,000)	($225,000)	($225,000)	($225,000)	($225,000)	($1,125,000)
3-1.3 Limit the number of core and supplementary instructional programs.	$0	$0	$0	$0	$0	$0	$0
3-2.1. Reduce the number of assessments and agree on common district wide interim and early diagnostic assessments.	$0	$0	$0	$0	$0	$0	$0
3-2.2. Develop and implement short-cycle formative assessments.	$0	$0	$0	$0	$0	$0	$0
3-2.3. Fully utilize the capabilities of INFORM and require district-wide use.	$0	$0	$0	$0	$0	$0	$0
3-3.1. Coordinate professional development services to improve focus at the school level, reduce duplication of effort, and more effectively integrate funding streams to address district priorities.	$0	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$7,500,000
3-3.2. Adopt practices to increase the effectiveness of professional development in improving teacher skills and practices.	$0	$0	$0	$0	$0	$0	$0
3-4.1. Mandate implementation of the district's Response to Instruction (Response to Intervention; RTI) system in all schools.	$0	$0	$0	$0	$0	$0	$0
3-5.1. Convert low enrollment Advanced Placement courses to CCSD's virtual learning model.	$0	$2,928,000	$2,928,000	$2,928,000	$2,928,000	$2,928,000	$14,640,000
3-5.2. Eliminate both the theme coordinator and recruiting counselor positions at the district's magnet schools.	$0	$1,806,469	$1,806,469	$1,806,469	$1,806,469	$1,806,469	$9,032,345

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Recommendation	Non-Recurring Investments	2012-13	2013-14	2014-15	2015-16	2016-17	Total
3-5.3. Evaluate CCSD's behavior and continuation schools, the referral and exit procedures, and the impact on student performance and other outcomes.	$0	$0	$0	$0	$0	$0	$0
3-6.1. Enhance program evaluation capacity to support calculation of Return on Investment in academic programs and interventions.	$0	($2,500,000)	($2,500,000)	($2,500,000)	($2,500,000)	($2,500,000)	($12,500,000)
Budget Process and Transparency							
4.1 Change the sequencing of the budget and planning processes and establish formal links between them.	$0	$0	$0	$0	$0	$0	$0
4.2. Assign account codes to specific programs, interventions, and district priorities to demonstrate the alignment to spending and to support a ROI calculation for district initiatives.	$0	$0	$0	$0	$0	$0	$0
4.3. Modify and expand the Empowerment School budget approach to all schools, allowing schools the flexibility to allocate resources to best meet student needs.	$0	($140,000)	($140,000)	$0	$0	$0	($280,000)
4.4. Incorporate efficiency measurement into the budget process, so that the justification for spending levels will be more transparent.	($750,000)	($100,000)	($100,000)	($100,000)	($100,000)	($100,000)	($1,250,000)
4.5. Enhance transparency and usefulness of the budget document by presenting budgets at functional and school levels, and by providing explanations of major budget and staffing variances.	$0	$0	$0	$0	$0	$0	$0
4.6. Consider the purchase of budgeting module after upgrade of Human Resources legacy systems.	*	*	*	*	*	*	*

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Recommendation	Non-Recurring Investments	2012-13	2013-14	2014-15	2015-16	2016-17	Total
Organization and Management							
5-1.1. Improve the monitoring of customer service and satisfaction.	($50,000)	$0	$0	$0	$0	$0	($50,000)
5-1.2. Develop and implement a district-wide decision-making framework.	$0	$0	$0	$0	$0	$0	$0
Financial Management							
5-2.1. Re-assign the fiscal component of the Grants Department to report to the Deputy Chief Financial Officer and improve controls over grant fund spending.	$0	$0	$0	$0	$0	$0	$0
5-2.2. Reduce the amount of non-standard purchases in the district and implement spending controls.	$0	$1,950,000	$1,950,000	$1,950,000	$1,950,000	$1,950,000	$9,750,000
5-2.3. Create a position of Technology Buyer to assist with technology purchasing in the district.	$0	($81,600)	($81,600)	($81,600)	($81,600)	($81,600)	($408,000)
5-2.4. Negotiate language in the collective bargaining agreements to provide CCSD access to health benefits plan performance information.	$0	$0	$0	$0	$0	$0	$0
5-2.5. Periodically conduct audits to verify eligibility of health benefits plan dependents.	*	*	*	*	*	*	*

