

# Lexington School District 4 School District Efficiency Review **FINAL REPORT**



June 1, 2015

**TIDWELL AND ASSOCIATES, INC. DRAFT REPORT REVIEW**  
**LEXINGTON 4 SCHOOL DISTRICT**

This document serves to verify that Lexington 4 School District staff and Superintendent Lavender have read the draft report submitted by Tidwell and Associates, that all factual errors have been corrected, and that to our knowledge, the report contains no factual errors.



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Signed

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Superintendent, Lexington School District IV

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Title

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May 22, 2015

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Date

# Lexington School District 4 School District Efficiency Review FINAL REPORT

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### APPENDICES:

Appendix 1 – School Efficiency and Effectiveness Staff Survey

Appendix 2 – Dimensions of the Superintendent Evaluation

Appendix 3 – Additional Future Considerations

## **1.0 INTRODUCTION AND EXECUTIVE SUMMARY**

This chapter presents an introduction and executive summary of the efficiency review conducted in Lexington School District 4 (LSD 4). Chapter 1 is divided into the following nine subsections:

- 1.1 Acknowledgements
- 1.2 Student Scholarship Recipient
- 1.3 Purpose of the Study
- 1.4 Methodology
- 1.5 Overview of the District
- 1.6 Summary of Commendations
- 1.7 Summary of Recommendations
- 1.8 Summary of Fiscal Impacts
- 1.9 Next Steps

### **1.1 Acknowledgments**

This study was voluntary and LSD 4 is to be commended for stepping up to the plate and embracing the process. Strong school districts invite change and seek ways to try new strategies to achieve a better learning environment for students.

Tidwell and Associates, Inc. wishes to acknowledge the significant support, time, and effort made by LSD 4 Superintendent Linda Lavender, the board members, and senior staff.

We would also like to thank staff from Orangeburg 4, Hampton 1, Laurens 56, and Orangeburg 5 for providing some peer data that is used throughout the report.

A special thanks to the S.C. General Assembly for allocating the funding to perform these studies on a pilot basis. The leadership of the Education Oversight Committee (EOC), Ms. Melanie Barton and Ms. Bunnie Ward, has been critical in engaging the districts and providing oversight of the entire process.

### **1.2 Student Scholarship Recipient**

As a token of our appreciation for the district volunteering for the study, Tidwell and Associates, Inc. provided a \$500 scholarship to a graduating senior of the district's choice. The recipient in LSD 4 is Shannon Spires.

Shannon Spires is the daughter of Steven Spires and Shelley Bennett. She is a senior at Swansea High School and is currently ranked #9 in her class with a 4.331 GPA. Shannon has been a member of the Student Council Association, the BETA Club, the marching band, and the JROTC program. She has held every rank in our JROTC program and is currently a Cadet Major and Battalion Commander. She is also the Captain of the Swansea High School Rifle Team. Shannon is planning on attending the Citadel after graduating from Swansea High School.

### **1.3 Purpose of the Study**

In 2015, the EOC contracted with Tidwell and Associates, Inc. to conduct an independent review of the efficiency of four South Carolina school districts (Lexington 4, Clarendon 1,

Barnwell 19, and Dorchester 2). The study is pursuant to proviso 1.95 of the 2014-15 General Appropriations Act.

Several other states have similar statewide school district efficiency review programs. The key states with statewide programs include:

**WEST VIRGINIA STATEWIDE EFFICIENCY REVIEW PROGRAM**

<http://www.governor.wv.gov/Pages/Search.aspx?q=efficiency>

**COMMONWEALTH OF VIRGINIA STATEWIDE EFFICIENCY PROGRAM**

[http://www.doe.virginia.gov/school\\_finance/efficiency\\_reviews/index.shtml](http://www.doe.virginia.gov/school_finance/efficiency_reviews/index.shtml)

**TEXAS LEGISLATIVE BUDGET BOARD EFFICIENCY AUDITS**

<http://www.lbb.state.tx.us/TeamPage.aspx?Team=SchoolPerfRev>

**WASHINGTON STATE AUDITOR'S EFFICIENCY AUDITS**

<http://portal.sao.wa.gov/ReportSearch/Home/ViewReportFile?arn=1000004&isFinding=false&sp=false>

**OKLAHOMA SCHOOL PERFORMANCE REVIEW**

[http://www.ok.gov/oega/Oklahoma\\_School\\_Performance\\_Review/](http://www.ok.gov/oega/Oklahoma_School_Performance_Review/)

We applaud the state of South Carolina for initiating this program to ensure that school districts are maximizing use of the public's tax dollars.

The review was conducted by Columbia-based Tidwell and Associates, Inc., a consulting firm that provides public sector management research, evaluation, and technical assistance. The purpose of the study was to identify successful programs and practices within the district, suggest possible cost-saving measures, and recommend ways to improve management and increase efficiency.

The review includes the analysis of seven district operational areas, each presented in a separate chapter, and a survey of district office staff, administrators, principals, and teachers (summary of the survey results is located in **Appendix 1**). The seven areas reviewed were: district organization and management, financial management (including Medicaid), human resources, facilities use and management, transportation, food services, and technology use and management. Per the Request for Proposals, the study did not include instructional programs or curriculum and instructional operations.

The goal of the review is to provide an objective review of the efficiency of the non-instructional services in the school district to identify areas for possible savings or efficiency that could be made through policy and management changes, staffing, eliminating duplication, and offering alternative solutions to solving district operational challenges.

The consulting team provided commendations to the district for best practices and made recommendations to help LSD 4 continue keeping necessary budget cuts as far from the classroom as possible.

Each of the chapter's recommendations is labeled as Tier 1, Tier 2, or Tier 3. This refers to our team's suggested level of importance in the urgency of the implementation of the recommendation.

**Tier 1: Greatest Impact:** The district should implement these recommendations immediately to take maximum advantage of their opportunities.

**Tier 2: Moderate Impact:** The district should implement these recommendations as soon as practical to improve the efficiency and effectiveness of operations.

**Tier 3: Minimal Impact:** The district should implement these recommendations when time and funds are available as best suits the needs of the district.

The EOC and Tidwell and Associates, Inc. hope that the insights gained from these four school district reviews will assist other districts in their operational efficiencies. The reports will be published on EOC's website at <http://www.eoc.sc.gov>

## **1.4 Methodology**

Tidwell and Associates, Inc. used a 10-step work plan to conduct this school efficiency review:

1. Initiated project.
2. Conducted initial meeting and prepared a report on findings.
3. Conducted online surveys of staff.
4. Conducted fieldwork.
  - a. Reviewed district organization and management.
  - b. Reviewed financial management.
  - c. Reviewed human resources.
  - d. Reviewed facilities use and management.
  - e. Reviewed financial management.
  - f. Reviewed transportation.
  - g. Reviewed food services.
  - h. Reviewed technology management.
5. Hosted an open community and parent forum.
6. Developed an interim briefing document.
7. Developed a draft report.
8. Developed a final report after seeking input from the superintendent and key staff.
9. Presented the report. (Date has not been established at the time of this writing.)
10. Submitted work papers and documents and closed the project.

The methodology Tidwell and Associates used to prepare for and conduct the LSD 4 efficiency review:

- Followed a common set of efficiency review guidelines based on best practices and industry standards, and that were specifically tailored to LSD 4;
- Was based upon a very detailed work plan and time schedule;
- Took into account the unique demographic environment within which the district operates;
- Included comparisons with similar school districts to provide perspective;
- Identified the existence, appropriateness, and use of specific performance objectives;
- Identified exemplary programs as well as suggestions for needed improvement;
- Documented all findings and presented straightforward and practical recommendations for improvements (in order of importance);
- Qualified cost savings and cost impacts;
- Included strategies for implementing the recommendations; and

- Was conducted by well-qualified consultants who understand the areas of review as former leaders in other educational environments.

### *Review of Existing Data*

During the period between project initiation and beginning our onsite review, we simultaneously conducted many activities. Among these was the identification and collection of existing reports and data sources that provided us with data and information on the various operational functions. Tidwell and Associates, Inc. requested and reviewed over 100 documents.

### *Peer District Data*

Four peer districts were agreed upon by the EOC, the district, and Tidwell and Associates, Inc. The peer districts were selected by using similar district demographics. The peers selected for LSD 4 were Orangeburg 4, Hampton 1, Laurens 56, and Orangeburg 5.

### *Preliminary Review*

On January 19, 2015, two Tidwell and Associates, Inc. consultants conducted a preliminary review. School board members and district office administrators were interviewed. Results of these interviews were summarized and provided to the full team of consultants to assist them in preparing interview guides for the onsite visit.

### *Employee Surveys*

To secure the involvement of district administrators, principals, assistant principals, and teachers in the focus of the study, online surveys were prepared and disseminated in early February, 2015. The survey response rates were overall very good. A return rate of 70 percent is considered representative of the population surveyed. In the case of LSD 4, the response rates for all staff categories were greater than 70 percent, indicating that results are representative of the staff population in the district.

A detailed summary of the survey results appears in **Appendix 1**. Specific survey items pertinent to findings in the operational areas the team reviewed are presented within each chapter.

### *Conducting the Onsite Review*

A team of 12 consultants conducted the review of LSD 4; support staff assisted in the process as well. The onsite visit was conducted on February 17-19, 2015. During this review we examined all seven areas of district operations. During our onsite visit, team members conducted detailed reviews of the structure and operations of the school district in their assigned functional area. We met with district office staff, school-level staff, and had follow-up interviews with board members. Our team visited all seven of the district's schools.

Additionally, we hosted a Community Open House where students, parents, staff, and business and community members could provide input into the process. The open house was held at the district office and although the open house was well advertised by the district (website, flyers at schools, etc.); only two parents attended the forum. Our team listened to the attendees' input and followed up on issues presented that evening.

## *Final Presentation*

Team leaders from Tidwell and Associates, Inc. will conduct a presentation to the staff and/or board of LSD 4. The date for the presentation has not been confirmed at the time of this writing.

### **1.5 Overview of the District**

LSD 4, also referred to as Gaston-Swansea School District, is governed by a seven-member board of trustees each elected (at large seats) to serve a four-year term. Superintendent Lavender was appointed by the board of trustees in July 2008 and is charged with leading the district. The district's mission is to provide for continuous improvement in each student's academic performance. To accomplish this mission, the district's instructional programs are supported by three overall goals for the district: improving student achievement, building teacher/ administrator capacity and improving school climate.

The district has seven schools: Lexington 4 Early Childhood Center, Sandhills Primary School, Sandhills Elementary School, Frances Mack Intermediate School, Sandhills Middle School, Swansea High Freshmen Academy, and Swansea High School.

LSD 4 has 216 certified personnel, 17 certified administrators, and 3,438 students as of February 13, 2015. The ratio of administrators to certified personnel is 1:12.7 and the ratio of administrators to students is 1:202.2

District budget data show that the total revenues for FY 2012-13 were \$34,428,004 and the total expenditures for FY 2012-13 were \$33,491,677.

### **1.6 Summary of Commendations (by Chapter)**

<b>2.0 DISTRICT ORGANIZATION AND MANAGEMENT</b>	<b>PAGE</b>
The LSD 4 school board and administration are commended for approving specific measures designed to ensure a cost-effective method for maintaining a current policy manual.....	<b>2-7</b>
Access to the policy manual on the LSD 4 website home page is a model for being user-friendly.....	<b>2-7</b>
The LSD 4 board meetings are well organized, overall board members feel equipped with the right tools and information to make sound decisions and the district rotates its meetings to ensure the inclusion of its schools.....	<b>2-13</b>
The district leadership is commended for its participation in the Transform South Carolina Initiative.....	<b>2-16</b>
The superintendent uses many tools and various leadership cabinets to allow for input and to improve communication among district staff and schools.....	<b>2-21</b>
The district is commended for establishing the Community Literacy Partnership.....	<b>2-24</b>

<b>3.0 FINANCIAL MANAGEMENT</b>	<b>PAGE</b>
The board and the administration are commended for having a formal written policy requiring a fund balance threshold of at least 15 percent and for adhering to the policy.....	3-9
LSD 4 is commended for its fiscal prudence.....	3-9
The business manager and staff are commended for their excellence in financial reporting.....	3-9
Given the diversity of staff in the Medicaid program, LSD 4 does a good job of training them and keeping them abreast of SCDHHS policy changes.....	3-20
LSD 4 staff are commended for submitting data so that the district received SNT reimbursements during a transition time.....	3-24
The LSD 4 nursing staff is commended for referring students with health issues that are barriers to learning to the Healthy Learners program.....	3-24
<b>4.0 HUMAN RESOURCES MANAGEMENT</b>	
The district is commended for consolidating HR functions under one position to provide even greater integrity and transparency by providing a single point of contact for HR services.....	4-7
The district is commended for its new employee orientation.....	4-8
The district is commended for the highly efficient HR services provided to its principals, teachers and staff.....	4-8
The district is commended for its work is analyzing and maintaining competitive salaries.....	4-17
Principals and district staff are commended for their commitment to professional development.....	4.18
<b>5.0 FACILITY USE AND ENERGY MANAGEMENT</b>	
LSD 4 is commended for the design and development processes for the Early Childhood Development Center and for creating a model for the state.....	5-12
LSD 4 is commended for developing a solid facilities master plan that recognizes the needs of the district.....	5-12
Based on the existing facilities master plan, it appears that LSD 4 is giving proper consideration to their growth requirements.....	5-14
LSD 4 effectively manages its capital construction program.....	5-17
LSD 4 incorporates sustainable/green and safety/security aspects into the design of its schools.....	5-17
LSD 4 is commended for the use of SchoolDude to track work order status to maximize efficiencies in the work order process.....	5-19
LSD 4 maintains a successful recycling program at all schools.....	5-19
LSD 4 maintains a well-organized information management function that supports the communications requirements of the Building Automation System providing the necessary bandwidth and management reporting capability.....	5-26

<b>6.0 TRANSPORTATION</b>	<b>PAGE</b>
The transportation coordinator, in addition to supervising the student transportation program, is also doing an exemplary job of managing the maintenance and repair of the district fleet.....	6-11
Considering the level of school bus driver turnover, the three driver vacancies, and the frequent breakdown of school buses, students continue to be delivered to school and home on schedule at a very high rate of success.....	6-11
The transportation office stresses a partnership between the school bus drivers and parents, and the district has a practice of not leaving young students without adult supervision .....	6-17
<b>7.0 FOOD SERVICE</b>	
Community Eligibility Provision is utilized to ensure all students receive meals at no cost.....	7-7
The food service department participates in the South Carolina Purchasing Alliance, which allows the district to receive discounted pricing on food and non-food items.....	7-10
Scratch cooking processes are in place, which promotes a higher participation rate by students.....	7-14
All non-program foods served during the school day adhere to the USDA Smart Snack Rule.....	7-14
<b>8.0 TECHNOLOGY USE AND MANAGEMENT</b>	
The district leadership and staff should be commended for setting a vision utilizing technology that supports the learning process.....	8-11
The district has invested in wireless coverage throughout the district.....	8-12
The district recognizes the value of providing Google Apps for Education and Microsoft Office applications.....	8-17
The district is commended for its investment in a 1:1 computing strategy for grades 9-11 and in 2015-16 for grades 9-12.....	8-18

**1.7 Summary of Recommendations (by Chapter and by Tier Level)**

**Tier 1: Greatest Impact:** The district should implement these recommendations immediately to take maximum advantage of their opportunities.

**Tier 2: Moderate Impact:** The district should implement these recommendations as soon as practical to improve the efficiency and effectiveness of operations.

**Tier 3: Minimal Impact:** The district should implement these recommendations when time and funds are available as best suits the needs of the district.

<b>2.0 DISTRICT ORGANIZATION AND MANAGEMENT</b>		<b>PAGE</b>
<small>Tier Level</small>		
Tier 1	Reorganize the Lexington School District 4 reporting structure.....	<b>2-11</b>
Tier 1	Use the SCSBA process for the superintendent's evaluation.....	<b>2-18</b>
Tier 1	Ensure the board members are up-to-date on the district's current strategic plan and continue to provide periodic data-driven updates on progress .....	<b>2-23</b>
Tier 2	Amend BG policy and the review procedures, AR-BG-R and BGC/BGD, to require a review, minimally, each five years.....	<b>2-7</b>
Tier 2	Develop a local comprehensive training program for board members.....	<b>2-14</b>
Tier 2	Maximize the use of attorney's retainer fees and develop and implement evaluation procedures for legal services.....	<b>2-22</b>
Tier 2	Using the additional administrative support (in recommendation 2-2), develop and implement a public information strategic plan to address communication challenges.....	<b>2-24</b>
Tier 2	Form an educational foundation for LSD 4.....	<b>2-25</b>
 <b>3.0 FINANCIAL MANAGEMENT</b>		
<small>Tier Level</small>		
Tier 1	Place payroll activities under the business manager.....	<b>3-8</b>
Tier 2	Institute a cross-training program targeting key personnel and tasks.....	<b>3-10</b>
Tier 2	Hold a public input session before the January board meeting seeking input from the community and require board members to submit in writing their top budget priorities for the coming year.....	<b>3-11</b>
Tier 2	Consider contracting with an insurance specialist firm to assist and advise LSD4 in evaluating and identifying potential risks and exposures to financial loss faced.....	<b>3-12</b>
Tier 2	Consider increasing employee theft, computer fraud, and funds transfer fraud coverages to \$1,000,000 for each.....	<b>3-13</b>
Tier 2	Consider obtaining proposals for umbrella liability policies with either \$2,000,000 or \$3,000,000 limits.....	<b>3-14</b>
Tier 2	Consider seeking broader coverage for data and media to protect against computer virus and vandalism.....	<b>3-14</b>
Tier 2	Provide training for a selected employee (e.g., the accounts payable clerk) to obtain certification as a Certified Professional Public Buyer or a Certified Professional Public Officer.....	<b>3-17</b>
Tier 2	Institute a P-Card program to obtain goods and services.....	<b>3-18</b>
Tier 2	Study health services reimbursements at the end of the fiscal year to better assist the district in determining what changes can increase them.....	<b>3-22</b>
Tier 2	Study SDAC totals after the end of the fiscal year to better assist the district in increasing SDAC reimbursement.....	<b>3-23</b>
Tier 2	Ensure Medicaid outreach is done as part of each Individualized Education Plan (IEP) meeting.....	<b>3-25</b>
Tier 3	Increase the level of board required approval of capital expenditures to \$50,000.....	<b>3-9</b>

<b>3.0 FINANCIAL MANAGEMENT (continued)</b>		<b>PAGE</b>
<small>Tier Level</small>		
Tier 3	Conduct an annual inventory of fixed assets certified by the senior official at each facility showing additions and deletions.....	<b>3-10</b>
Tier 3	Present any pertinent information LSD 4 has regarding the responding financial audit firms but do not make a recommendation to the board as to which audit firm should be selected.....	<b>3-12</b>
Tier 3	Structure LSD 4's debt service repayment schedule to effectively utilize the revenue provided by the School District Property Tax Relief Act.....	<b>3-15</b>
Tier 3	Consider submitting the annual financial audit report to both ASBO and GFOA at least once every five years and obtain this distinguished recognition.....	<b>3-16</b>
Tier 3	Dispose of discarded warehouse equipment and material and institute an inventory management system for selected high use consumables complete with designated storage locations and set stock inventory re-order points.....	<b>3-18</b>
 <b>4.0 HUMAN RESOURCES MANAGEMENT</b>		
<small>Tier Level</small>		
Tier 1	Separate the duty of assigning compensation from the actual payroll process.....	<b>4-7</b>
Tier 1	Evaluate the use of existing SmartFusion technology and maximize utilization to reduce manual processes.....	<b>4-18</b>
Tier 1	Automate HR practices.....	<b>4-19</b>
Tier 2	Update and centralize internal operating procedures.....	<b>4-9</b>
Tier 2	Create and maintain job descriptions for all district staff online and systematically review and update job descriptions on a three-year cycle.....	<b>4-13</b>
 <b>5.0 FACILITY USE AND ENERGY MANAGEMENT</b>		
<small>Tier Level</small>		
Tier 1	Schedule annual electrical system tests district wide to identify and correct any potential danger, starting immediately at Frances Mack.....	<b>5-8</b>
Tier 1	Apply the preventive maintenance work order system (PMDirect) available in SchoolDude.....	<b>5-18</b>
Tier 1	Hire a certified energy manager.....	<b>5-24</b>
Tier 1	Revise procurement procedures to require purchasing energy efficient materials whenever practicable.....	<b>5-27</b>
Tier 1	Request assistance from South Carolina Energy Office through its Palmetto Energy Efficient Retrofits (PEER) program to determine energy efficiency needs and options.....	<b>5-27</b>
Tier 1	Replace the high pressure sodium (HPS) exterior lights with LEDs.....	<b>5-29</b>
Tier 2	Change the maintenance/custodial coordinator position to maintenance project facilitator and modify the position's job description to include future supervisory responsibility.....	<b>5-7</b>

<b>5.0 FACILITY USE AND ENERGY MANAGEMENT (continued)</b>		<b>PAGE</b>
<small>Tier Level</small>		
Tier 2	Confirm annually that staffing levels are adequate to maintaining cleanliness standards and carefully review the need for additional staff should conditions warrant such action.....	<b>5-21</b>
Tier 2	Establish cleaning supply budgets for all schools.....	<b>5-22</b>
Tier 3	Hire a certified HVAC technician.....	<b>5-10</b>
Tier 3	Evaluate the utilization rates of all schools annually.....	<b>5-14</b>
 <b>6.0 TRANSPORTATION</b>		
<small>Tier Level</small>		
Tier 1	Reorganize the transportation office.....	<b>6-11</b>
Tier 1	Develop and implement a school bus driver and aide recognition program and provide continuous training.....	<b>6-15</b>
Tier 1	The school transportation office needs adequate space for office staff, training, private space for bus drivers to talk with parents, a drivers' lounge, and functioning bathroom facilities.....	<b>6-16</b>
Tier 1	Develop and adopt a revised hazardous transportation service policy and procedures for the 1.5-mile walking zones around school campuses.....	<b>6-18</b>
Tier 1	Adjust school bus routing and schedules.....	<b>6-20</b>
Tier 1	Acquire a payroll system that requires drivers to clock-in and out of work....	<b>6-21</b>
Tier 1	Dispose of excess buses and establish a use policy.....	<b>6-25</b>
Tier 1	Purchase all bulk fuel from the state contract supplier.....	<b>6-26</b>
Tier 1	Document the impact of the old buses on district operations and file a request with the SDE for replacement of school buses older than 15 years.....	<b>6-29</b>
Tier 2	Acquire vehicle maintenance management software.....	<b>6-14</b>
 <b>7.0 FOOD SERVICE</b>		
<small>Tier Level</small>		
Tier 1	Eliminate the part-time food services assistant position, change the title of the food services coordinator to food services supervisor, and revise the job description to reflect the new title and clarify the job responsibilities.....	<b>7-6</b>
Tier 1	Utilize excess funds to enhance the needs of the food service program.....	<b>7-9</b>
Tier 1	Revise menus for all grade levels to increase variety and palatability of meals, and discontinue serving pre-cupped meals.....	<b>7-13</b>
Tier 2	Expand the use of NUTRIKIDS software to include complete production record and inventory modules.....	<b>7-8</b>
 <b>8.0 Technology</b>		
<small>Tier Level</small>		
Tier 1	Maximize E-rate and develop a strategy to reduce costs for telecommunications services that no longer have E-rate support.....	<b>8-25</b>
Tier 2	Comply with the Children Internet Protection Act (CIPA) to receive E-rate funds.....	<b>8-7</b>

<b>8.0 Technology (continued)</b>	<b>PAGE</b>
<small>Tier Level</small>	
Tier 2 Formalize a relationship between the technology integration coach and assistant superintendent.....	<b>8-8</b>
Tier 2 Adjust district policy to allow personal devices to access the wireless network for educational purposes and require personal devices to authenticate for guest WiFi access.....	<b>8-13</b>
Tier 2 Develop, implement, and test regularly a comprehensive disaster recovery and business continuity plan and address critical infrastructure needs as a priority to reduce risk.....	<b>8-15</b>
Tier 2 Explore purchasing Chromeboxes to replace Windows desktop computers.....	<b>8-18</b>
Tier 2 Provide Google Educator training.....	<b>8-22</b>
Tier 2 Develop a committee or roundtable composed of faculty, administrative, and technology team members to focus on the use of technology as a learning tool.....	<b>8-23</b>
Tier 2 Adopt the Information Technology Infrastructure Library (ITIL) service management model as one of the industry accepted best practices for the delivery of IT as a service.....	<b>8-27</b>
Tier 2 Implement a document management solution and scan the backlog of paper documents, beginning with the human resources department.....	<b>8-30</b>
Tier 3 Explore investing in lockable desktop charging stations for classrooms with a small number of dedicated devices.....	<b>8-20</b>
Tier 3 Establish a student technician team to assist with Chromebook hardware maintenance.....	<b>8-29</b>

### **1.8 Summary of Fiscal Impacts**

The review of LSD 4 resulted in 37 commendations and 70 recommendations for increased efficiency and effectiveness. Some of these can and should be implemented immediately (Tier 1); others will require months or years to implement (Tier 2 and 3). 40 recommendations in this report have a fiscal impact. Tidwell and Associates, Inc. identified a potential five-year net savings of \$430,493.

**Exhibit 1-1** provides a summary of the total savings and costs recommended for each chapter. These amounts are presented in today’s dollars and do not include the impact of salary increases or inflation.

The availability of educational funding is always a challenge. In our review, we did find opportunities for local districts to secure additional funding which they are not currently maximizing. We have summarized these opportunities in **Appendix 3** of the report.

**EXHIBIT 1  
LEXINGTON SCHOOL DISTRICT 4  
SUMMARY OF ANNUAL NET SAVINGS AND COST**

Chapter Recommendations	Year 1	Year 2	Year 3	Year 4	Year 5	Total Five Year Savings (Cost)
<b>Chapter 2.0: Organization &amp; Management</b>						
Add one administrative assistant position (shared with HR and Operations)	(\$37,810)	(\$37,810)	(\$37,810)	(\$37,810)	(\$37,810)	(\$189,050)
<b>Chapter 2.0 Total Savings (Costs)</b>	<b>(\$37,810)</b>	<b>(\$37,810)</b>	<b>(\$37,810)</b>	<b>(\$37,810)</b>	<b>(\$37,810)</b>	<b>(\$189,050)</b>
<b>Chapter 3.0: Financial Management</b>						
Conduct a potential risks and exposures' study.	(\$2,500)	\$0	\$0	\$0	\$0	(\$2,500)
Consider increasing Employee Theft, Computer Fraud, and Funds Transfer Fraud coverages.	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$30,000)
Obtain an umbrella liability policy.	(\$7,000)	(\$7,000)	(\$7,000)	(\$7,000)	(\$7,000)	(\$35,000)
Obtain additional technology insurance coverage.	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$7,500)
Seek ASBO and GFOA membership/Certificate of Excellence	(\$2,339)	\$0	\$0	\$0	\$0	(\$2,339)
Provide training to obtain certification as a Certified Professional Public Buyer or a Certified Professional Public Officer.	(\$600)	\$0	\$0	\$0	\$0	(\$600)
Begin P-Card System	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
Increase Medicaid Outreach	\$4,400	\$4,400	\$4,400	\$4,400	\$4,400	\$22,000
<b>Chapter 3.0 Total Savings (Costs)</b>	<b>(\$10,539)</b>	<b>(\$5,100)</b>	<b>(\$5,100)</b>	<b>(\$5,100)</b>	<b>(\$5,100)</b>	<b>(\$30,939)</b>
<b>Chapter 4.0: Human Resources Management</b>						
Automate HR Practices	(\$2,500)	\$0	\$0	\$0	\$0	(\$2,500)
<b>Chapter 4.0 Total Savings (Costs)</b>	<b>(\$2,500)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$2,500)</b>
<b>Chapter 5.0: Facility Use &amp; Energy Management</b>						
Schedule annual electrical system tests school wide to identify and correct any potential danger, starting immediately at Frances Mack to identify and correct any potential danger.	(\$16,400)	\$0	\$0	\$0	\$0	(\$16,400)
Hire a certified HVAC technician	(\$48,637)	(\$42,752)	(\$42,752)	(\$42,752)	(\$42,752)	(\$219,645)
Hire a Certified Energy Manager	(\$8,246)	(\$8,246)	(\$8,246)	(\$8,246)	(\$8,246)	(\$41,230)
Replace the High Pressure Sodium exterior lights with LEDs.	(\$28,228)	\$10,178	\$10,178	\$10,178	\$10,178	\$12,484
<b>Chapter 5.0 Total Savings (Costs)</b>	<b>(\$101,511)</b>	<b>(\$40,820)</b>	<b>(\$40,820)</b>	<b>(\$40,820)</b>	<b>(\$40,820)</b>	<b>(\$264,791)</b>
<b>Chapter 6.0: Transportation</b>						
Add 1 Full-Time Clerk	(\$13,089)	(\$13,089)	(\$13,089)	(\$13,089)	(\$13,089)	(\$65,445)
Add 1 Part-Time Clerk	(\$8,390)	(\$8,390)	(\$8,390)	(\$8,390)	(\$8,390)	(\$41,950)
Increase Dispatch to full-time	(\$18,346)	(\$18,346)	(\$18,346)	(\$18,346)	(\$18,346)	(\$91,730)
Add Part-Time Maintenance Manager	(\$7,526)	(\$7,526)	(\$7,526)	(\$7,526)	(\$7,526)	(\$37,630)
Purchase Maintenance Software	(\$1,000)	(\$100)	(\$100)	(\$100)	(\$100)	(\$1,400)
Institute a Bus driver recognition program	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$5,000)
Purchase supplies	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$5,000)
Purchase vests	(\$1,500)	(\$200)	(\$200)	(\$200)	(\$200)	(\$2,300)
Correct facility needs	(\$15,000)	\$0	\$0	\$0	\$0	(\$15,000)
Eliminate Hazard Services	\$21,250	\$21,250	\$21,250	\$21,250	\$21,250	\$106,250
Eliminate Excess Pay	\$51,292	\$50,000	\$50,000	\$50,000	\$50,000	\$251,292
Develop a Compensation Plan	(\$5,000)	\$0	\$0	\$0	\$0	(\$5,000)
Sell 2 1991 Activity Buses	\$5,000	\$0	\$0	\$0	\$0	\$5,000
Save Insurance/ Maintenance Expenses on 2 Activity Buses	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$10,000
Purchase Fuel From State Contract Provider Ultra Low Sulfur Diesel	\$1,611	\$1,700	\$1,700	\$1,700	\$1,700	\$8,411
Purchase Fuel From State Contract Provider Gasoline	\$3,175	\$3,200	\$3,200	\$3,200	\$3,200	\$15,975
<b>Chapter 6.0 Total Savings (Costs)</b>	<b>\$12,477</b>	<b>\$28,499</b>	<b>\$28,499</b>	<b>\$28,499</b>	<b>\$28,499</b>	<b>\$126,473</b>
<b>Chapter 7.0: Food Services</b>						
Eliminate the food service assistant position	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$10,000
Implement production and inventory modules to streamline time required to update records.	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$90,000
<b>Chapter 7.0 Total Savings (Costs)</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$100,000</b>

Chapter Recommendations	Year 1	Year 2	Year 3	Year 4	Year 5	Total Five Year Savings (Cost)
<b>Chapter 8.0 Technology Use &amp; Management</b>						
Adjust district policy to allow for personal devices to access the wireless network for educational purposes and require personal devices to authenticate for guest WiFi access.	(\$30,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$50,000)
Develop, implement, and test on a regular basis a comprehensive disaster recovery and business continuity plan and address critical infrastructure needs as a priority to reduce risk.	(\$10,000)	\$10,000	\$10,000	\$10,000	\$10,000	\$30,000
Explore purchasing Chromeboxes to replace student use Windows desktop computers.	\$80,000	\$80,000	\$60,000	\$60,000	\$60,000	\$340,000
Explore and invest in lockable desktop charging stations for classrooms with small numbers of dedicated devices.	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$37,500)
Maximize E-rate and develop a strategy to reduce costs for telecommunications services that no longer have E-rate support.	\$230,000	\$190,000	(\$10,000)	(\$20,000)	(\$30,000)	\$360,000
Adopt the Information Technology Infrastructure Library (ITIL) service management as one of the industry accepted and best practice for the delivery of IT as a service.	(\$5,000)	(\$7,000)	(\$5,000)	\$5,000	\$5,000	(\$7,000)
Establish a student technician team to assist with Chromebook hardware maintenance.	(\$3,200)	\$9,000	\$10,000	\$10,000	\$10,000	\$35,800
Implement a Document Management solution and back scan the backlog of paper, beginning with the human resources department.	(\$20,000)	\$10,000	\$10,000	\$10,000	\$10,000	\$20,000
<b>Chapter 8.0 Total Savings (Costs)</b>	<b>\$234,300</b>	<b>\$279,500</b>	<b>\$62,500</b>	<b>\$62,500</b>	<b>\$52,500</b>	<b>\$691,300</b>
<b>All Chapters Total Savings (Costs)</b>	<b>\$114,417</b>	<b>\$244,269</b>	<b>\$27,269</b>	<b>\$27,269</b>	<b>\$17,269</b>	<b>\$430,493</b>

## 1.9 Next Steps

Although the efficiency review study was voluntary, our team suggests the district leadership consider the following next steps.

The district should post the full report on its website. Each chapter should be assigned to a point person to monitor the implementation status of all recommendations, with specific emphasis on the recommendations our team has identified as Tier 1. On a monthly basis, the point person should collect the information from each of the appointed staff and assemble it into a report for the superintendent and /or board review. At the end of six months or a year, the district should determine the overall rate of implementation and the associated fiscal impacts (costs and savings). Some districts have established an electronic data base to assist in monitoring the recommendations.

It would be helpful to prioritize the Tier 2 and 3 recommendations and create an implementation plan ensuring the plan is adjusted as the needs and conditions within the district change.

The report also indicates a number of commendations. Many districts have found showcasing the commendations to parents, the media, and the public promotes improved community relations and respect for the best practices being conducted in the district.

## 2.0 DISTRICT ORGANIZATION AND MANAGEMENT

This chapter presents findings, commendations, and recommendations relating to the district organization and management of the Lexington School District 4 (LSD 4). The major sections of this chapter include:

- 2.1 Introduction, Methodology, and Peer District Comparisons
- 2.2 Policies, Procedures, and Organizational Structure
- 2.3 District /Board Leadership Operations and Management
- 2.4 Legal Services
- 2.5 Communications, Public Relations, and Parent/Community Involvement

### CHAPTER SUMMARY

This report contains the following commendations:

- The LSD 4 school board and administration are commended for approving specific measures designed to ensure a cost-effective method for maintaining a current policy manual. (Page 2-7)
- Access to the policy manual on the LSD 4 website home page is a model for being user-friendly. (Page 2-7)
- The LSD 4 board meetings are well organized, overall board members feel equipped with the right tools and information to make sound decisions, and the district rotates its meetings to ensure the inclusion of its students and schools' successes. (Page 2-13)
- The district leadership is commended for its participation in the Transform South Carolina Initiative. (Page 2-16)
- The superintendent uses many tools and various leadership cabinets to allow for input and to improve communication among district staff and schools. (Page 2-21)
- The district is commended for establishing the Community Literacy Partnership (Page 2-24)

While there are many best practices in the organization and management of the district, certain efficiencies and improvements are suggested in the following recommendations. Each of the chapter's recommendations will be labeled Tier 1, Tier 2, or Tier 3. This refers to our team's suggested level of importance in the urgency of the implementation of the recommendation. Below is a guideline on the various three tiers.

**Tier 1: Greatest Impact:** The district should implement these recommendations immediately to take maximum advantage of their opportunities.

**Tier 2: Moderate Impact:** The district should implement these recommendations as soon as practical to improve the efficiency and effectiveness of operations.

**Tier 3: Minimal Impact:** The district should implement these recommendations when time and funds are available as best suits the needs of the district.

This report contains the following recommendations:

- Amend BG policy and the review procedures, AR-BG-R and BGC/BGD, to require a review, minimally, each five years. Tier 2 (Page 2-7)
- Reorganize the Lexington School District 4 reporting structure. Tier 1 (Page 2-11)

- Develop a local comprehensive training program for board members. Tier 1 (Page 2-14)
- Use the South Carolina School Board Association process for the superintendent's evaluation. Tier 1 (Page 2-18)
- Maximize the use of attorney's retainer fees and develop and implement evaluation procedures for legal services. Tier 2 (Page 2- 22)
- Ensure the board members are up-to-date on the district's current strategic plan and continue to provide periodic data-driven updates on progress. Tier 1 (Page 2-23)
- Using the additional administrative support (recommended in recommendation 2-2), develop and implement a public information strategic plan to address communication challenges. Tier 2 (Page 2-24)
- Form an educational foundation for LSD 4. Tier 2 (Page 2-25)

**Survey Results Related to District Organization and Management**

Tidwell and Associates, Inc. conducted a survey of all district office administrators, principals, assistant principals, and teachers in LSD 4. Items in this section are rated on a five-point scale, with higher values representing greater agreement with the presented statement. Items with an average score of "4" or greater are considered areas where the district is especially effective and efficient. Items with an average score of less than "3" are considered areas for improvement.

Please note that items marked with an asterisk are "reverse scored" so that higher values reflect greater perceptions of efficiency and effectiveness. Complete results can be found in **Appendix 1**.

As seen in **Exhibit 2-1**, respondents overall are very pleased with the organization and management of the district.

**EXHIBIT 2-1  
DISTRICT ORGANIZATION AND MANAGEMENT SURVEY RESULTS  
LEXINGTON SCHOOL DISTRICT 4**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
District has a long range strategic plan that guides the decision-making process	4.30	4.25	4.92	4.60
Most administrative practices in this school district are highly effective and efficient	4.05	4.03	4.46	4.00
The district effectively communicates with parents and community members	4.14	4.12	4.54	4.00
Major bottlenecks exist in many administrative processes which cause unnecessary delays	3.61	3.54	4.38	3.83
District office administrators provide quality services to schools	4.08	4.04	4.62	4.00
The district office effectively communicates with school-level staff	3.99	3.94	4.62	4.17

The district effectively uses volunteers to assist with meeting district goals	3.14	3.10	3.55	3.20
The district effectively uses business partners to assist with meeting district goals	3.80	3.75	4.33	3.60
School board members understand their role as policymakers and stay out of the day-to-day management of the district	3.85	3.88	3.62	3.80
The superintendent is accessible to district staff	4.03	3.95	4.69	4.67
I understand the district's budgetary process	3.01	2.86	4.08	4.60
The morale of the district office administration staff is good	4.10	4.07	4.25	4.40
The morale of teachers is good	3.77	3.74	4.23	3.67

\*Items reverse scored so that higher values reflect greater perceptions of efficiency and effectiveness

Source: Tidwell and Associates, Inc., 2015.

## FISCAL IMPACT OF RECOMMENDATIONS

**Exhibit 2-2** provides a summary of the estimated costs and savings associated with the recommendations contained in this chapter. As shown, a net cost of \$37,810 could be realized should the district choose to implement the recommendations. The total cost for five years is \$189,050.

### EXHIBIT 2-2 FISCAL IMPACT OF CHAPTER 2 DISTRICT ORGANIZATION AND MANAGEMENT

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Add one administrative assistant position (shared with HR and Operations)	(\$37,810)	(\$37,810)	(\$37,810)	(\$37,810)	(\$37,810)

## 2.1 Introduction, Methodology, and Peer District Comparisons

The district office leadership and staff have many responsibilities including, but not limited to:

- Staff assignments, employee hires and dismissals, labor negotiations and contracts (teachers, principals, and other staff are all employees of the school district);
- Monitoring both revenues and expenditures;
- Compliance with state and federal laws, including regulations related to dozens of categorical programs which range from special education to school lunches; and
- Management of the district's real property and facilities.

In addition, most school districts centralize areas of operation for efficiency and effectiveness. These can include food services, human resources, staff development, purchasing, technology planning, strategic planning, public information, and student transportation.

This chapter will review the organizational structure of the district, the district's policies and procedures, board – superintendent operations, legal services, and the overall communications/public relations of the district.

Based on similar criteria, peer districts for this study were selected and include Orangeburg 4, Orangeburg 5, Hampton 1, and Laurens 56. As part of this voluntary study, the South Carolina Education Oversight Committee (EOC) and Tidwell and Associates, Inc. requested various data points for comparative purposes. This chapter will incorporate any peer data shared with our team by each of the peer districts. Some of the comparative data used is extracted from the South Carolina Department of Education website.

LSD 4, also referred to as Gaston-Swansea School District, is governed by a seven-member board of trustees, each elected (at large seats) to serve a four-year term. Superintendent Lavender was appointed by the board of trustees in July 2008 and is charged with leading the district. The district's mission is to provide for continuous improvement in each student's academic performance. To accomplish this mission, the district's instructional programs are supported by three overall goals for the district: improving student achievement, building teacher/ administrator capacity, and improving school climate.