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Recommendation	Non-Recurring Investments	2012-13	2013-14	2014-15	2015-16	2016-17	Total
Human Resources							
5-3.1 Implement integrated systems and streamline processes in HR.	$0	$165,000	$165,000	$165,000	$165,000	$165,000	$825,000
5-3.2 Improve the ability of HR to support an efficient process for attracting and retaining highly-talented staff.	$0	$0	$0	$0	$0	$0	$0
5-3.3 Reduce the amount of paper produced, routed and stored in and on behalf of HR.	$0	$0	$0	$0	$0	$0	$0
5-3.4 Give preference to organization configurations that promote collaboration, ease the burden of applicants, reduce duplication of effort by HR employees and provide exceptional customer service to employees.	$0	$0	$0	$0	$0	$0	$0
Technology							
5-4.1. Create and implement an enterprise data management framework.	($2,100,000)	($586,000)	($586,000)	($586,000)	($586,000)	($586,000)	($5,030,000)
5-4.2. Procure and implement a robust and integrated SIS	($15,181,283)	($1,487,486)	($1,524,674)	($1,562,790)	($1,601,860)	($1,641,907)	($23,000,000)
5-4.3. Fully implement the Human Resource and Payroll modules of SAP	($10,000,000)	$0	$0	$0	$0	$0	($10,000,000)
5-4.4. Develop criteria to identify and select instructional and operational software programs.	$0	$0	$0	$0	$0	$0	$0
5-4.5 Phase out Educational Computer Strategist positions and re-purpose through separate functions for technical and instructional support.	$0	$0	$0	$0	$0	$0	$0

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Recommendation	Non-Recurring Investments	2012-13	2013-14	2014-15	2015-16	2016-17	Total
Facilities Management							
5-5.1. Increase wrench time of technicians.	($800,000)	$0	$0	$0	$0	$0	($800,000)
5-5.2. Increase productivity of facilities technicians and re-purpose cost reductions to support preventive maintenance.	($450,000)	$0	$0	$0	$0	$0	($450,000)
5-5.3. Outsource selected landscaping tasks to perform additional needed services at the same cost.	$0	$0	$0	$0	$0	$0	$0
5-5.4 -5.15 Implement additional energy conservation measures.	($30,099,638)	$7,988,567	$15,977,135	$15,977,135	$15,977,135	$15,977,135	$41,797,469
5-5.16.Outsource of custodial services operation to a private service firm.	$0	$5,200,000	$10,400,000	$10,400,000	$10,400,000	$10,400,000	$46,800,000
Transportation							
5-6.1. Reorganize the Transportation Department to reduce supervisory staff.	$0	$448,718	$448,718	$448,718	$448,718	$448,718	$2,243,590
5-6.2. Revise work rules for bus drivers and revise bell times to improve scheduling efficiency.	$0	$2,850,576	$2,850,576	$2,850,576	$2,850,576	$2,850,576	$14,252,880
5-6.3. Develop guidelines to facilitate the least restrictive mode of transportation for special needs students.	$0	$700,000	$1,260,000	$1,680,000	$2,030,000	$2,310,000	$7,980,000
5-6.4. Consider outsourcing transportation service to reduce total cost.	($1,139,000)	$0	$7,602,000	$8,744,000	$9,875,000	$11,000,000	$36,082,000
Food Services							
5-7.1. Allocate allowable General Fund costs to the Food Service Fund.	$0	$2,900,000	$5,800,000	$5,800,000	$5,800,000	$5,800,000	$26,100,000
Total	**($60,569,921)**	**$23,317,244**	**$47,530,624**	**$49,194,508**	**$50,636,438**	**$52,001,391**	**$162,110,284**

Note: Amounts in parenthesis represent investments.

*Cost / Reduction could not be determined because it depends on future events or data was not available.

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Report Organization

The remainder of this report is organized into the following chapters:

- Chapter 2 – Student Performance Analysis

- Chapter 3 – Academic Programs and Services

- Chapter 4 – Budget Process and Transparency

- Chapter 5 – Operational Cost Efficiency Review

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