The district has a total of seven schools, which include Lexington 4 Early Childhood Center, Sandhills Primary School, Sandhills Elementary School, Frances Mack Intermediate School, Sandhills Middle School, Swansea High Freshmen Academy, and Swansea High School.

The district has 216 certified personnel, 17 certified administrators, and 3,438 students as of February 13, 2015. The ratio of administrators to certified personnel is 1:12.7 and the ratio of administrators to students is 1:202.2

District budget data show that the total revenues for FY 2012-13 were \$34,428,004 and the total expenditures for FY 2012-13 were \$33,491,677.

The primary methodologies used to review the district organization and management practices included:

- Interviews of all key district personnel including the superintendent, board, and superintendent's cabinet members;
- A community open house;
- An analysis of state and district data and documents including, but not limited to, policies and procedures, legal costs and documents, organizational charts, strategic plans, board agendas, board packets, board meeting minutes, public information documents;
- Survey results; and
- A review of peer district comparison data (where available).

## **2.2 Policies, Procedures, and Organizational Structure**

The development of policies and procedures constitutes the means by which a school district can communicate expectations. In addition, adopting policies and establishing related procedures provide the mechanism for:

- Establishing the board's expectations and what may be expected from the board;
- Keeping the board and administration well informed;
- Establishing an essential division between policy-making and administrative roles;

- Creating guidelines within which people operate;
- Providing reasonable assurances of consistency and continuity in decisions;
- Providing the legal basis for the allocation of funds, facilities, and other resources;
- Facilitating and guiding the orientation of the board members and employees; and
- Acquainting the public with and encouraging citizen involvement within structured guidelines.

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

## FINDING

The LSD 4 policies are maintained in the superintendent’s office. As new policies or updates are received or developed and the school board, through two readings, provides final approval, each is forwarded to the South Carolina School Board Association (SCSBA) for inclusion on the district’s website. School personnel are provided notification of new provisions.

The policy manual is composed of seven sections; each section contains a detailed table of contents. Individual policies are alphabetically coded. The manual contains an alphabetical subject index in the front of the document. The alphabetical codification system was originally developed by the National School Board Association (NSBA) and adopted and upgraded by the SCSBA for subscribing South Carolina school districts.

**Exhibit 2-3** presents the LSD 4 policy manual classifications (chapters), titles, and policy codes.

### EXHIBIT 2-3 LSD 4 SCHOOL BOARD ORGANIZATION OF POLICY HANDBOOK

CLASSIFICATION/ CHAPTER *	SECTION TITLES	POLICY CODES
A	Foundations and Basic Commitments	AA – AE
B	School Board Governance and Operations	BA – BK
C	General School Administration	CA – CM
D	Fiscal Management	DA – DN
E	Support Services	EA – EI
F	Facilities Planning and Development	FA – FF
G	Personnel	GA – GDR
I	Instructional Program	IA – IMDC
J	Students	JA – JRA
K	School-Community-Home Relations	KA – KLG
L	Education Agency Relations	LA - LH
	Additional Information of Interest (Revision History; Legal Citation Notice; Policymakers’ Multi-District Search Engine; and Online Instructions)	n/a

\*No classification/chapter exists for “H” as in the NSBA codification it would represent negotiations or union relations. Source: LSD 4 School Board Policy Manual, February 2015.

**Exhibit 2-4** shows the revision status of school board policies. The exhibit shows the following:

- 308 policies were examined;
- 213 policies were adopted or updated prior to 2009, or more than five years ago;
- Policies related to personnel, instructional programs, and students have the greatest number of provisions that have been either revised or newly adopted within five years, (as of January 2015); and
- Chapters C, D, F, K, and L show additions or revisions to none, one, or two policies during the last five years. It is noted that chapters F and L each have only three policies.

**EXHIBIT 2-4  
REVISION STATUS OF LSD 4 BOARD POLICIES  
JANUARY 2015**

CHAPTER	TITLE	NUMBER OF POLICIES EXAMINED	NUMBER OF POLICIES ADOPTED/UPDATED IN:			
			PRIOR to 2009	2009-10	2011-12	2013-14 & 15
A	Foundations and Basic Commitments	10	5	1	2	2
B	School Board Governance and Operations	37	29	1	1	6
C	General School Administration	16	14	-	-	2
D	Fiscal Management	22	21	-	-	1
E	Support Services	21	15	-	1	5
F	Facilities Planning and Development	3	1	-	-	2
G	Personnel	58	33	9	8	8
I	Instructional Program	62	46	8	-	8
J	Students	57	29	13	8	7
K	School-Community-Home Relations	19	17	-	-	2
L	Education Agency Relations	3	3	-	-	-
<b>Totals</b>		<b>308</b>	<b>213</b>	<b>32</b>	<b>20</b>	<b>43</b>

Source: LSD 4 Board Policy Manual, January 2015.

LSD 4 subscribes to the policy update service provided by the SCSBA and receives information on changes in law, sample policies, a review of board-written policies, printing of all adopted or revised policies and a review of meeting minutes. LSD 4 contracts with SCSBA to post and update the board policy manual on the district's website through the *Policies Online* Program. The annual policy and legislative update service highlights significant education-related bills passed by the General Assembly each year, provides model policy references, summaries of amended state regulations and recommended district action. The annual cost for this update service is \$1,950. This compares with outsourced services' fees that range from a low of \$4,000 to as high as \$12,000 or more annually.

## COMMENDATION 2-A:

**The LSD 4 school board and administration are commended for approving specific measures designed to ensure a cost-effective method for maintaining a current policy manual.**

### FINDING

The procedure for location of a desired policy or procedure is a model for user- friendly organization.

Locating the policy manual is accomplished by going to the home page at <http://www.lexington4.net/> and under *Main Menu* clicking on *Policy Manual*; at the next page clicking on *Table of Contents* located on the upper right side of the page. Double-click on the policy chapter code to open it for a listing of all policies. The hotlinks to procedures, if referenced, are located within the text in red or else are included using the policy code followed by a dash and R (e.g. GBAA-R).

Additionally, a person wishing to search policy provisions adopted by other school districts can do so by clicking on the hotlink located on the page that opens when opening the *Online District Policy Manual* page.

## COMMENDATION 2-B:

**Access to the policy manual on the LSD 4 website home page is a model for being user-friendly.**

### FINDING

School Board procedural documents prescribe that the board annually reviews its policies, a task that consultants believe is too cumbersome and time-consuming for the board and administration.

Policy BG prescribes the process for policy development and adoption. Procedures to this policy include AR-BG-R and BGC/BGD and prescribe administrative rules for policy review and other related matters. The procedures, in part, state --- *the board will review its policies on a continuing basis, but not less than once annually*. Policy BG provides that --- *the board will continually study and evaluate policies*.

The policy service that is subscribed from the SCSBA provides the most current updates for most policies, other than those that the board chooses to modify/adopt exclusively for addressing local issues. Consequently, the policy procedure provision could be modified to state that the board will review its policies no less than every five years. The board could then choose to simply review selected chapters during that period on some predetermined schedule.

## TIER 2 RECOMMENDATION

### Recommendation 2-1:

**Amend BG policy and the review procedures, AR-BG-R and BGC/BGD to require a review, minimally, every five years.**

This recommendation can be implemented by establishing a schedule for annually reviewing chapters of the policy manual so that the process of complete manual review occurs within each five-year period. Accomplishing this should reduce the amount of time that the current policy review procedure requires of the board and administration. Consultants are aware that, concurrently, the board may be reviewing proposals from the SCSBA.

A sample review schedule is shown in **Exhibit 2- 5** and equalizes the numbers of polices to be reviewed annually. Any changes to provisions not included in the current year cycle and recommended by the SCSBA policy service should also be reviewed.

**EXHIBIT 2-5  
SAMPLE REVISION SCHEDULE FOR LSD 4 BOARD POLICIES**

<b>CLASSIFICATION/ CHAPTERS</b>	<b>SECTION TITLES</b>	<b>NUMBER OF POLICIES</b>	<b>REVISION SCHEDULE</b>
A, B, & C	Foundations and Basic Commitments; School Board Governance and Operations; General School Administration	63	YEAR 1
D, E, F, & K	Fiscal Management; Support Services; Facilities Planning and Development; School-Community-Home Relations	63	YEAR 2
G	Personnel	58	YEAR 3
I	Instructional Program	62	YEAR 4
J & L	Students; Education Agency Relations	60	YEAR 5
Total		306	

Source: Created by Tidwell and Associates, Inc., February 2015.

**IMPLEMENTATION PLAN**

1. The superintendent should prepare the recommended changes and submit to the school board for review, editing, and approval.
2. The school board should review the recommended edits and follow the policy procedures for final adoption of the edited policy procedures.
3. The superintendent should submit the changes to the SCSBA for inclusion in the current policy manual and cause the changes to be incorporated in other copies of the manual.
4. The school board and superintendent should implement the recommended changes.

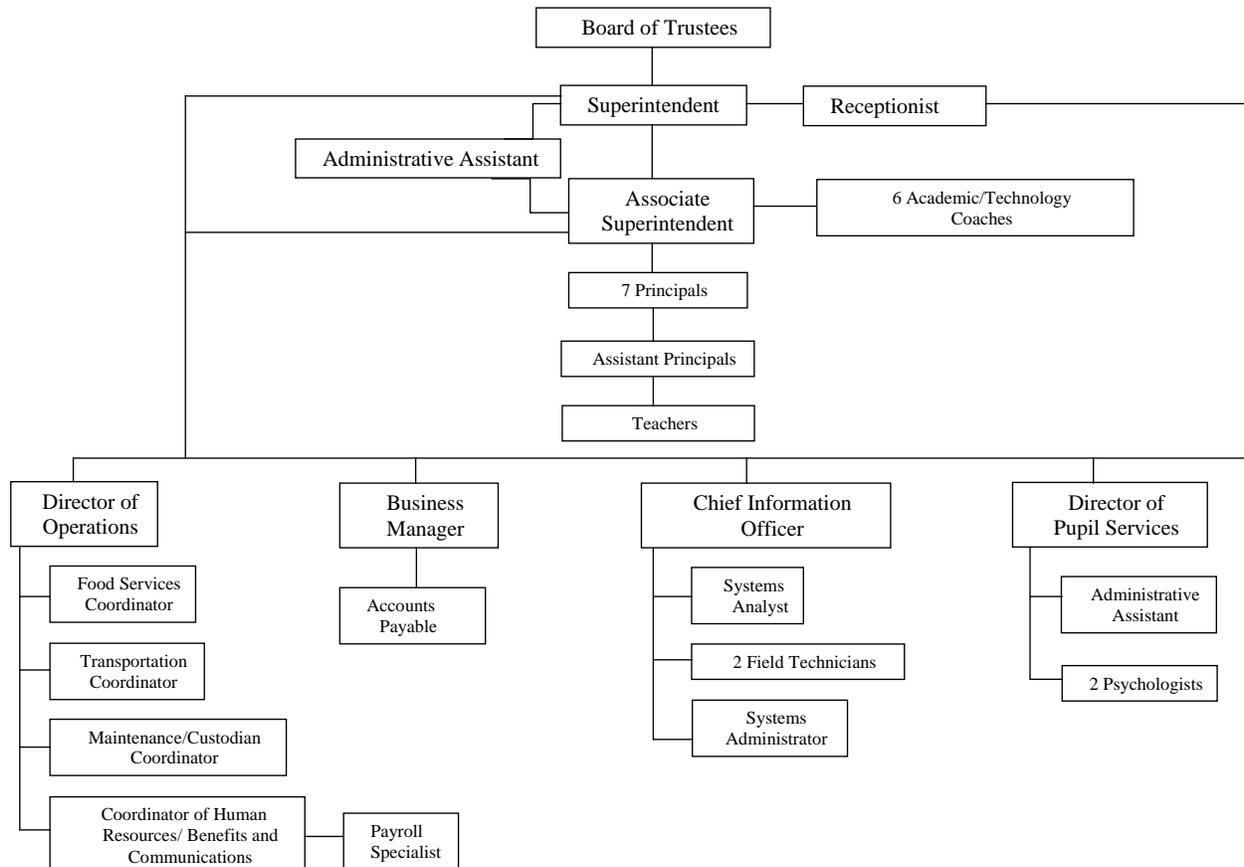
**FISCAL IMPACT**

This recommendation can be accomplished with existing resources and at no additional cost to LSD 4; however, it will involve periodic staff time that cannot be quantified based on the various changes that may occur.

## FINDING

**Exhibit 2-6** shows the current organizational structure of LSD 4. True line organizational relationships are difficult to determine; however, the chart does depict communication lines. As structured, the chart shows that the associate superintendent, director of operations, business manager, chief information officer, and the director of pupil services report to both the associate superintendent and the superintendent. When asked about evaluations, some responses included, "I suspect Dr. Lavender evaluates those staff." It was unclear if the superintendent or the associate superintendent evaluates the positions mentioned above. The superintendent has seven direct reports (one receptionist, one secretary, the associate superintendent, director of operations, business manager, chief information officer, and the director of pupil services).

**EXHIBIT 2-6  
LEXINGTON SCHOOL DISTRICT 4  
CURRENT ORGANIZATION CHART  
2014-15**



Created by: Tidwell & Associates, Inc., based on district staff interviews, 2015

The current organizational chart has positions reporting to two persons, which is not a best practice in organizations. Additionally, the human resources department is misplaced by reporting to the director of operations; it should be a direct report to the superintendent. The human resources (HR) coordinator should not be responsible for payroll and thus we recommend the payroll specialist report directly to the business manager. See Chapters 3.0 (Finance) and Chapter 4.0 (Human Resources) for additional information.

The HR coordinator should be responsible for assignment of employees' compensation but not actual payroll in order to maintain an effective separation of responsibilities. Also, there is no one in the district overseeing the procurement process; this function is spread among several staff. See Chapter 3 (Finance) for details.

There is an overall lack of administrative support for the HR coordinator and the director of operations. The director of operations currently oversees four critical areas (food services, transportation, maintenance/custodial, and human resources). In addition, the HR director has no administrative support and also oversees communications and public relations. Both positions require administrative support and our team recommends adding one administrative assistant position to be shared by the two directors.

LSD 4 has a very lean organizational structure. As shown in **Exhibit 2-7** below, LSD 4 has a total of four central office administrators, seven principals, and six assistant principals.

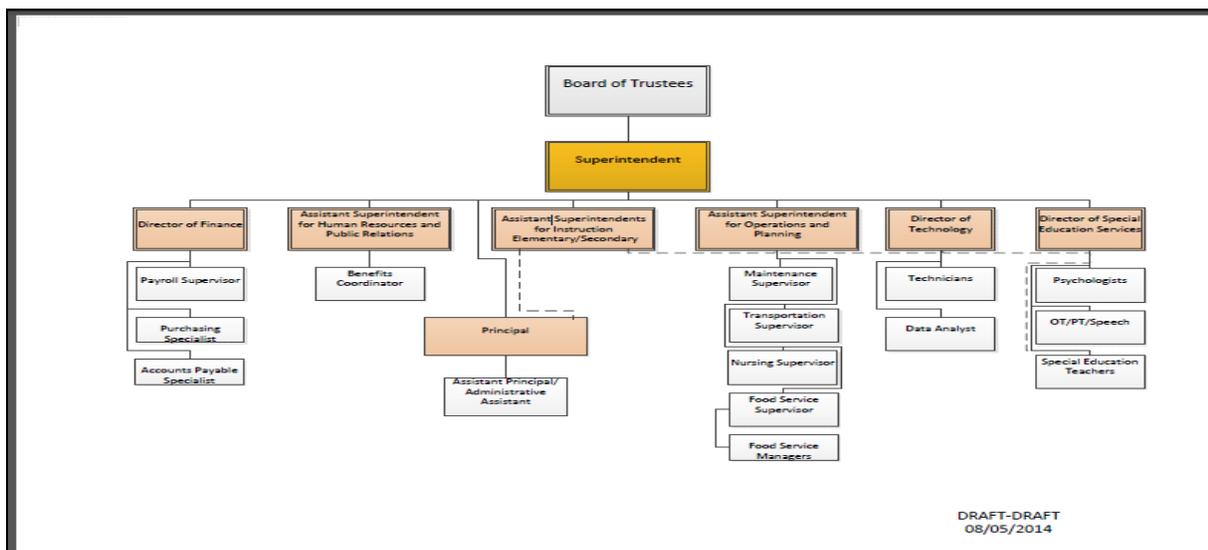
**EXHIBIT 2-7  
TOTAL DISTRICT CERTIFIED ADMINISTRATORS  
LEXINGTON 4 SCHOOL DISTRICT**

ADMINISTRATOR	TOTAL NUMBER
Central Office	4
Principals	7
Assistant Principals	6
Total Certified Administrators	17

Source: Lexington 4 School District, superintendent's office, 2015.

**Exhibit 2-8** shows the organizational structure of a peer district, Orangeburg 4. As shown, this peer district has a very similar structure to LSD 4.

**EXHIBIT 2-8  
ORANGEBURG 4 SCHOOL DISTRICT  
2014-15**



Source: Orangeburg 4 Superintendent's Office, 2015.

## TIER 1 RECOMMENDATION

### Recommendation 2-2:

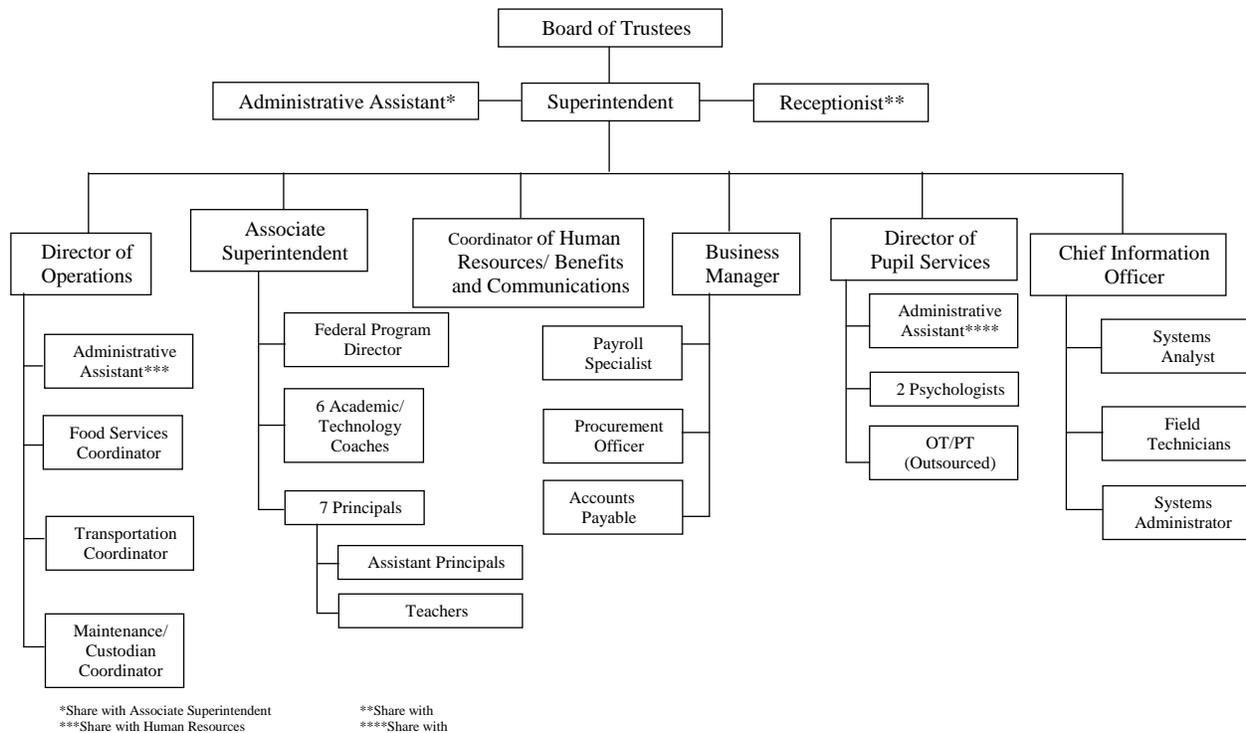
Reorganize the Lexington School District 4 reporting structure.

Exhibit 2-9 shows our team's proposed organization chart for LSD 4, which includes the following changes:

- Reassign the human resources coordinator from reporting to the director of operations to reporting directly to the superintendent;
- Transfer the payroll specialist position from reporting to the human resources coordinator to the business manager;
- Create the position of procurement officer to report to the business manager (See Chapter 3 for details on this change and cost);
- Create an administrative assistant position to divide time between the director of operations and the human resources manager.

Also, it is important to ensure a clean line of reporting structure for evaluation purposes.

### EXHIBIT 2-9 LEXINGTON SCHOOL DISTRICT 4 PROPOSED ORGANIZATION CHART 2014-15



Created by: Tidwell & Associates, Inc., based on district staff interviews, 2015

## IMPLEMENTATION PLAN

1. The superintendent should propose the additional position to the board.
2. The board should approve the additional position.

## FISCAL IMPACT

The addition of one administrative assistant position will cost the district a grade 12 position, which starts at \$16.41/hr x 7.5 hours a day, for a total of 240 days a year. The benefits rate is 28% for a total of  $16.41 \times 7.5 = 123.08 \times 240 = 29539.2 + (29539.2 \times .28 = 8270.98) = \$37,810$ .

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Add one administrative assistant position (shared with HR and Operations)	(\$37,810)	(\$37,810)	(\$37,810)	(\$37,810)	(\$37,810)

### 2.3 District/Board Leadership Operations and Management

Best practices and research shows that recognized higher performing school boards target policies and resources to promote achievement for all students. They concentrate on high standards, a rigorous curriculum, and high-quality teachers. The best boards hold their members and school employees accountable.

Boards must look at their return on investment and continuously ask, "What services are we providing to which students at what cost, and what are the benefits and results?" Also, best practices ensure that school boards use data to make informed decisions and develop policies that are constantly working to develop partnerships with parents and the community without maintaining "sacred cows."

**Exhibit 2-10** shows the current board of trustees for LSD 4.

#### EXHIBIT 2-10 LEXINGTON 4 BOARD OF TRUSTEES AND TERMS 2014-15

BOARD OF TRUSTEES	TERMS SERVED
Daniel Martin (chair)	2012-16
Zachary Smith	2014-18
Chris Pound	2012-16
Brad Frick	2014-18
Sadie Wannamake	2010-14
Kathy Mixson	2012-16
Gregg Riley	2012-16

## FINDING

Overall, board members report they are provided electronic board packets by the superintendent and staff in a timely manner (at least three-four days in advance of the meetings) and that packets generally include information needed to make decisions at board meetings.

The board meetings are held on the second Monday of each month and typically last 1.0 to 1.5 hours. The meetings rotate from school to school to ensure schools can highlight best practices and board members get an opportunity to see the school facility. This process also makes meetings more accessible to the public and allows for showcasing individual student accomplishments as well as school-wide accomplishments. Parliamentary procedure is used to run the meetings and persons wanting to make public comment must sign in at the beginning of the meeting. The board does not have any standing committees.

A review of numerous board agendas and minutes show a well-organized process for meetings. A typical board agenda includes, but is not limited to:

- Approval of the previous board meeting minutes (which all board members interviewed believe are very accurately taken);
- School/student recognitions;
- Consensus agenda;
- Public forum;
- Review of budget items;
- Board reflection time;
- Instructional report; and
- Superintendent's report.

At each board meeting, sections of the board policy are read and reviewed for at least 20 minutes. Board members interviewed believe this is most beneficial in helping them understand board policy and to alert them to any new policies and procedures. At most meetings, an administrator from the central office will provide an update on operations and events. For example, the director of technology provided an update on activities and accomplishments during the January 2015 meeting.

In each board packet, the board members also receive an updated profit and loss sheet, but according to some board members, they would like to see more time allotted for specific budget questions. Some members expressed an interest in establishing a board retreat or a more comprehensive training program for board members.

Some South Carolina school boards are provided a monthly stipend; however, Lexington board member positions are strictly voluntary. LSD 4 board members use their own computers and private email addresses for correspondences. Many expressed the desire to at minimum have a board business card.

## **COMMENDATION 2-C:**

**The LSD 4 board meetings are well organized, overall board members feel equipped with the right tools and information to make sound decisions, and the district rotates its meetings to ensure the inclusion of its students and schools' successes.**

## **FINDING**

LSD 4's board members participate in the SCSBA training and all new board members are required to attend orientation training. The state training; however, is not scheduled until February, several months elapsing after new board members are elected in September. It was reported that some board members typically go to only the morning sessions and miss out on some of the afternoon sessions while at the training.

The SCSBA program focus is primarily on statewide issues, legal requirements, and the overall role of board membership. Some board members report that the orientation program does not provide a comprehensive understanding of local board roles and responsibilities and the many details of serving on the board. Some board members report a need for more clarity on major aspects of their role on the board, including:

- The role of policy versus administration.
- Specific board duties and responsibilities related to personnel and day-to-day administration of the district.

Some board members report not having seen the district's organizational chart or any progress reports on the district's strategic plan. Staff and board members confirmed that some of the district office leaders rarely attend any board meetings to provide updates on their respective departments. Vendors have approached some board members asking them to get them into see district staff.

While the superintendent does host a pre-election orientation, board members do not recall any district-level orientation after the election. Some board members state they do not understand the district's procedures for hiring and termination.

## **TIER 1 RECOMMENDATION**

### **Recommendation 2-3:**

#### **Develop a local comprehensive training program for board members.**

Effective practices suggest that a local orientation program should focus on local issues, roles, and responsibilities of key district personnel, planning, and other matters, and assist board members in effectively and efficiently assuming their roles and carrying out responsibilities.

Several members were unfamiliar with the district's strategic plan and goals; and some interviewed would value more time to ask questions and discuss successes and issues. By developing and conducting a comprehensive training program for board members, they will be more informed on various district initiatives and it will also give them time to share and celebrate success stories.

By increasing some of these opportunities, the board could improve their belief that they are positively contributing to and sharing beliefs for what is possible for LSD 4 students. Board members could be given a board business card with the district's mission statement on the back to contribute to a sense of pride in serving on the board.

The district should also look for grant opportunities or business partners for funds to supply the board members with a laptop computer and contribute to costs for recognition and planning retreats if developed. Some school districts such as Clarendon 1's IT department offer refurbished computers for community use.

By implementing this recommendation, new board members will become aware of local duties and responsibilities, including legal responsibilities as mandated by the state. The local orientation program should be implemented on a trial basis during the 2015-16 school year. It should be field-tested among current board members and revised based on board input prior to the next election cycle. The program should be held in multiple sessions, with those board duties that would involve immediate decision-making held early in the orientation program.

The overall goal(s) of the orientation program should be determined before the program begins, with topics for each session based on the goals and expected outcomes. Suggested topics for the orientation program include:

- Organization of the board: rules of order (including parliamentary procedures);
- Procedures for obtaining information, establishment of the meeting agenda, and other operational matters;
- General duties of the board: the appropriate legal roles of board members;
- Policy making versus administration and micro-management of staff in the district;
- Central office orientation: district staffing, roles, and duties (including key administrative and staff personnel that can provide assistance to board members upon request);
- Facilities orientation: tour of schools and other facilities, including the district office;
- Support services orientation: tour of transportation and maintenance facilities and review of budget for each area;
- The role of the board member as reflected in state law, local policy, and other controlling regulations and best practices. Both the National School Boards Association (NSBA) and SCSBA can provide valuable information and speakers for this topic;
- Review of the district's planning documents and processes related to their development;
- Review of the district's budget and associated development and adoption timelines, including the board's fiduciary responsibilities under state law and regulations; and
- Review of the calendar of important dates and deadlines for board actions, including the approval of employee contracts, the staffing plan for each year, review of the student code of conduct, and other required matters.

The orientation program should be sensitive to the ability of new board members to assimilate information in an orderly and systematic fashion. Avoiding information overload for new members is important.

### **IMPLEMENTATION PLAN**

1. The board chair should appoint an orientation planning committee comprised of board members, the superintendent, principal(s), and other staff members.
2. The orientation planning committee should develop and offer a minimum of four to six sessions throughout the year. This could require two hours or less to create.
3. This recommendation should be reviewed and approved by the superintendent and board prior to the next election and swearing-in of any new board member(s).

### **FISCAL IMPACT**

The cost for this recommendation should be minimal, with any costs being absorbed through the local district budget. It is estimated that preparing for the orientation will take 8-10 hours per year.

### **FINDING**

The LSD 4 superintendent and key staff have been invited to be a part of a prestigious group called Transform South Carolina (Transform SC). This involvement has benefitted the district and requires a considerable amount of time on the part of the superintendent.

Transform SC is an education initiative of New Carolina. This group is a composite of business leaders, policy makers, educators, parents and students who seek to transform K-12 public education in South Carolina. The group's mission is "to create a new system of learning that will produce high school graduates ready to compete in a global economy". According to the initiative's website, the group shares best practices within the stated goals below:

1. Significantly increase the percentage of students who successfully transition from early childhood to elementary and from middle grades through high school prepared for success;
2. Personalize learning through:
  - Multiple approaches and pathways, including flexible anytime/anywhere opportunities;
  - Pervasive access to technology that supports customized, engaging, proficiency-based learning; and
  - A variety of embedded, formative assessments that are used to ensure continuous growth along a continuum of learning;
3. Engage students through well-designed learning experiences, such as project-based learning, that foster growth in critical thinking, creativity, problem solving, collaboration, communication, ethical behavior.
4. Connect with business, post-secondary providers, public service agencies, and the greater community.

As noted in the introduction, the district has a score of "average" in its absolute rating with the state and a "below average" in its growth rating.

Interviews indicated many in the district are not satisfied with the district's state test scores. Our team believes it is commendable for LSD 4 leaders to be active in organizations such as Transform SC to learn about best practices being implemented in other districts.

The district has a 20 percent special education population and an 83 percent free and/or reduced lunch population. In a goal to focus on early education, the district opened an Early Childhood Center (ECC) in 2009. Data are now showing the success of this program and it is believed that it is the catalyst needed to improve overall student achievement in the district--reaching the students at an early age. For example, in the Dial 3 testing area of "Concepts" the gain from the 3K Pre-test to the 4K Post-test was 30.0 and in "Language" the gain from 3K Pretest to 4K Post-test was 34.6. Similar gains were achieved in the 4K pre- and post-tests. While our team was not charged with reviewing programs, we would be remiss if we did not mention the success of this program in LSD 4. From our brief exposure to the school, which includes K-3, K-4, K-5, we believe it to be a model program for the state. K-3 was added by the district leaders because of the need to provide instruction and meals to children at an earlier age. The inclusion of K-3, the pod arrangements, and the utilization of Montessori methodology, in all but one traditional classroom, make this a model for the state.

#### **COMMENDATION 2-D:**

**The district leadership is commended for its participation in the Transform South Carolina Initiative.**

#### **FINDING**

The board's superintendent evaluation instrument should be revised.

As the chief executive officer of the district, the superintendent is charged with implementing board policy, providing support in establishing a goal of high student achievement, and overseeing all aspects of administration. LSD 4 evaluates the superintendent annually in a process overseen by the district's attorney. There are no mid-check or periodic progress reports included. The attorney interviews each board member (typically in May), reviews the feedback with the entire board, and it is presented to the superintendent for discussion.

**Exhibit 2-11** shows the current instrument used to evaluate the superintendent. As shown, there are five key areas for the evaluation. While this is not a poor instrument, other instruments are available that would be more of a true indicator of performance.

**EXHIBIT 2-11  
LEXINGTON 4  
SUPERINTENDENT EVALUATION**

<p><b><u>A. Educational Leadership Function</u></b>  <b>Descriptor: Listens effectively and inspires big-picture thinking toward achieving goals; understands instructional programs and inspires others to their highest professional standards; plays a leadership role in influencing regional and state educational issues; oversees planning evaluation of district programs and priorities</b></p>
<p><b><u>B. Staff Personnel Management Function</u></b>  <b>Descriptor: Provides for effective recruitment procedures to ensure a quality staff; develops appropriate salary schedules within budgetary limitations; maintains good staff morale and fair treatment of employees; provides for the evaluation of all staff and for appropriate staff development opportunities; assigns staff to utilize their strengths</b></p>
<p><b><u>C. Financial Management Function</u></b>  <b>Descriptor: Evaluates financial needs of the district and advises the board; utilizes available resources effectively; ensures that expenditures are within the approved budget</b></p>
<p><b><u>D. Community Relations Function</u></b>  <b>Descriptor: Maintains the respect and support of the community; listens to citizens and gives attention to addressing problems; maintains contact with the news media and community; treats people with respect while dealing with diverse views</b></p>
<p><b><u>E. Board/Superintendent Relationship Function</u></b>  <b>Promotes and develops a professional relationship between board members and the superintendent; keeps the board informed and offers professional advice and recommendations when appropriate; remains impartial toward the board, treating all board members alike; supports decisions of the board</b></p>

Source: LSD 4 superintendent office, 2015.

Best practices indicate that a one-size-fits-all superintendent evaluation process or instrument is ineffective. In 2012, a joint working committee of the SCSBA and the Superintendents' Division of the South Carolina Association of School Administrators Association (SCASA) developed an evaluation process designed to assist the board and the superintendent with a professional and productive approach to the process. The instrument is based on national best standards, and school districts are encouraged to use it at no charge.

This process differs from the current one used in LSD 4 in that each year (based on test scores and a number of other criteria), the superintendent must propose priority goals and indicators for performance that he or she recommends for inclusion in the evaluation process. These goals are specific to the areas in need of district improvement. The school board should then formally adopt the superintendent's priority goals and indicators of performance and include these in the evaluation process. The school board should also formally adopt the dimensions of the superintendent to prepare and guide school board members' thinking as they evaluate the superintendent's performance.

The superintendent should provide the board a progress report on the priority goals and indicators of performance. This could take place at a board meeting, a work session, or any special called meeting to discuss progress. Toward the end of the year, the superintendent would also submit to the board any future priority goals for the following year. These would relate to the board's adopted strategic plan and set goals.

The attorney, or another evaluation organizer, will communicate with each board member to identify their thoughts related to the superintendent's performance in three key areas. Those areas include:

- Superintendent's goals for current year;
- Dimensions of the superintendent (See the dimensions in Appendix 2)
- Superintendent's future priority goals.

The Dorchester 2 superintendent's goals at the district website link below provide an example of another district's superintendent's goals. This is one of the higher performing districts in the state.

<http://dorchester.schoolfusion.us/modules/groups/homepagefiles/cms/478113/File/PIO/2015/District%20Office/Superintendent%27s%20Goals%202015-2016.pdf?sessionid=d3ced82359dc738e69da6804ddc19d4>

## **TIER 1 RECOMMENDATION**

### **Recommendation 2-4:**

#### **Use the SCSBA process for the superintendent's evaluation.**

By using the SCSBA process, the board and superintendent can effectively collaborate on the district's leadership needs. This process, effectively implemented, should provide the superintendent with feedback that should result in a better understanding of the board's expectations and eliminate the possibility of misunderstanding regarding performance.

## IMPLEMENTATION STRATEGY

1. The board should adopt and implement the SCSBA and the SCSA's evaluation program.
2. The superintendent should propose priority goals and indicators of performance.
3. The school board should formally adopt the superintendent's priority goals and indicators of performance.
4. The superintendent should provide the board a progress report on the priority goals and indicators of performance including future priority goals.
5. The attorney should implement the review process using the SCSBA protocols.

## FINDING

The superintendent's cabinet consists of the associate superintendent, director of operations, coordinator of human resources/community relations, coordinator of pupil services, business manager, and the chief information officer. The cabinet meets every Monday morning at 9:00.

**Exhibit 2-12** shows a copy of the instrument created by the superintendent to guide the cabinet meetings. As shown, this instrument provides the superintendent with a snapshot of the week's schedule in all departments and provides an opportunity for each key department to report.

**EXHIBIT 2-12  
DISTRICT LEADERSHIP TEAM WEEKLY AGENDA TEMPLATE  
2014-15**

District Office Leadership (DL)		Date:
<b><u>Week's Schedule</u></b>		
<b><u>Office of Operations:</u></b> Monday: Tuesday: Wednesday: Thursday: Friday:  <b><u>Office of PR/Benefits</u></b> Monday: Tuesday: Wednesday: Thursday: Friday:	<b><u>Office of Cur/Instruction:</u></b> Monday: Tuesday: Wednesday: Thursday: Friday: <b><u>Office of Pupil Services</u></b> Monday: Tuesday: Wednesday: Thursday: Friday: <b><u>Office of Inst. Technology</u></b> Monday: Tuesday: Wednesday: Thursday: Friday:	<b><u>Office of Finance</u></b> Monday: Tuesday: Wednesday: Thursday: Friday:  <b><u>Office of Superintendent:</u></b> Monday: Tuesday: Wednesday: Thursday: Friday:
<b><u>Update Segment</u></b>		
<b><u>Office of Operations:</u></b>		
<b><u>Office of PR/Benefits:</u></b>		
<b><u>Office of Curriculum/Instruction:</u></b>		
<b><u>Office of Pupil Services:</u></b>		
<b><u>Office of Inst. Technology:</u></b>		
<b><u>Office of Finance:</u></b>		
<b><u>Office of Superintendent</u></b>		
<p><b>Quote:</b> A 1996 National Commission on Teaching and America's Future report makes the case more directly: teacher expertise is the most significant factor in student success. It cites studies showing that teacher qualifications account for 40 percent of the difference in overall student performance and that teacher quality is more powerful than a student's socioeconomic background in student learning (Daniels 2001; <i>Rethinking High School: Best Practice in Teaching, Learning, and Leadership. Portsmouth, NH: Heinemann</i>).</p>		

Source: Superintendent Lavender, Lexington School District 4, 2015.

The superintendent also has a teacher cabinet consisting of a cross section with approximately ten members. They meet every fourth Monday in September, October, November, January, February, March, and April. This group has the opportunity to share with central office their expectations, successes, challenges, and it is an excellent way for the district leaders to understand the needs of classroom teachers. In addition, the superintendent has a district advisory council that provides input into federal programs that meets twice a year.

## **COMMENDATION 2-E:**

**The superintendent uses many tools and various leadership cabinets to allow for input and to improve communication among district staff and schools.**

### **2.4 Legal Services**

#### **FINDING**

The district's legal expenses are moderate; however, the board does not have a process for reviewing and evaluating legal services.

The district has no outstanding lawsuits and contracts with the law firm of Duff, White, and Turner. The district has used the same law firm for 17 years.

As part of the retainer fee, the district receives two hours of legal services once a month for \$100.00. The hours do not roll over from month to month. The district pays the retainer whether they use the service or not and interviews indicate that there were several months in the past year where the two hours was not used. Beyond the two hours, they are billed an hourly rate (in ¼ hour increments) depending on the level of the service. For example, a paralegal cost \$85.00 per hour, an associate level attorney ranges from \$165.00-185.00 per hour, and the partner level attorney is \$230.00 per hour. The attorney does not attend board meetings unless invited for a specific reason. The attorney firm also oversees the evaluation of the superintendent process.

The district's legal fees for the past three years is as follows:

- 2011-12           \$5,022.76
- 2012-13           \$5,210.33
- 2013-14           \$5,168.51

Peer district data show that LSD 4 is far below some peers with regard to legal expenditures. For example, Laurens County School District 56 (LCSD 56) spent \$28,199.38 in FY 2012-13 (compared to LSD 4's \$5,210.33) and in 2013-14, LCSD 56 spent \$82,109 compared to LSD 4's \$5,168.51 in that same year. Peer district Orangeburg Consolidated District 5's legal expenses were also higher than LSD 4. In FY 13-14, Orangeburg spent \$9,893.39 and in 2013-14 spent \$9,893.39.

Some interviewed say they take advantage of reducing legal costs by talking to attorneys at no cost to the district when they attend state and national conferences.

The law firm has only conducted one workshop for the district since 2007. It was a workshop for assisting teachers on effectively handling student matters.

Additionally, the board has not evaluated legal services to determine the feasibility of continuing agreements for services. While district officials appear satisfied with the current agreements for legal services, best practice suggests a review of legal services, in terms of cost and performance, on a scheduled basis every one to three years.

## **TIER 2 RECOMMENDATION**

### **Recommendation 2-5:**

#### **Maximize the use of attorney’s retainer fees and develop and implement evaluation procedures for legal services.**

The implementation of this recommendation should result in optimizing the retainer fee and the adoption of a policy and related procedures to govern the assessment of legal services. The policy should also address the procedures that should be used in the selection of legal counsel.

A review and evaluation of legal services should include a detailed examination of the type of legal work conducted, an assessment of the need for services, and an analysis of potential recommendations for reducing or controlling expenditures. Typically, a careful examination of the causes for special education hearings/litigation, personnel actions, and expenditures in the areas of risk management and labor relations are beneficial.

## **IMPLEMENTATION PLAN**

1. The superintendent should identify areas that would benefit from a legal workshop.
2. The superintendent should work with attorney to provide hour-long workshops to ensure the monthly retainer is fully used.
3. The evaluation of legal services should be scheduled every one to three years, as determined by the board; however, the policy development and initial assessment should occur concurrently with the revision of the policy and procedures manual.

## **FISCAL IMPACT**

This recommendation can be implemented at no additional cost to the district. The district should take full advantage of the monthly legal retainer fee by having various workshops conducted at no additional charge to the district. For example, interviews indicated the need for training on better documentation for the termination of an employee or special education related issues.

## **FINDING**

The district has a sound strategic plan process; however, the annual strategic plan updates presented to the board and public lack data that support growth or improvements resulting from plan implementation.

An overview of the strategic plan process includes the following:

### **April 2014**

- Presentation of the district plan to the school board
- District school improvement committee meetings; share plans and receive input

#### **June 2014**

- State accountability assessment results for PASS, HSAP, and end-of- course exams
- Board has second reading on the budget

#### **July 2014**

- Schools present their draft school renewal plan
- Schools recommend adjustments to the district plan

#### **August 2014**

- Schools get faculty input on their plan and then the plan goes back to the board again

#### **September 2014**

- Plans are presented to the school improvement council for final input

Some of the school board members interviewed did not have a full or complete familiarity with the district's overall strategic plan and some did not recognize their opportunity for input. Input can be through attending the school improvement council meetings.

Overall, the process is sound, but could be strengthened by including a more formal process for board input and designing a more systematic method of updating the board and public with periodic data-driven progress reports.

### **TIER 1 RECOMMENDATION**

#### **Recommendation 2-6:**

**Ensure the board members are up-to-date on the district's current strategic plan and continue to provide periodic data-driven updates on progress.**

Implementing this recommendation will ensure board members have an active role in providing input into the district's strategic plan and also will keep them updated on progress at regular intervals.

### **IMPLEMENTATION PLAN**

- |  |
|--|
| <ol style="list-style-type: none"><li>1. The superintendent should ensure the board members are up-to-date on the district's strategic plan and provide board members with periodic (data driven) updates on its progress.</li></ol> |
|--|

### **2.5 Communications, Public Relations, and Parent /Community Involvement**

#### **FINDING**

The director of human resources (HR) also oversees the public information function in the district and with these two monumental assignments, the public relations function is not functioning as well as it should. However, a Community Literacy Partnership has been developed.

While the district public information officer stated that they sent out various notices and posted the Tidwell and Associates' efficiency study open community forum on its website, only two

parents participated on February 18, 2015. One of the participants wrote, “No information was sent to parents about this study or many other events. We are a district where not everybody has access to the Internet. I found out about this event by accident.”

HR takes approximately 90 percent of the director’s time and, therefore, public relations and communications consumes the remaining 10 percent of the director’s time. The director does not have any administrative support (See recommendation 2-2 that provides the director with a part-time administrative assistant.)

Given the constraints on time and lack of any administrative support, the director of human resources and public information has produced many positive public relations initiatives for the district. For example:

- A Community Literacy Partnership has been developed which has enhanced business partnerships and community involvement. It originated as just a literacy project, but has evolved into many other areas of school improvement topics. The group meets once a month and alternates its meeting locations. The juvenile justice department representatives and many other organizations have participated in the meetings. Particularly noteworthy is that Mt. Pleasant Baptist Church has been attending the meetings and has applied for an after-school program grant. The partnership has great potential to build stronger parent, community, and business partnerships for LSD 4.
- The district also uses school messenger to get messages out to parents in a timely manner (although they are looking for an alternative, more effective method).
- The district actively uses social media and has over 1,000 followers on Face Book.
- The public information office is also exploring the use of Peach Jar, which is a free service that sends out flyers in social media blasts.
- The key business partners are Food Lion, New Corp. Welding and Midlands Technical College.

A sampling of areas the public information office could improve upon include:

- The communications director does prepare a district newsletter, but there is no consistency in its distribution.
- Increased business partnerships. Currently, there is no educational foundation.
- While the district does have interns provided by the University of South Carolina, many other opportunities to partner with the university have not been explored or developed.
- Communicating to parents that they can voice concerns at board meetings.
- There is no systematic process in place to share district success stories with the media.
- The crisis plan of action should be reviewed regularly within the district office and the schools.

#### **COMMENDATION 2-F:**

**The district is commended for establishing the Community Literacy Partnership.**

#### **TIER 2 RECOMMENDATION**

##### **Recommendation 2-7:**

**Using the additional administrative support (recommendation 2-2), develop and implement a public information strategic plan to address communication challenges.**

Implementation of this recommendation should strengthen the district's business partner program and community support.

### IMPLEMENTATION PLAN

- |  |
|--|
| 1. The superintendent should recommend the incorporation of a public information strategic plan into the district's board approved plan to address communication challenges and to form an educational foundation. |
| 2. The board should approve the superintendent's recommended actions and cause it to be implemented.   |

### FISCAL IMPACT

The cost of the additional assistance is covered in recommendation 2-2. Additional time will be needed to implement the communication strategic plan.

### TIER 2 RECOMMENDATION

#### Recommendation 2-8:

#### Form an educational foundation for LSD 4.

The South Carolina Coastal Community Foundation (CCF) may assist the board at very low cost. **Exhibit 2-13** provides information that may be of value as LSD 4 considers this recommendation.

### EXHIBIT 2-13 SOUTH CAROLINA COASTAL COMMUNITY FOUNDATION

Since 2005, several public schools have partnered with South Carolina Coastal Community Foundation (CCF) to start endowments and solicit major philanthropic support. A designated fund, one where monies come from individual supporters, can be created with an initial gift of \$2,000 and five years to grow to an endowment of \$15,000. Based on CCF's experience, the following points are important issues for the parents and schools to consider when creating a fund to benefit a public school. These guidelines will help to maximize the fund's benefits.

- **Parent support is critical.** Parents will be asked to help with fundraising. An active PTA or other parent group should be in place. The PTA's success with smaller fundraising efforts will indicate if the community is ready to provide greater philanthropic support.
- **The school's administration must support the endowment.** Without an endorsement by the school's administration, fundraising efforts for the endowment may be ineffective or undermined.
- **A core group of volunteers is needed.** The school needs a group of 5 to 10 volunteer leaders who will make a 3 to 5 year commitment to establish the program and raise funds. This commitment translates into 2-3 hours per week for each volunteer.
- **The leaders need to give to the endowment.** The core group should have 100% giving by its members. Some expertise in fundraising is also desirable.

- **Donors to the endowment should include parents as well as neighbors, business and community leaders from around the school.** The defined geographic area around the school constitutes an exclusive service area that should be supported by residents, businesses, and leaders in the area.
- **Fundraising is best accomplished through direct mail supported by phone calls asking for multi year pledges.** An up-to-date mailing list of parents and others (property owner lists, for example) will be needed to assist in fundraising efforts.
- **Information, materials, and brochures need to specify the endowment's purpose.** Fundraising material should clearly indicate that the endowment will support special needs, over and above what is paid through tax dollars and the school district's contribution. For example, the grants from the fund efforts might support an art teacher or language teacher.
- **The school should have standing rules and a written agreement for how grants will be used.** Leaders of the parent groups and school administrators should establish clear guidelines for fundraising and uses of the fund's annual distribution.

Source: South Carolina Coastal Community Foundation, 2015.

Additionally, the CCF provides support for designated endowment and designated non-endowment activity. This could lead to placing the foundation on a fiscally sound basis, providing additional support to the schools.

**IMPLEMENTATION PLAN**

- |   |
|---|
| 1. The superintendent should work with the CCF to accomplish the needed actions.  |
| 2. The communications' director should contact the CCF for advice and support and provide the information to the superintendent, board of trustees, and appropriate district staff. |
| 3. The board should proceed with developing and implementing a plan to accomplish the recommended action(s).  |

**FISCAL IMPACT**

There is no fiscal impact associated with this finding; however, many school districts have raised thousands of dollars by having an active educational foundation.

### 3.0 FINANCIAL MANAGEMENT

This chapter presents findings, commendations, and recommendations related to the financial, purchasing, warehousing, and Medicaid operations and activities of Lexington County School District 4 (LSD 4). The major sections of this chapter are:

- 3.1 Introduction, Methodology, and District Comparisons
- 3.2 Organization of the Business Office
- 3.3 Financial Management
- 3.4 Purchasing
- 3.5 Warehousing
- 3.6 Medicaid

#### CHAPTER SUMMARY

The LSD 4 business office provides financial services in a competent, fiscally conservative, and cost-effective manner. Financial records are in conformance with the South Carolina State Department of Education (SDE) Code of Accounts and the SDE Financial Accounting Handbook.

This report contains the following commendations:

- The board and the administration are commended for having a formal written policy requiring a fund balance threshold of at least 15 percent and for adhering to the policy. (Page 3-9)
- LSD 4 is commended for its fiscal prudence. (Page 3-9)
- The business manager and staff are commended for their excellence in financial reporting. (Page 3-9)
- Given the diversity of staff in the Medicaid program, LSD 4 does a good job of training them and keeping them abreast of SCDHHS policy changes. (Page 3-20)
- LSD 4 staff are commended for submitting data so that the district received SNT reimbursements during a transition time. (Page 3-24)
- The LSD 4 nursing staff is commended for referring students with health issues that are barriers to learning to the Healthy Learners Program. (Page 3-24)

Each of the chapter's recommendations will be labeled as Tier 1, Tier 2, or Tier 3. This refers to our team's suggested level of importance in the urgency of the implementation of the recommendation. Below is a guideline on the various three tiers.

**Tier 1: Greatest Impact:** The district should implement these recommendations immediately to take maximum advantage of their opportunities.

**Tier 2: Moderate Impact:** The district should implement these recommendations as soon as practical to improve the efficiency and effectiveness of operations.

**Tier 3: Minimal Impact:** The district should implement these recommendations when time and funds are available as best suits the needs of the district.

While performing in a highly efficient manner, the review identified some opportunities to enhance LSD 4's financial operations. This report contains the following recommendations:

- Place payroll activities under the business manager. Tier 1 (Page 3-8)
- Increase the level of board required approval of capital expenditures to \$50,000. Tier 3 (Page 3-9)
- Conduct an annual inventory of fixed assets certified by the senior official at each facility showing additions and deletions Tier 3 (Page 3-10)
- Institute a cross-training program targeting key personnel and tasks. Tier 2 (Page 3-10)
- Hold a public input session before the January board meeting seeking input from the community and require board members to submit in writing their top budget priorities for the coming year. Tier 2 (Page 3-11)
- Present any pertinent information LSD 4 has regarding the responding financial audit firms but do not make a recommendation to the Board as to which audit firm should be selected. Tier 3 (Page 3-12)
- Consider contracting with an insurance specialist firm to assist and advise LSD 4 in evaluating and identifying potential risks and exposures to financial loss. Tier 2 (Page 3-12)
- Consider increasing employee theft, computer fraud, and funds transfer fraud coverages to \$1,000,000 for each. Tier 2 (Page 3-13)
- Consider obtaining proposals for Umbrella Liability policies with either \$2,000,000 or \$3,000,000 limits. Tier 2 (Page 3-14)
- Consider seeking broader coverage for data and media to protect against computer virus and vandalism. Tier 2 (Page 3-14)
- Structure LSD 4's debt service repayment schedule to effectively utilize the revenue provided by the School District Property Tax Relief Act. Tier 3 (Page 3-15)
- Consider submitting the annual financial audit report to both ASBO and GFOA at least once every five years and obtain this distinguished recognition. Tier 3 (Page 3-16)
- Provide training for a selected employee (e.g., the accounts payable clerk) to obtain certification as a Certified Professional Public Buyer or a Certified Professional Public Officer. Tier 2 (Page 3-17)
- Institute a P-Card program to obtain goods and services. Tier 2 (Page 3-18)
- Dispose of discarded warehouse equipment and material and institute an inventory management system for selected high use consumables complete with designated storage locations and set stock inventory re-order points. Tier 3 (Page 3-18)
- Study health services reimbursements at the end of the fiscal year to better assist the district in determining what changes can increase them. Tier 2 (Page 3-22)
- Study SDAC totals after the end of the fiscal year to better assist the district in increasing SDAC reimbursement. Tier 2 (Page 3-23)
- Ensure Medicaid outreach is done as part of each Individualized Education Plan (IEP) meeting. Tier 2 (Page 3-25)

### **Survey Results Related to Financial Management**

Tidwell and Associates, Inc. conducted a survey of all district office administrators, principals, assistant principals, and teachers in LSD 4. Items in this section are rated on a five-point scale, with higher values representing greater agreement with the presented statement. Items with an average score of "4" or greater are considered areas where the district is especially effective and efficient. Items with an average score of less than "3" are considered areas for improvement.

Please note that items marked with an asterisk are “reverse scored” so that higher values reflect greater perceptions of efficiency and effectiveness. Complete results can be found in **Appendix 1**.

Overall, **Exhibit 3-1** shows that:

- Items in this section were generally rated highly; none of the items were noted as areas for improvement, with all ratings  $\geq 3$ .
- School administrators (M=4.85) more strongly agreed that tax dollars are being well spent by the district in comparison to teachers (M=3.83) and district administrators (M=4.00).
- School administrators (M=4.77) also more positively rated that the district wisely manages its revenues and expenditures in comparison with teachers (M=3.95) and district administrators (M=4.00)
- Both school (M=4.55) and district administrators (M=4.40) rated the district’s transparency in how it spends money than teachers more positively than teachers (M=3.71).
- District administrators (M=3.00) had lower ratings than school administrators (M=4.54) and teachers (3.96) on the item, “I complete an annual inventory of the equipment in my work area.”
- Teachers (M=4.10) and school administrators (M=4.15) had more positive ratings in comparison to district administrators (M=3.20) on whether school administrators are well trained in the fiscal management of their schools.

**EXHIBIT 3-1  
FINANCIAL MANAGEMENT SURVEY RESULTS  
LEXINGTON 4 SCHOOL DISTRICT**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
Tax dollars are being well spent by the district	3.93	3.83	4.85	4.00
The district actively applies for competitive state and federal grants	4.19	4.13	4.77	4.00
The district’s financial reports are readily available to the community	4.12	4.04	4.50	4.60
The district spends an appropriate percentage of its budget on academic programs	4.14	4.05	4.85	4.50
The district is transparent in how it spends money, including posting the budget on the district website	3.83	3.71	4.55	4.40
I complete an annual inventory of the equipment in my work area	3.97	3.96	4.54	3.00
The district wisely manages its revenues and expenditures	4.04	3.95	4.77	4.00
Financial resources are allocated fairly and equitably to the district’s schools	3.55	3.39	4.54	4.17

VARIABLE	TOTAL	TEACHER	SCHOOL ADMINISTRATOR	DISTRICT ADMINISTRATOR
School administrators are well trained in the fiscal management of their schools	4.07	4.10	4.15	3.20
Purchasing processes are not cumbersome for the requestor	3.99	4.00	4.00	3.60

\*Items reverse scored so that higher values reflect greater perceptions of efficiency and effectiveness  
Source: Tidwell and Associates, Inc., 2015.

### FISCAL IMPACT OF RECOMMENDATIONS

As shown in **Exhibit 3-2**, to implement all of the recommendations in this chapter will incur an additional \$10,539 in costs in the first year and \$30,939 for all five years. In **Appendix 3**, however, a potential increase in annual revenue of \$149,914.99 is shown. Additionally, our suggestions in **Appendix 3** would make available \$1 million annually for capital projects and potentially another \$3.6 million for one-time projects. We have added these additional suggestions to an appendix because they are beyond the scope of this study. Also, implementing the recommendations related to Medicaid reimbursements should bring in more Medicaid reimbursement funds to the district.

### EXHIBIT 3-2 FISCAL IMPACT OF CHAPTER 3 FINANCIAL MANAGEMENT

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Conduct a potential risks and exposures study	(\$2,500)	\$0	\$0	\$0	\$0
Consider increasing Employee Theft, Computer Fraud, and Funds Transfer Fraud coverages	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)
Obtain an umbrella liability policy	(\$7,000)	(\$7,000)	(\$7,000)	(\$7,000)	(\$7,000)
Obtain additional technology insurance coverage	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)
Seek ASBO and GFOA membership/Certificate of Excellence	(\$2,339)	(\$0)	(\$0)	(\$0)	(\$0)
Provide training to obtain certification as a Certified Professional Public Buyer or a Certified Professional Public Officer	(\$600)	(\$0)	(\$0)	(\$0)	(\$0)
Begin P-Card System	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Increase Medicaid Outreach	\$4,400	\$4,400	\$4,400	\$4,400	\$4,400
<b>TOTAL COST</b>	<b>(\$10,539)</b>	<b>(\$5,100)</b>	<b>(\$5,100)</b>	<b>(\$5,100)</b>	<b>(\$5,100)</b>

### 3.1 Introduction, Methodology, and District Comparisons

Financial reporting is prepared by the business office, which is staffed by two people, the business manager and an accounts payable clerk. Extensive interviews were conducted with this staff. Financial audit reports prepared by external auditors were reviewed for FY 11-12, FY 12-13, and FY 13-14. A variety of financial reports and records were reviewed, including, but not limited to, such documents as board policies, departmental procedures, and financial

records (e.g., monthly bank reconciliations and financial reports). To obtain a further understanding of finance, as well as of purchasing and warehousing operations, the following personnel were also interviewed: the superintendent, associate superintendent, director of operations, human resources/benefits coordinator, purchasing coordinators at the middle school and high school, payroll specialist, receptionist. A tour of the warehouse facility was conducted.

Selected financial data from comparison districts identified by LSD 4 and the Education Oversight Committee are shown in **Exhibit 3-3**. The table shows the relative financial standing of LSD 4 in comparison to the designated peer districts. Of particular note is that a peer district with just 409 more students has \$5,899,370 more in funding; instructional support expenditures are commendably the second highest; and leadership expenditures are very comparable.

**EXHIBIT 3-3  
PEER DISTRICT FINANCIAL COMPARISONS  
FISCAL YEAR 2011-12**

District	Hampton District #1	Laurens District 56	Lexington District 4	Orangeburg District 4	Orangeburg District 5
<b>Source - IN\$ITE</b>					
# Of Students	<b>2,563</b>	<b>3,061</b>	<b>3,515</b>	<b>3,924</b>	<b>6,869</b>
Current Expenditures	<b>\$23,989,775</b>	<b>\$28,735,803</b>	\$29,823,243	\$35,722,613	\$75,398,570
Capital & Out of District Obligations	<b>\$8,155,843</b>	\$3,663,854	\$4,310,780	\$4,371,495	\$6,208,504
Total Expenditures	<b>\$32,145,618</b>	<b>\$32,399,657</b>	<b>\$34,134,023</b>	<b>\$40,094,108</b>	<b>\$81,607,074</b>
	<b>\$23,989,775</b>	<b>\$28,735,803</b>	<b>\$29,823,243</b>	<b>\$35,722,613</b>	<b>\$75,398,570</b>
<b>INSTRUCTION</b>	<b>\$13,059,161</b>	<b>\$14,502,705</b>	<b>\$14,352,461</b>	<b>\$19,288,872</b>	<b>\$38,258,865</b>
Face-To-Face Teaching	\$12,506,943	\$13,940,949	\$13,201,742	\$18,085,686	\$35,974,291
	\$11,440,562	\$13,204,363	\$12,073,447	\$17,094,302	\$32,892,102
	\$254,232	\$152,205	\$202,773	\$432,588	\$546,540
	\$812,149	\$584,381	\$925,522	\$558,796	\$2,535,649
Classroom Materials	\$552,218	\$561,756	\$1,150,719	\$1,203,186	\$2,284,574
Pupil-Use Technology & Software	\$259,155	\$125,665	\$463,378	\$65,165	\$919,536
Instructional Materials & Supplies	\$293,063	\$436,091	\$687,341	\$1,138,021	\$1,365,038
<b>INSTRUCTIONAL SUPPORT</b>	<b>\$4,335,036</b>	<b>\$5,466,396</b>	<b>\$5,540,441</b>	<b>\$4,819,037</b>	<b>\$12,419,348</b>
Pupil Support	\$2,645,529	\$2,597,409	\$2,233,795	\$3,764,010	\$6,431,663
Guidance & Counseling	\$957,838	\$610,894	\$466,966	\$1,234,011	\$2,341,992
Library & Media	\$502,963	\$433,785	\$397,619	\$560,321	\$1,198,183
Extracurricular	\$803,951	\$958,651	\$851,213	\$1,329,002	\$1,957,719
Student Health & Services	\$380,777	\$594,079	\$517,997	\$640,676	\$933,769
Teacher Support	\$1,517,832	\$2,571,793	\$2,870,772	\$931,900	\$5,217,050
Curriculum Development	\$215,877	\$2,396,546	\$2,870,772	\$690,874	\$3,631,677

District	Hampton District #1	Laurens District 56	Lexington District 4	Orangeburg District 4	Orangeburg District 5
In-Service & Staff Training	\$1,301,955	\$175,247	\$ -	\$241,026	\$1,585,373
Program Support	\$171,675	\$297,194	\$435,874	\$123,127	\$770,635
Program Development	\$ -	\$ -	\$ -	\$8,747	\$55,627
Therapists, Psychologists, Evaluators, Personal Attendants, & Social Workers	\$171,675	\$297,194	\$435,874	\$114,380	\$715,008
<b>OPERATIONS</b>	<b>\$4,332,523</b>	<b>\$6,554,190</b>	<b>\$7,278,802</b>	<b>\$8,451,740</b>	<b>\$17,304,896</b>
Non-Instructional Pupil Services	\$2,274,247	\$ 2,864,674	\$3,412,456	\$3,363,718	\$7,392,040
Transportation	\$589,637	\$640,817	\$1,092,537	\$690,709	\$2,250,856
Food Service	\$1,609,260	\$2,075,496	\$2,123,937	\$2,488,570	\$4,895,074
Safety	\$75,350	\$148,361	\$195,982	\$184,439	\$246,110
Facilities-Building Upkeep & Maintenance	\$1,715,794	\$2,585,531	\$2,992,185	\$3,849,110	\$6,110,449
Business Services	\$342,482	\$1,103,985	\$874,161	\$1,238,912	\$3,802,407
Data Processing	\$ -	\$778,672	\$408,004	\$726,800	\$2,254,621
Business Operations	\$342,482	\$325,313	\$466,157	\$512,112	\$1,547,786
<b>OTHER COMMITMENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Budgeted Contingencies	\$ -	\$ -	\$ -	\$ -	\$ -
Capital	\$8,155,843	\$3,571,854	\$2,917,526	\$4,371,495	\$6,182,788
Debt Service	\$1,820,056	\$3,538,955	\$2,917,526	\$3,888,839	\$4,709,453
Capital Projects	\$6,335,787	\$32,899	\$ -	\$482,656	\$1,473,335
Out-Of-District Obligations	\$ -	\$92,000	\$1,393,254	\$ -	\$25,716
Parochial, Private, Charter, & Public School Pass Throughs	\$ -	\$92,000	\$1,393,254	\$ -	\$25,716
Retiree Benefits & Other	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Obligations	\$ -	\$ -	\$ -	\$ -	\$ -
<b>LEADERSHIP</b>	<b>\$2,263,055</b>	<b>\$2,212,512</b>	<b>\$2,651,539</b>	<b>\$3,162,964</b>	<b>\$7,415,461</b>
School Management	\$1,438,613	\$1,231,412	\$1,856,907	\$2,194,812	\$4,605,512
Principals & Assistant Principals	\$1,031,717	\$921,951	\$1,450,437	\$1,565,361	\$3,418,315
School Office	\$406,896	\$309,461	\$406,470	\$629,451	\$1,187,197
Program Management	\$492,331	\$428,535	\$249,155	\$289,928	\$1,447,100
Deputies, Senior Administrators, Researchers & Program Evaluators	\$492,331	\$428,535	\$249,155	\$289,928	\$1,447,100
District Management	\$332,111	\$552,565	\$545,477	\$678,224	\$1,362,849
Superintendent & School Board	\$325,369	\$508,451	\$540,454	\$657,153	\$1,282,836
Legal	\$ 6,742	\$44,114	\$5,023	\$21,071	\$80,013

District	Hampton District #1	Laurens District 56	Lexington District 4	Orangeburg District 4	Orangeburg District 5
Source - External Audit	Not Available online				
<b>General Operating Fund</b>					
<u>Revenues</u>					
Local		5,677,562	6,633,987	9,995,625	23,999,896
Intergovernmental					
State		12,099,923	13,791,565	13,746,393	27,922,484
Federal		18,114		69,415	
Total		\$17,795,599	\$20,425,552	\$23,811,433	\$51,922,380
<u>Expenditures</u>					
Instruction		9,888,176	10,355,507	13,825,645	29,271,802
Support		8,031,890	8,895,796	10,746,399	24,182,712
Intergovernmental		92,000			
Other Objects		9,970	502		72,902
Capital Outlay			144,441		378,793
Total		\$18,022,036	\$19,396,246	\$24,572,044	\$53,906,209
Revenue over Expenditures		\$(226,437)	\$1,029,306	\$(760,611)	\$(1,983,829)
Operating Transfers In		444,261	560,109	603,975	2,635,220
Operating Transfers Out		(19,642)	(1,391,080)	(63,736)	(477,976)
Total Other Financing		\$424,619	\$(830,971)	\$540,239	\$2,157,244
Net change in Fund Balance		\$198,182	\$198,335	\$(220,372)	\$173,415
Fund Balance Beginning of Year		\$3,081,005	\$3,863,558	\$3,095,823	\$10,647,997
Fund Balance End of Year		\$3,279,187	\$4,061,893	\$2,875,451	\$10,821,412

Source: South Carolina Department of Education InSite Data FY 2012.

**Exhibit 3-4** shows the relative fiscal strength and the results of LSD 4's prudent fiscal management. LSD 4 has the second highest fund balance percentage and has shown the largest increase of the designated peer districts over the three-year period.

**EXHIBIT 3-4  
FUND BALANCE PEER DISTRICT COMPARISON CHART  
FISCAL YEARS 2012-14**

School District	FY End 06/30/12			FY End 06/30/13			FY End 06/30/14		
	Fund Balance	General Fund Revenue	%	Fund Balance	General Fund Revenue	%	Fund Balance	General Fund Revenue	%
Lexington 4	\$4,061,893	\$20,425,552	19.89%	\$5,196,262	\$21,674,483	23.97%	\$6,642,169	\$22,220,600	29.89%
Hampton 1	NA	NA	NA	NA	NA	NA	NA	NA	NA
Laurens 56	\$3,279,187	\$17,795,599	18.43%	\$2,979,193	\$18,779,260	15.86%	\$3,571,721	\$19,431,382	18.38%
Orangeburg 4	\$2,875,451	\$23,811,433	12.08%	\$2,937,452	\$25,306,080	11.61%	\$2,129,737	\$26,015,091	8.19%
Orangeburg 5	\$10,821,412	\$51,922,380	20.84%	\$8,379,360	\$54,011,998	15.51%	\$4,179,327	\$54,999,796	7.60%

Source: Published external auditor reports, 2015.

### **3.2 Organization of the Business Office**

#### **FINDING**

Two people, the business manager and an accounts payable clerk, staff the business office. Financial procedures are well documented and easily understood. A payroll specialist reporting to the human resources/benefits coordinator prepares the payroll. No centralized procurement office has been established in LSD 4 and accordingly procurement activities are dispersed throughout the organization (i.e., purchases are made by operations, district administration, schools). A minimum amount of supplies and materials are warehoused although no inventory records are maintained.

Payroll functions were recently moved from the business office to human resources. The human resources/benefits staff has limited knowledge and experience in payroll operations/activities. The business manager has extensive hands on experience in payroll operations/activities. As payroll represents some 85 percent of the district's budgeted expenditures, coordination of this important function and consolidation into the accounting records would be expedited if this task was supervised by the business office. Best practices and a review of peer districts indicate that payroll functions are more efficient and best administered if placed within the business office.

#### **TIER 1 RECOMMENDATION**

##### **Recommendation 3-1:**

**Place payroll activities under the business manager.**

Implementing this recommendation would provide the greatest safeguard to the execution of payroll activities.

#### **IMPLEMENTATION PLAN**

1. The superintendent should transfer the payroll specialist position to the business office.
---

#### **FISCAL IMPACT**

There is no fiscal impact.

### **3.3 Financial Management**

#### **FINDING**

LSD 4 has been fiscally conservative as shown by positive increases in the fund balance for each of the prior three years. As can be seen in **Exhibit 3-5**, the fund balance over the prior three years has increased and exceeded a threshold of at least 15 percent, set by board policy. An opportunity exists that is not being taken advantage of for the board to maximize the opportunity presented by available capital funding.

**EXHIBIT 3-5  
LSD 4 FUND BALANCE  
FISCAL YEARS 2012-14**

<b>YEAR</b>	<b>AMOUNT</b>	<b>% of OPERATING BUDGET</b>
FY 11-12	\$4,061,893	20%
FY 12-13	\$5,196,262	25%
FY 13-14	\$6,642,169	33%

Source: LSD 4 Financial Audit Reports, FY 2011-14.

**COMMENDATION 3-A:**

**The board and the administration are commended for having a formal written policy requiring a fund balance of at least 15 percent and for adhering to the policy.**

**COMMENDATION 3-B:**

**LSD 4 is commended for its fiscal prudence.**

**FINDING**

The annual audit report for FY 13-14 received an unmodified opinion from the external auditors. Interviews with staff noted that this was the 16<sup>th</sup> consecutive year without a reportable finding.

**COMMENDATION 3-C:**

**The business manager and staff are commended for their excellence in financial reporting.**

**FINDING**

Capital expenditures over \$25,000 require board approval. The board meets once a month so that can easily delay projects for up to two months. Interviews have indicated this has been problematic in some situations when the district needed to make expedient decisions.

**TIER 3 RECOMMENDATION**

**Recommendation 3-2:**

**Increase the level of board required approval of capital expenditures to \$50,000.**

Providing this discretionary flexibility would better position LSD 4 administration to respond to capital needs in a timely manner. A fairly routine decision such as to acquire and set up a portable classroom can easily exceed \$25,000.

**IMPLEMENTATION PLAN**

1. The superintendent should present the recommendation to the board to allow the administration the flexibility of authorizing capital expenditures not to exceed \$50,000.
2. The board should vote to approve the recommendation.

## **FISCAL IMPACT**

There is no fiscal impact to implement the recommendation.

## **FINDING**

LSD 4 does not take an annual inventory of fixed assets. Accordingly, inventory records may be inaccurate and important pieces of equipment may be missing when needed.

## **TIER 3 RECOMMENDATION**

### **Recommendation 3-3:**

**Conduct an annual inventory of fixed assets certified by the senior official at each facility showing additions and deletions.**

Negative reports are to be required even if no changes occurred. Enhanced accountability of fixed assets will help ensure that the tools necessary are in place to meet the educational needs of students.

## **IMPLEMENTATION PLAN**

1. The senior official at each facility would designate appropriate staff at each district facility to conduct the inventory, generally within one day, at the end of the fiscal year.
2. The senior official at each facility would certify the accuracy of the inventory and submit the report to the business office.

## **FISCAL IMPACT**

There is no fiscal impact; however, it would take approximately one day of a staff member's time at each facility to complete.

## **FINDING**

Individuals within the business office dutifully perform their assigned tasks. Interviews with staff, however, indicated there is limited cross-training of personnel. For example, no one has been cross-trained to serve as back up to the individual who processes the accounts payable transactions.

## **TIER 2 RECOMMENDATION**

### **Recommendation 3-4:**

**Institute a cross-training program targeting key personnel and tasks.**

Implementing this recommendation would provide the best measure to ensure the continuity of operations in the absence of key personnel.

## IMPLEMENTATION PLAN

- |   |
|---|
| 1. The senior official at each district facility/activity will identify those tasks and those key personnel that are essential to the continuity of operations.         |
| 2. Designated personnel who could be made available to perform this task in the absence of key personnel would be afforded training to enable them to perform the task. |

## FISCAL IMPACT

There is no fiscal impact.

## FINDING

The community and board input are not formally requested in the budget development process. The community and board are afforded only limited opportunities to provide input one time in a board workshop held each March. Community members and board members have the opportunity to discuss the proposed budget at the April board meeting and at 1<sup>st</sup> and 2<sup>nd</sup> formal reading of the budget proposal held in May and June. The budget is adopted following 2<sup>nd</sup> reading at the June meeting. Best practices indicate that additional time is needed to ensure the community and board have more opportunities to provide input into this important process.

## TIER 2 RECOMMENDATION

### Recommendation 3-5:

**Hold a public input session before the January board meeting seeking input from the community and require board members to submit in writing their top budget priorities for the coming year.**

The input should be considered in the budget development process. Utilizing these priorities, the administration should formulate a budget proposal for presentation at the March workshop. Garnering the input of the community and written support from the board will garner public support for LSD 4.

## IMPLEMENTATION PLAN

- |   |
|---|
| 1. The human resources/benefits coordinator should publish on the district website and in local media the date, time and location of this listening session to garner public input on the budget. |
|---|

## FISCAL IMPACT

There is no fiscal impact.

## FINDING

External audit firms are solicited through a request for proposal process at three-year intervals to conduct the annual financial audit. The administration prepares a matrix listing the responding firms showing essential elements of each firm's proposal (e.g., each firm's experience in doing SC school district audits, the firm's location, particular skills or abilities, the proposed fee). The administration then recommends a firm to be selected by the board.

## TIER 3 RECOMMENDATION

### Recommendation 3-6:

**Present any pertinent information LSD 4 has regarding the solicitation proposals for the board's consideration, but do not make a specific recommendation to the board as to which firm should be selected.**

The decision as to which firm is to be selected should be the exclusive purview of the board.

### IMPLEMENTATION PLAN

1. The business manager should prepare a matrix listing the firms that responded to the request for proposals.
2. The superintendent should then present information regarding each firm's experience, location, staff qualifications, and fees to the board for its independent consideration and vote.

### FISCAL IMPACT

There is no fiscal impact.

### FINDING

Risk management tasks and responsibilities are not specifically assigned within the LSD 4 organization. Although it is inherent in each managerial position, no external assistance is provided to carry out this important task.

## TIER 2 RECOMMENDATION

### Recommendation 3-7:

**Consider contracting with an insurance specialist firm to assist and advise LSD 4 in evaluating and identifying potential risks and exposures to financial loss.**

Professional expertise not present in the existing LSD 4 staff is needed to appropriately assess and evaluate risk exposure and to design protective measures to mitigate them. Require the insurance specialist to evaluate insurance policies in place to assess their appropriateness as to coverage as well as to cost. Prohibit the selected insurance specialist from providing any lines of insurance coverages to LSD 4 to remove any possible incentive to impact their recommendation(s).

### IMPLEMENTATION PLAN

1. The business manager should issue a request for proposal for firms to review and assess the district's existing insurance policies and safety program.
2. The business manager should then select a firm to determine if insurance policies are adequate to address the perils faced by the district, if premiums and loss reserves are reasonable; if the safety program is comprehensive and embraced by employees.
3. After review, the business manager and appropriate staff should consider implementing the insurance specialists' recommendations.

## FISCAL IMPACT

Fees for such a study generally cost approximately \$2,500.

<b>Recommendation</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Conduct a potential risks and exposures study	(\$2,500)	\$0	\$0	\$0	\$0

## FINDING

The district has only \$100,000 in employee theft coverage, \$100,000 in computer fraud coverage and \$100,000 in funds transfer fraud coverage. The Association of Certified Fraud Examiners 2012 *Report to the Nations* states that the average loss caused by employee dishonesty is \$140,000.00. One in every five cases reports a loss in excess of \$1 million. School districts in South Carolina are not exempt, as newspapers over the last several years have revealed multiple thefts by school district employees in the hundreds of thousands of dollars.

Electronic funds transfer fraud and computer fraud cases are on the upswing. In one example, a company's finance director opened an e-mail, and immediately thereafter a fraudulent electronic wire transfer initiated by unknown persons caused \$147,000.00 to be wired from the company's bank account. The money was withdrawn before it could be recovered.

## TIER 2 RECOMMENDATION

### Recommendation 3-8:

**Consider increasing employee theft, computer fraud, and funds transfer fraud coverages to \$1,000,000 for each.**

Due to the complexity of financial management of the district's business activities and the length of time it often takes for a theft to be recognized, the current limits appear inadequate. The minimum cost incurred for an insurance policy is outweighed by the potential loss arising from an act of theft or malfeasance.

## IMPLEMENTATION PLAN

1. The business manager should contact LSD 4's insurance carrier and obtain and review proposals.
2. The business manager should then have the insurance carrier add this coverage to the basic policy and pay the associated premium cost.

## FISCAL IMPACT

It is estimated that the cost for \$1,000,000 in coverage would be \$6,000.

<b>Recommendation</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Consider increasing employee theft, computer fraud, and funds transfer fraud coverages	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)

## FINDING

The district currently does not have an umbrella liability policy. An umbrella policy provides protections for multiple perils not routinely covered in a basic policy.

## TIER 2 RECOMMENDATION

### Recommendation 3-9:

**Consider obtaining proposals for umbrella liability policies with either \$2,000,000 or \$3,000,000 limits.**

Although the district does enjoy some protection from the Tort Claims Act, there are legal actions that may be brought against the district that are outside of the protection of the Claims Act.

## IMPLEMENTATION PLAN

1. The business manager should obtain a quote for coverage from LSD 4's insurance carrier.
2. The business manager should then have the insurance carrier add this coverage to the basic policy and pay the associated premium cost.

## FISCAL IMPACT

A coverage limit of \$2,000,000 would cost an estimated \$7,000.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Obtain an umbrella liability policy	(\$7,000)	(\$7,000)	(\$7,000)	(\$7,000)	(\$7,000)

## FINDING

Electronic Data Processing Equipment coverage, including Media and Data Coverage Limit is only \$1,000,000. LSD 4's investment or replacement value may exceed the coverage limit. Coverage for Media and Data is on a named peril basis only. There is no coverage if the damage to media and data is caused by a computer virus, or electronic vandalism perpetrated by a computer hacker.

## TIER 2 RECOMMENDATION

### Recommendation 3-10:

**Consider seeking broader coverage for data and media to protect against computer virus and vandalism.**

Limits of coverage and broader coverage are readily available in the insurance marketplace at very affordable cost, which for the district would be preferable to self-insurance.

Computer hacking can cause extensive damage and perhaps as importantly compromise data. This would impair LSD 4's ability to provide service and would incur costs to recreate or recover data.

## IMPLEMENTATION PLAN

1. The business manager should contract with an insurance broker with experience in risk management for public schools and obtain coverage.
2. The business manager should then have the insurance carrier adjust the coverage in the basic policy and pay the associated premium cost.

## FISCAL IMPACT

The estimated cost for electronic equipment, software, and electronic vandalism coverage of \$1,000,000 is \$1,500 annually.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Obtain additional technology insurance coverage	(\$1,500)	\$(1,500)	(\$1,500)	(\$1,500)	(\$1,500)

## FINDING

LSD 4's debt repayment schedule limits the district's ability to fund needed capital improvement projects. Lexington County under state statute enacted a School District Property Tax Relief Act in 2004. Essentially the Act imposes a one-cent sales tax to provide a nonrefundable credit against the school property tax liability on property in the district. The credit applies first against the liability arising from the millage imposed for debt service for schools but any residual may then be applied against any owner-occupied (4%) liability arising from all non-school-related property tax otherwise due.

## TIER 3 RECOMMENDATION

### Recommendation 3-11:

**Structure LSD 4's debt service repayment schedule to effectively utilize the revenue provided by the School District Property Tax Relief Act.**

Failure to properly structure the debt service repayment schedule prolongs the retirement of outstanding debt limiting the district's ability to fund needed capital projects.

## IMPLEMENTATION PLAN

1. The business manager will annually review with the county auditor and treasurer the scheduled debt service principal and interest payments.
2. The business manager will prepare a proposed debt issuance to maximize and take advantage of the funds available.

## FISCAL IMPACT

As the retired debt is replaced with a new issuance annually there is no noticeable increase in debt service millage.

## FINDING

LSD 4 has maintained an excellent record in financial reporting over the years. LSD 4 has not sought professional recognition for this excellent work by any of the national organizations such as the Association of School Business Officials (ASBO) or the Government Finance Officers Association (GFOA) that attest to such work.

## TIER 3 RECOMMENDATION

### Recommendation 3-12:

**Consider submitting the annual financial audit report to both ASBO and GFOA at least once every five years and obtain this distinguished recognition.**

Professional recognition by these national organizations independently attests to the completeness, thoroughness and indeed overall excellence in financial reporting by LSD 4. Such independent review gives credence to the public at large as to the proper administration of public funds.

## IMPLEMENTATION PLAN

- |  |
|--|
| 1. The business manager should prepare a Comprehensive Annual Financial Report (CAFR) and submit it to ASBO and GFOA for review. |
|--|

## FISCAL IMPACT

LSD 4 membership in ASBO and GFOA costs \$219 and \$700 annually respectively. The Certificate of Excellence in Financial Reporting applications cost \$985 and \$435 annually respectively.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Seek ASBO and GFOA membership/Certificate of Excellence	(\$2,339)	(\$0)	(\$0)	(\$0)	(\$0)

### 3.4 Purchasing

## FINDING

Purchasing activities are disbursed throughout the district in various departments at LSD 4. Organizationally, there is not one person overseeing and coordinating purchasing activities. For example: purchase orders for special education are prepared by an administrative assistant of the director of pupil services; purchase orders for transportation are done by the dispatcher and/or the transportation supervisor; purchase orders for schools are done by staff at each school site. The business manager's office does enter all purchase orders into the accounting system. This ex post facto control, however, is the only one in place.

## TIER 2 RECOMMENDATION

### RECOMMENDATION 3-13:

**Provide training for a selected employee (e.g., the accounts payable clerk) to obtain certification as a Certified Professional Public Buyer or a Certified Professional Public Officer.**

Implementing this recommendation would facilitate adherence to the LSD 4 procurement code by all concerned; promote uniformity in the acquisition of materials and supplies; allow LSD 4 to establish district wide standards for commodities; and help reduce costs through bulk buying acquisitions.

### IMPLEMENTATION PLAN

1. The superintendent should select an employee to apply for the designation as a Certified Professional Public Buyer or a Certified Professional Public Officer.
2. The business manager should enroll the selected employee in the Universal Public Procurement Certification Council (UPPCC) certification program.
3. The business manager should pay the application/exam fee.
4. The selected employee should complete the certification program.

### FISCAL IMPACT

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Provide training to obtain certification as a Certified Professional Public Buyer or a Certified Professional Public Officer	(\$600)	(\$0)	(\$0)	(\$0)	(\$0)

### FINDING

LSD 4 does not use or participate in the state of South Carolina's procurement card program system (P-Card).

LSD 4 uses a purchase order system to obtain materials and supplies. South Carolina's P-Card program is a well-functioning and well-regarded procurement card program for use by state employees that is also eligible for use by employees of public school districts.

The South Carolina Purchasing Card (P-Card) is a charge card designed to enable authorized employees to make small value purchases of supplies, materials, equipment, and services for state business use, the only purchasing card authorized for use by employees of any state agencies and by authorized employees of state colleges and universities, and can only be used for official state business.

The P-Card program utilizes a VISA purchasing card issued by Bank of America. The terms of the contract with the bank also permit counties and local political subdivisions to use the P-Card. Use of the P-Card is subject to the small purchase procedures established by the State Consolidated Procurement Code and agency purchasing policies and procedures.

## TIER 2 RECOMMENDATION

### Recommendation 3-14:

#### Institute a P-Card program to obtain goods and services.

The use of P-Cards reduces the cost and time to generate and process purchase orders. Use of the P-Card also has financial incentives for the school district based on a rebate program.

#### IMPLEMENTATION PLAN

1. The business manager should contact the state of South Carolina Materials Management Office (Attention: Stacy Gregg) at 1201 Main Street, Suite 600, Columbia, SC 29201 and enroll in the program.
2. The business manager should then obtain the credit cards from Bank of America.
3. The business manager with the assistance of Bank of America should train staff in use and safeguards.
4. The business manager should distribute P-Cards to designated staff for their use in obtaining goods and services.
5. The business manager should apply to Bank of America to receive rebate funding.

#### FISCAL IMPACT

There is no fee to participate in the P-Card Program. The P-Card program does save time and dollars in obtaining materials and supplies. Additionally, there is a program that would be based on LSD 4's estimated annual purchases and would provide approximately \$5,000 to \$10,000 in rebate revenue. The minimum rebate figure is used for the estimated fiscal impact below.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Begin P-Card System	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000

### 3.5 Warehousing

#### FINDING

LSD 4 has several antiquated buildings utilized for storage of materials and supplies. In addition to consumables and supplies, these buildings store discarded equipment and furniture. These buildings do have minimal amounts of materials. The dollar value is immaterial for financial accounting purposes. There is no organized storage with assigned locations within the buildings. An inventory record is not maintained.

Materials are ordered haphazardly whenever personnel see the need to do so. The net effect is that LSD 4 operates with an on-time delivery system.

#### TIER 3 RECOMMENDATION

### Recommendation 3-15:

#### Dispose of discarded warehouse equipment and material and institute an inventory management system for selected high use consumables complete with designated storage locations and set stock inventory re-order points.

Efficient and effective management of high use consumables would promote the availability of these items and through the timely ordering of supplies eliminate or reduce unwanted inventory.

### IMPLEMENTATION PLAN

1. The business manager should review purchases that took place in a prior six-month period, identifying items that were purchased at least twice.
2. The director of operations should take an inventory of any such material on hand in the warehouse.
3. The director of operations should designate numbered storage locator positions for the items in the warehouse and set a re-order point at one-half of the quantity ordered in the six-month period.
4. The director of operations and the business manager should jointly review stock movement semi-annually and adjust stocking levels accordingly.

### FISCAL IMPACT

Savings are anticipated through timely purchasing and economic order quantities.

### 3.6 Medicaid

Overall, LSD 4 manages its Medicaid program in a competent manner.

The LSD 4 Medicaid program draws on staff from finance, transportation, pupil services and nursing staff from the schools. We interviewed the business manager and the coordinator of pupil services at length. Information from peer districts was used to assess the performance of LSD 4. We studied prior year SC Department of Education (SDE) review reports, internal reviews and reimbursement information provided by SDE.

Medicaid is not an actual department, but rather, a program carried out by staff of several offices. The various staff/offices carrying out Medicaid responsibilities include:

- Pupil services – all health services except for nursing are performed by this staff and subcontractors. The school district administrative claiming (SDAC) program is managed by the administrative assistant. She trains staff who are on the Random Moment Survey roster, and ensures they complete their surveys. She bills for health services with Enrich software.
- Finance – A staff member completes the quarterly invoice for SDAC that is sent via SDE to the SC Department of Health and Human Services (SCDHHS) for payment. This department receives reimbursements for all Medicaid activities.
- Transportation – Special needs transportation (SNT) is provided by district bus drivers using specially-equipped buses. SNT trip ridership is recorded on logs by the drivers. An administrative staff loads these data into an online database at the SDE.
- Schools – The nursing staff provides services, writes clinical service notes and bills the SCDHHS using SNAP billing software.

Some of the health providers are district employees and some are subcontractors. **Exhibit 3-6** shows the types and numbers of health providers, their status as district employees or subcontractors, and whether they are full-time or part-time.

**EXHIBIT 3-6  
LSD 4 HEALTH SERVICES STAFF  
MARCH 2015**

TYPE	DISTRICT EMPLOYEE	SUB-CONTRACTOR	FULL TIME	PART TIME	TOTAL
Speech Therapist	x		x		6
School Psych	x		x		3
Physical Therapist		x		x	1
Physical Therapy Asst		x		x	1
Occupational Therapist		x		x	1
Occupational Therapy Asst		x	x	x	2
RN	x		x		2
LPN	x		x		4

Source: LSD 4, Pupil Services, 2015.

**FINDING**

Pupil services staff notify other staff involved in Medicaid of all SCDHHS policy changes. LSD 4 does not have a unified staff to perform Medicaid activities under one department. However, this is the case at all SC school districts because the variety of activities in the Medicaid program does not fit into just one department. Policy changes to the Medicaid program can strongly affect reimbursement. If there are policy changes, SCDHHS publishes them on the first of the month in the Local Education Agency manual on their Web site. This can be accessed at <https://www.scdhhs.gov/> Click “Providers” at the top of the page, then click “Policy Manuals”. Scroll down to “Local Education Agency” and click. Then review the “Change Control”. Other sources of information are the SDE Office of Medicaid Services and the Midlands Consortium of school districts.

**COMMENDATION 3-D:**

**Given the diversity of staff in the Medicaid program, LSD 4 does a good job of training them and keeping them abreast of SCDHHS policy changes.**

**Medicaid Reimbursements**

LSD 4 participates in all three Medicaid school-based programs as follows:

- Health fee for services
- School District Administrative Claiming (SDAC)
- Special Needs Transportation (SNT)

The district provides the following health services: nursing, occupational therapy, orientation and mobility, physical therapy, psychological services, and speech. **Exhibit 3-7** shows health services reimbursements for each fiscal year from 2009-10 through 2013-14.

**EXHIBIT 3-7  
LSD 4 MEDICAID HEALTH SERVICES  
REIMBURSEMENTS**

<b>HEALTH SERVICES</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>	<b>FY 2013-14</b>
Nursing	\$34,072	\$39,158	\$22,983	\$22,807	\$41,708
Occupational Therapy	\$14,348	\$26,702	\$25,987	\$22,216	\$21,751
Orientation and Mobility	\$2,860	\$2,456	-0-	-0-	-0-
Physical Therapy	\$8,515	\$10,254	\$11,244	\$2,338	\$8,054
School Psychology	\$13,355	\$12,749	\$21,610	\$29,841	\$23,968
Speech	\$179,429	\$186,152	\$200,014	\$208,418	\$180,845
<b>Total</b>	<b>\$252,579</b>	<b>\$277,471</b>	<b>\$281,838</b>	<b>\$285,620</b>	<b>\$276,326</b>
Difference from prior year		+10%	+2%	+1%	-3%

Source: SC Department of Education, Financial Services, 2015.

**FINDING**

LSD 4 staff does not actively study the causes of fluctuation in Medicaid reimbursement. LSD 4 Medicaid reimbursements for health services fluctuated over the past 5 fiscal years.

Health services reimbursements increased by 10 percent in FY2011-12 and stayed level for the next two fiscal years, but in FY 2013-2014 there was a 3 percent decrease. Orientation and mobility was not billed in the last three years because there were no students who needed this service. The largest part of the decrease was due to a 10 percent drop in speech reimbursements. Psychological Services dropped by 8 percent in the same year. SCDHHS changed the policy on who can refer for psychological services. LSD 4 did not have the required referral staff; therefore, billing for psychological evaluations was lower. The nursing increased income of \$18,901 which kept the total decrease to -3 percent. The decreases in reimbursement could be due to a reduction in Medicaid-eligible students receiving the service, or a reduction in units of service provided.

**Exhibit 3-8** compares health services reimbursements for LSD 4 and three peer districts, Laurens 56, Hampton 1 and Orangeburg 5. The comparison is over the three fiscal years, FY 2011-12 through FY 2013-14. The differences are not that great between LSD 4, Laurens 56 and Hampton 1. The difference between LSD 4 reimbursements and Orangeburg 5 is greater. This may be due to the fact that enrollment at Orangeburg 5 is almost double that of LSD 4. The FY2013-14 head count at 135 days found Orangeburg at 6,848 students and LSD 4 at 3,465.

**EXHIBIT 3-8  
LSD 4 AND PEER DISTRICTS  
HEALTH SERVICE REIMBURSEMENT COMPARISON**

<b>DISTRICT</b>	<b>FY 2011-12</b>	<b>% DIFFERENCE FROM LSD 4</b>	<b>FY 2012-13</b>	<b>% DIFFERENCE FROM LSD 4</b>	<b>FY 2013-14</b>	<b>% DIFFERENCE FROM LSD 4</b>
<b>LSD 4</b>	<b>\$281,838</b>		<b>\$285,620</b>		<b>\$276,326</b>	
LAURENS 56	\$292,197	+3.7%	\$321,820	+12.7%	\$401,809	+45.4%
HAMPTON 1	\$242,136	-16.4%	\$249,646	-12.6%	\$256,137	-7.3%
ORANGE-BURG 5	\$449,095	+59.3%	\$404,936	+41.8%	\$418,873	+51.6%

Source: LSD 4 and Peer Districts, 2015.

**TIER 2 RECOMMENDATION**

**Recommendation 3-16:**

**Study health services reimbursements at the end of the fiscal year to better assist the district in determining what changes can increase them.**

The purpose of this study is to determine the causes of reductions and increases in reimbursements and to find remedies. This study would include an analysis of the number of Medicaid-eligible students in each health service. Adequacy of health service staffing should also be assessed. This review will assist the staff in troubleshooting for the next school year.

**IMPLEMENTATION PLAN**

1. Pupil services and finance staff should gather information for the prior year on health service reimbursements.
2. Provider availability, numbers of Medicaid-eligible students in each service, and units of service provided should be determined.
3. Any Medicaid policy changes that might have affected reimbursements should be noted.
4. A plan of action to improve reimbursements should be made and approved by the superintendent.

**FISCAL IMPACT**

This recommendation can be accomplished with existing resources and at no additional cost to LSD 4. However, it should be noted that an analysis of this nature could bring in more Medicaid reimbursements.

## FINDING

LSD 4 had lower SDAC reimbursements for FY 2011-12 through FY 2013-14 than the peer districts. LSD 4 has three peer districts for this study: Laurens 56, Hampton 1 and Orangeburg 5. **Exhibit 3-9** shows that LSD 4 had lower reimbursements than each of the peer districts in each of the three years.

### EXHIBIT 3-9 LSD 4 AND PEER DISTRICTS SDAC REIMBURSEMENT

DISTRICT	FY 2011-12	% DIFFERENCE FROM LSD 4	FY 2012-13	% DIFFERENCE FROM LSD 4	FY 2013-14	% DIFFERENCE FROM LSD 4
LSD 4	\$7,198		\$6,491		\$6,643	
LAURENS 56	\$35,749	-396.7%	\$31,344	-389.9%	\$36,988	-456.8%
HAMPTON 1	\$49,338	-585.4%	\$45,864	-606.6%	\$54,363	-713.4%
ORANGE-BURG 5	\$103,777	-1,341.7%	\$95,088	-1,378.9%	\$136,160	-1,949.7%

Source: LSD 4 and Peer Districts, 2015.

There are a number of variables in the formula for determining a district's SDAC reimbursement. These should be studied to find out if there are any opportunities for increasing this reimbursement.

## TIER 2 RECOMMENDATION

### Recommendation 3-17:

**Study SDAC totals after the end of the fiscal year to better assist the district in increasing SDAC reimbursement.**

The implementation plan is the same for this recommendation as with the previous recommendation.

## FISCAL IMPACT

This recommendation can be accomplished with existing resources and at no additional cost to LSD 4. However, it should be noted that an analysis of this nature could bring in substantially more Medicaid reimbursements.

## FINDING

LSD 4 had higher special needs transportation reimbursements than a peer district for the last three fiscal years. **Exhibit 3-10** compares the SNT reimbursements for LSD 4 and Hampton 1 for each year from FY 2011-12 through FY 2013-2014. During the last two years, many districts

had difficulties with a new program for submitting SNT data to SDE. This resulted in lower reimbursements for some.

**EXHIBIT 3-10  
LSD 4 AND PEER DISTRICT  
SNT THREE-YEAR REIMBURSEMENTS**

<b>DISTRICT</b>	<b>FY 2011-12</b>	<b>% DIFFERENCE FROM LSD 4</b>	<b>FY 2012-13</b>		<b>FY 2013-14</b>	<b>% DIFFERENCE FROM LSD 4</b>
<b>LSD 4</b>	<b>\$5,627</b>		<b>\$3,014</b>		<b>\$3,451</b>	
HAMPTON 1	\$4,165	+26%	-0-	+100%	\$2,003	42%

Source: LSD 4 and Peer District, 2015.

**COMMENDATION 3-E:**

**LSD 4 staff are commended for submitting data so that the district received SNT reimbursements during a transition time.**

**FINDING**

Medicaid eligibility is the primary requirement for reimbursement of health services. Medicaid outreach consists of providing information on how to apply for Medicaid and, in some cases, helping a parent or guardian fill out the application. LSD 4 has a total of 595 students in special education for the current school year and 432 are Medicaid-eligible. Some of the 163 special education students not currently eligible may become so in the future.

LSD 4 has a Title V Nursing contract with the SC Department of Health and Environmental Control (SCDHEC). Reimbursement for this program comes from SCDHHS. This contract allows for Medicaid reimbursements for nursing services without the requirement of an Individualized Education Plan (IEP). These services can be paid if the student is Medicaid-eligible.

Nurses currently refer students to Healthy Learners, a program in the Midlands sponsored by the Sisters of Charity of St. Augustine. The primary focus of Healthy Learners is to remove health barriers to learning. This agency’s assistance can range from providing information about Medicaid programs and the application process to actual one-on-one assistance in completing the application. Fifty students were referred to the Healthy Learners Program last year.

**COMMENDATION 3-F:**

**The LSD 4 nursing staff is commended for referring students with health issues that are barriers to learning to the Healthy Learners Program.**

## FINDING

Medicaid funding can be increased by additional outreach. In FY 2012-13, the district was reimbursed a total of \$285,620 for 193 Medicaid-eligible students; therefore, the average reimbursement was \$1,480 per student. Using that figure as an estimate, each additional special services student found to be eligible could add approximately \$1,480 per year to reimbursement for LSD 4. There is no other Medicaid outreach besides the referrals to Healthy Learners. Additional eligible students could be identified through a more systematic outreach program.

## TIER 2 RECOMMENDATION

### Recommendation 3-18:

**Ensure Medicaid outreach is done as part of each Individualized Education Plan (IEP) meeting.**

Parents should be given information by special services staff on applying for Medicaid and, if necessary, assisted in applying online. This activity has a strong potential for increasing Medicaid reimbursement.

## IMPLEMENTATION PLAN

1. Obtain Medicaid application materials with information on financial requirements and online application.
2. Special services should provide materials to parents at IEP meetings.
3. If necessary, assist parents with online application.

## FISCAL IMPACT

This recommendation can be accomplished initially with existing resources and no additional cost to LSD 4. Every additional Medicaid-eligible student would add approximately \$1,480 per year to LSD 4 reimbursement. Each provider has an average of 30 students. For every 30 students added, reimbursement would increase by \$42,960. Adding another provider with a salary of \$40,000 would mean the net increase would be \$4,400 per year. If 30 additional eligible students are added each year, the net increase over five years would be \$22,000.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Addition of 30 students	\$44,400	\$44,400	\$44,400	\$44,400	\$44,400
Total Cost	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
<b>TOTAL INCREASE/SAVINGS</b>	<b>\$4,400</b>	<b>\$4,400</b>	<b>\$4,400</b>	<b>\$4,400</b>	<b>\$4,400</b>

## 4.0 HUMAN RESOURCES MANAGEMENT

This chapter reviews the personnel and human resource (HR) management functions of Lexington 4 School District (LSD 4). The major sections of the chapter include:

- 4.1 Introduction, Methodology, and District Comparison
- 4.2 Human Resources Department Organization
- 4.3 Policies and Procedures
- 4.4 Job Descriptions
- 4.5 Recruitment and Retention
- 4.6 Technology Utilization

The findings in this chapter are based on a review of a wide variety of documentation including, but not limited to, policy and procedures handbooks, departmental financial data, survey information, and web sites for the South Carolina Department of Education (SCDE), LSD 4, and peer districts. In addition, onsite interviews with the administration, human resources staff, principals and new teachers allowed the review team to gain insight into the operational routines of the human resources department, acknowledge commendations, and note recommendations regarding its policies and practices.

### CHAPTER SUMMARY

Strategic human resource management contributes to organizational improvement and effectiveness. Properly aligning HR management, policy, procedures and technology will help the district to enhance its support of teachers, ultimately leading to their improved chances of success in the classroom.

LSD 4 and its human resources division should be commended for the following:

- The district is commended for consolidating HR functions under one position to provide even greater integrity and transparency by providing a single point of contact for HR services. (Page 4-7)
- The district is commended for its new employee orientation. (Page 4-8)
- The district is commended for the highly efficient HR services provided to its principals, teachers, and staff. (Page 4-8)
- The district is commended for its work in analyzing and maintaining competitive salaries. (Page 4-17)
- Principals and district staff are commended for their commitment to professional development. (Page 4-18)

Though the district performs its human resource responsibilities in an above-satisfactory manner overall, certain efficiency measures and improvements can be implemented to facilitate the process. To facilitate prioritization and implementation, recommendations have been tiered based on the following definitions:

**Tier 1: Greatest Impact:** The district should implement these recommendations immediately to take maximum advantage of their opportunities.

**Tier 2: Moderate Impact:** The district should implement these recommendations as soon as practical to improve the efficiency and effectiveness of operations.

**Tier 3: Minimal Impact:** The district should implement these recommendations when time and funds are available as best suits the needs of the district.

As a result of our onsite visit and review of materials, the following recommendations are offered:

- Separate the duty of assigning compensation from the actual payroll process. Tier 1 (Page 4-7)
- Update and centralize internal operating procedures. Tier 2 (Page 4-9)
- Create and maintain job descriptions for all district staff online and systematically review and update job descriptions on a three-year cycle. Tier 2 (Page 4-13)
- Evaluate the use of existing SmartFusion technology and maximize utilization to reduce manual processes. Tier 1 (Page 4-18)
- Automate HR practices. Tier 1 (Page 4-19)

Throughout this chapter, reference will be made to South Carolina’s Center for Educator Recruitment, Retention, and Advancement (CERRA). CERRA was established by the Commission on Higher Education in 1985 and is funded by the South Carolina General Assembly. CERRA is a comprehensive approach to teacher recruitment and retention. It serves as a one-stop-shop for teacher applications to school districts throughout the state.<sup>1</sup>

**Survey Results Related to Human Resource Functions**

The review team administered a survey to teachers, school administrators, and district administrators. The following are the survey results for human resource functions. Questions touched upon overall satisfaction with the HR function, job descriptions, salaries, professional development, evaluations, and grievances.

Overall, respondents have positive experiences with LSD 4’s HR functions. In all sections of the survey, respondents considered HR an area in which the district is effective and efficient.

**Exhibit 4-1**, located below, which can also be found in **Appendix 1**, provides an overall rating at 3.32, which is considered an area where the district is especially effective and efficient.

**EXHIBIT 4-1  
LSD 4 HUMAN RESOURCES FUNCTION SURVEY RESULTS  
2015**

VARIABLE	TOTAL	TEACHER	SCHOOL ADMINISTRATOR	DISTRICT ADMINISTRATOR
Human Resources	3.32	3.31	3.69	3.00

Source: Tidwell and Associates Survey Results, LSD 4, 2015

Note: Items in this section are rated on a 4-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of “3” or greater are considered areas where the district is especially effective and efficient. Items with an average score less than “2” are considered areas for improvement.

<sup>1</sup> Center for Recruitment, Retention, and Advancement Web site: <http://cerra.org/about.aspx>

The survey also highlighted a number of specific operations and functions of the HR department as especially effective and efficient. However, teachers, school administrators and district administrators all rated the level of district staff as an area in need of improvement. Those surveyed agree that there is an inadequate number of staff to carry out operations.

**Exhibit 4-2** below, which is based on a five-point scale, provides the full survey responses for human resources.

**EXHIBIT 4-2  
HUMAN RESOURCES SURVEY RESULTS  
LEXINGTON 4 SCHOOL DISTRICT**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
I have an accurate job description	4.33	4.32	4.58	4.00
District salaries for the type position I am in are competitive with similar positions in the job market	3.14	3.11	3.46	3.67
I feel that my work is appreciated by my supervisors	4.21	4.18	4.77	4.33
I receive adequate training and support to perform my job functions	4.27	4.25	4.69	4.17
The district has a good program for orienting new employees	3.83	3.82	4.08	3.67
The district has an adequate number of staff to carry out its operations	2.84	2.91	2.38	2.17
The district actively recruits high quality staff to fill vacant positions	3.97	3.93	4.62	3.67
There is adequate high quality professional development for the principals and teachers	4.08	4.05	4.54	4.00
District employees receive annual personal evaluations	4.14	4.07	4.58	4.83
Employees receive their personal evaluations each year well in advance of the end of the school year	3.88	3.82	4.54	4.20
The district has a fair and timely grievance process	3.95	3.83	4.64	4.20

Source: Tidwell and Associates Survey Results, LSD 4, 2015

Note: Items in this section are rated on a 5-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of "4" or greater are considered areas where the district is especially effective and efficient. Items with an average score less than "3" are considered areas for improvement.

## FISCAL IMPACT OF RECOMMENDATIONS

The majority of the recommendations in this chapter are cost neutral and can be implemented without a fiscal impact. However, **Exhibit 4-3** provides a summary of the recommendations that have a fiscal impact and provides estimated costs and savings associated with the recommendations contained in this chapter. There is a potential net cost of \$500 to \$7,000, however, if existing staff and technology (multi-function scanners/printers) are used, this cost can be greatly reduced or eliminated, therefore we are using \$2,500 as the potential impact in the first year for implementation.

### EXHIBIT 4-3 FISCAL IMPACT OF CHAPTER 4 HUMAN RESOURCE MANAGEMENT

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Automate HR Practices	(\$2,500)	\$0	\$0	\$0	\$0

#### 4.1 Introduction, Methodology, and District Comparisons

The LSD 4 HR budget for FY 2014-2015 is \$235,658.86. There are a total of 487 employees in the district. The average number of new hires for the last five years is 26. **Exhibit 4-4** details the distribution of employees for LSD 4.

### EXHIBIT 4-4 LSD 4 EMPLOYEE DISTRIBUTION 2014-2015

CATEGORY	NUMBER OF EMPLOYEES	NOTES
General Personnel	102	This number includes enrichment teachers
Classroom Teachers	154	This is the number of core classroom teachers in the district
Special Education	52.76	
Operations	63.4	
Transportation	41 regular/3 subs	

Source: Lexington 4 School District Personnel Matrix, Human Resources Department, 2014-15.

For human resources, the review team examined a wide variety of documentation including, but not limited to, policy and procedural handbooks, staff training and development records, department financial data, departmental forms, informational brochures, and the district's web site. In addition, interviews were conducted with various employees, principals and new teachers. These activities provided insight into the operational routines of the department, and allowed the review team to make findings, recommendations and note commendations regarding human resources practices and procedures.

## DISTRICT COMPARISONS

For the purpose of comparison to Lexington 4, Orangeburg 4, Hampton 1, Laurens 56, and Orangeburg 5 were selected as peer districts based on comparable size and tier ranking. **Exhibit 4-5** provides the number of students and number of schools for each of the peer districts.

**EXHIBIT 4-5  
PEER DISTRICT SIZE COMPARISON  
2013 SCHOOL YEAR**

DISTRICT NAME	# OF STUDENTS	# OF SCHOOLS
Lexington 4	3,150	6
Orangeburg 4	3,722	10
Hampton 1	2,383	8
Laurens 56	2,920	5
Orangeburg 5	6,421	17

Source: District Report Cards, Department of Education, 2013.

**Exhibit 4-6** below highlights the comparative human resource staff size for peer districts. As shown, LSD 4 has one HR staff member compared to as many as six HR staff members in Orangeburg 5.

**EXHIBIT 4-6  
PEER DISTRICT HR DEPARTMENT STAFF COMPARISON CHART  
2014-2015 SCHOOL YEAR**

DISTRICT NAME	# OF HR STAFF	DEPARTMENT NAME	POSITION TITLES
Lexington 4	1	human resources	<ul style="list-style-type: none"> <li>human resources/benefits coordinator</li> </ul>
Orangeburg 4	3	human resources	<ul style="list-style-type: none"> <li>assistant superintendent for human resources and public relations</li> <li>executive secretary – HR</li> <li>benefits coordinator<sup>2</sup></li> </ul>
Hampton 1	5	personnel department	<ul style="list-style-type: none"> <li>deputy superintendent- employment-certification</li> <li>secretary to the superintendent &amp; payroll</li> <li>accounts payable</li> <li>finance and grants</li> <li>benefits administrator and school board secretary<sup>3</sup></li> </ul>
Laurens 56	2	human resources	<ul style="list-style-type: none"> <li>director of human resources</li> <li>district receptionist<sup>4</sup></li> </ul>

<sup>2</sup> Orangeburg District 4 Website: <http://orangeburg4.schoolfusion.us/modules/cms/pages.phtml?pageid=233339&sessionid=0106d5e8bd9b0a3cf7ef7f2bdfdad03c&sessionid=0106d5e8bd9b0a3cf7ef7f2bdfdad03c>

<sup>3</sup> Hampton 1 District Website: <http://www.hampton1.org/domain/289>

<sup>4</sup> Laurens 56 District Website: <http://www.lcsd56.org/Page/77>

DISTRICT NAME	# OF HR STAFF	DEPARTMENT NAME	POSITION TITLES
Orangeburg 5	6	Division of Human Resource Services	<ul style="list-style-type: none"> <li>• chief human resource services officer</li> <li>• executive director of personnel &amp; employee quality</li> <li>• human resources analyst II</li> <li>• human resource analyst I</li> <li>• human resources secretary/receptionist</li> <li>• human resources analyst II<sup>5</sup></li> </ul>

Source: School District Websites, Tidwell and Associates, 2015.

#### **4.2 Human Resources Department Organization**

##### **FINDING**

Responsibilities for the delivery of HR services are currently shared between the human resource coordinator position and the director of operations.

Payroll reports to the HR coordinator. However, the payroll function is inconsistent with a primary function of assignment of compensation to positions and employees and does not represent a needed separation of functions.

The majority of HR duties are housed under the HR coordinator position; however, in an effort to streamline services, the district is in the process of consolidating all human resources functions under the HR coordinator position.

Currently, the human resources coordinator position provides key functions for LSD 4, including:

- job analysis and position description
- recruiting personnel
- working with principals to select, hire and process teachers and support staff
- managing and updating employee records
- monitoring and processing licenses

While the director of operations position:

- works with principals on corrective action process
- manages the discipline process for classified staff
- oversees employee relations and grievance procedures (although very rare)
- provides induction orientation

In addition to providing HR services, the human resource coordinator is also responsible for the district's public information/communications.

In chapter two, **Recommendation 2-2**, the review team recommends creating an administrative assistant position to divide time between the director of operations and the human resources

<sup>5</sup> Orangeburg 5 District Website:  
<http://www.ocsd5schools.org/Default.asp?PN=StaffList&L=1&DivisionID=15243&LMID=666013&ToggleSideNav>ShowAll>

manager. This position should help make the workload of the human resources coordinator position more manageable, however, adding a full- time assistant position may be reconsidered in future years. This recommendation is also supported by the survey results which rated the district at <3 for having adequate numbers of staff to carry out its HR operations, which means this is an area for improvement. **Exhibit 4-7** provides the breakdown of those responses.

**EXHIBIT 4-7  
HR STAFFING  
LSD 4 SURVEY RESULTS**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
The district has an adequate number of staff to carry out its operations	2.84	2.91	2.38	2.17

Source: Tidwell and Associates Survey Results, LSD 4, 2015

Note: Items in this section are rated on a 5-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of “4” or greater are considered areas where the district is especially effective and efficient. Items with an average score less than “3” are considered areas for improvement.

**COMMENDATION 4-A:**

**The district is commended for consolidating HR functions under one position to provide even greater integrity and transparency by providing a single point of contact for HR services.**

Organizational structure and strategic leadership are key to the efficient and effective management of an HR department. Employees across the district must know that if they have a question about their employment, they will receive accurate and consistent information.

**TIER 1 RECOMMENDATION**

**Recommendation 4-1:**

**Separate the duty of assigning compensation from the actual payroll process.**

Accomplishment of this recommendation should result in ensuring that the actual assignment and compensation actions are conducted by separate departments thus allowing for effective monitoring to ensure assignment and payroll accuracy. This can be implemented in Year One by the reassignment of the position responsible for payroll.

**FISCAL IMPACT**

This can be accomplished with existing resources and at no additional cost to the district.

**IMPLEMENTATION PLAN**

1. The superintendent should prepare and recommend the organizational change to the board.
2. The board should approve the recommended organizational change.
3. This recommendation should be implemented by the superintendent upon board approval.

## **FINDING**

Our team conducted two separate focus groups, the first with principals from each school, and the second with a randomly selected group of new teachers. These interviews made clear that district staff provide excellent service to its schools and teachers. New teachers felt equipped with necessary information and prepared to start on their first day of school. Principals expressed gratitude for the ease and support they receive from the district.

The principals reported that the district works well with each school to hire the right teachers, to provide proper induction and mentoring, to set high standards and to encourage professional development that supports the goals of the schools and district.

During our focus group, new teachers expressed appreciation of the one-on-one attention and help they received from the human resource coordinator. They felt orientation was efficient and provided them with a clear understanding of the process, expectations for the job and benefit information. This sentiment was reinforced by the survey results, which reported that across the board, respondents agreed that the district provides an efficient and effective programing for orienting new employees.

### **COMMENDATION 4-B:**

**The district is commended for their new employee orientation.**

### **COMMENDATION 4-C:**

**The district is commended for the highly efficient human resource services provided to its principals, teachers, and staff.**

## **4.3 Policies and Procedures**

The school board's policies and the *Lexington School District Four: Employee Handbook* sets forth policies and regulations regarding the district's mission, vision, and personnel policies including general administration, board policy, hiring and recruitment, conditions of employment, employee discipline and grievances, and pay and benefits. These policies are easily accessible online through the district's website.

## **FINDING**

The district has well-written and easily accessible policies both online and in the *Employee Handbook*; however, there are limited process and procedure documents for operations.

The staff at LSD 4 function in a cooperative and supportive environment with strong leadership guiding processes and an "all hands approach" to doing what needs to be done. This approach seems to serve the district well, however, clearly articulated procedures would ensure consistent implementation of the hiring process and could help maximize positive hiring outcomes.

LSD 4 invests its limited resources wisely in recruiting, hiring, training, and retaining its employees. This investment could be maximized further with a consistent hiring process for applicants. The only structured procedure document found by the team was the *Lexington School District Four Vacancy/Interview Procedures* located on the internal staff website, which

provides basic steps and instructions on the hiring process. This document should be expanded to integrate recognized best practices and to codify the existing process.

A clear and consistent process that incorporates recognized best practices will help to better ensure that LSD 4 is hiring the right person for the right job. Given LSD 4's limited staffing and strong track record, we do not want to stifle creativity or flexibility but rather to provide a clear framework that district staff and candidates can turn to for guidance. The process can always be refined and re-tuned.

## **TIER 2 RECOMMENDATION**

### **Recommendation 4-2:**

#### **Update and centralize internal operating procedures.**

The district should codify existing practices into a usable framework that outlines the process for administering human resource services. This will ensure that internal staff and applicants have a very clear understanding of the process.

The manual should provide detailed instructions for performing routine HR tasks, adhere to the rules and standards of the school district, and comply with employment laws. The guidelines that are currently in the board policies providing information for maintaining employee personnel file folders should also be included in the manual. In addition, the manual should include a flow chart that clearly demonstrates the role of the district and schools. In constructing the procedures it should place an emphasis on accurate and updated job descriptions and provide a clear process for conducting effective interviews including using a panel approach when possible. Furthermore, the manual should lay out the internal steps required to process a new employee including credential verification, updating the Web site, the creation of new employee files, and orientation and induction.

Since district HR functions will be administered by a single position, it is especially important that operating procedures be in a central location for easy access so that, if needed, cross-trained staff can administer the process consistently and transparently.

As noted in **Commendation 4-C**, school principals and new teachers report satisfaction and believe the district provides above-average services to principals and new hires. Therefore, the purpose of this recommendation is not to change how the process is administered, but rather, to create a meaningful and actionable document demonstrating how things actually work. Creating a handbook for district HR operations that outlines schedules, deadlines, and day-to-day operations will help foster a more effective and efficient operation.

Moreover, providing easy access to the procedures will also help to ensure utilization and transparency. Orangeburg 5 keeps its *Hiring and Application Procedures* for classified, certified and administrative applications on the district website.<sup>6</sup>

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<sup>6</sup> Orangeburg 5 District Website:  
<http://www.ocsd5schools.org/Default.asp?PN=DocumentUploads&L=1&DivisionID=15243&LMID=665999&ToggleSideNav=ShowAll>

**Exhibit 4-8** provides an example of standard contents of a *Human Resources Procedural Guidebook*.

**EXHIBIT 4-8  
HUMAN RESOURCES PROCEDURAL GUIDE BOOK  
SAMPLE CONTENTS**

The manual should provide detailed step-by-step descriptions of each process and procedure used in the delivery of various services such as:
Criteria For Award Programs Guidelines For Business Travel Providing Bilingual Customer Service Legal Completion Of Citizenship Eligibility (I-9) Forms Steps In Complaint Resolution Guides For Discipline, And, Or, Termination Affirmative Action Steps In Providing Employment Assistance Programs Steps In Hiring Staff And Hiring Substitutes Security Clearance Records Retention Steps In Communicating Severe Weather Procedures Medical Exams And Immunization Maintaining Personnel Files Handling Confidential Information Leaves Of Absences Return To Work FMLA Return To Work After Disability Unemployment Insurance Reporting Suspected Child Abuse

Source: Absolute Human Resource Solutions Web site, 2005.

In **Exhibit 4-9** Laurens 56 provides an example of an ‘annual roadmap’ for HR procedures that may be helpful as LSD 4 develops its processes and procedures.

**EXHIBIT 4-9  
LAURENS 56  
PERSONNEL TIMELINE**

<u>July</u> Review all Board policies Update Board policies impacted by the closing legislative session Confirm that all PACE teachers are enrolled in the PACE Pre-service Seminar Review ADEPT procedures for Induction and TEAM at <a href="http://www.scteachers.org/adept/calendar">www.scteachers.org/adept/calendar</a> Train evaluators as needed Set ADEPT Teams for Induction and Annual level teachers Compete EOC Report Card information regarding attendance and staff development participation Finalize hiring process Initialize payroll process
<u>August</u> Complete hiring procedures Confirm contract accuracy Confirm validity of certificates-expired, etc.

Review all teaching assignments in order to determine the need for out-of-field permits  
Request out-of field permits  
Determine "Highly Qualified" status  
Communicate any deficiencies to teachers  
Provide ADEPT orientations within the first twenty days of school

#### September

Preparing hiring statistics if required by your school district  
Public the school district's non-discriminatory disclosure in local newspaper  
Publish in local newspaper the NCLB notice regarding the parents right to know  
Continue requests for out-of-field permits  
Continue "HQ" determinations  
Update Certification Portal System information  
Update Certified Professional Staff listing  
Review and update ADEPT Data System information for appropriate contract and evaluations levels  
Complete CERRA survey  
Prepare for October Benefits Program changes

#### October

Work with employees' benefits changes  
Work on district's strategic plan revisions  
Begin projections for staffing  
Complete recruiting plans for the school year  
Recruit teachers for mid-year vacancies

#### November

Continue to recruit teachers for mid-year vacancies  
Continue to develop projections for staffing  
Begin budget planning  
Complete EEO5 Report if necessary  
Send Confirmation of Employment forms to PACE for late PACE teachers hired

#### December

Confirm that any PACE late hires are registered for the PACE Pre-service Seminar  
Complete the first semester conferences/reports for ADEPT-TEAM  
Finalize TERI plans for school year  
Continue to recruit teachers for mid-year vacancies  
Continue to develop projections for staffing  
Begin budget planning  
Finalize recruitment plans

#### January

Visit colleges for recruitment  
Finalize plans for upcoming recruitment activities  
Refine budget needs  
Prepare intent forms for teachers and staff  
Prepare administrator recommendations  
Begin hiring for school year

February

Rectify any accreditation deficiencies reported on the S.C. Preliminary Analysis Accreditation report  
Distribute intent forms to teachers and staff on or before February 15<sup>th</sup> to be returned on or before February 25<sup>th</sup>  
Hold teacher/staff career fairs  
Continue hiring for school year  
Seek Board approval for administrative recommendations  
Prepare teacher recommendations

March

Communicate with all district educators regarding their certification status – expired, permits, etc.  
Finalize teacher evaluations – ADEPT-TEAM, Induction, Goals Based  
Seek Board approval for teacher recommendations  
Prepare contracts for certified employees  
Continue to implement recruiting plans

April

Deliver contracts to certified employees on or before April 15<sup>th</sup>  
Collect contracts no later than April 25<sup>th</sup>  
Continue to implement recruiting plans  
Finalize ADEPT reports  
Begin to plan professional development for next school year  
Plan end of year recognition programs

May

Update systems – ADS, CPS, etc.  
Complete district and state reports  
Implement recognition program plan  
Continue recruiting and hiring  
Begin summer professional development

June

Complete process for those retiring and resigning  
Recruiting and hiring  
EXPO-Recruitment Fair

Source: Laurens 56, Peer District Data Request, 2015.

**FISCAL IMPACT**

This recommendation can be implemented without additional resources; however, it is estimated that it will take approximately 20 hours of time to complete this task.

**IMPLEMENTATION PLAN**

- |   |
|---|
| 1. The HR coordinator should identify all existing written processes.   |
| 2. The HR coordinator should review all written process to ensure that they clearly represent how things are done.                              |
| 3. The HR coordinator should identify any missing documented processes.   |
| 4. The HR coordinator should develop/obtain an missing processes; all processes and procedures should then be written into a consistent format. |
| 5. The HR coordinator should make new procedure handbook available online.  |

## 4.4 Job Descriptions

### FINDING

District level job descriptions have not been routinely reviewed, created when necessary, updated, or updated with dates.

Survey results also support this finding with the district administrators rating the accuracy of job descriptions lower than teachers and school administrators. **Exhibit 4-10** is from the survey results.

#### EXHIBIT 4-10 LSD 4 HUMAN RESOURCES SURVEY RESULTS 2015

Variable	Total	Teacher	School Administrator	District Administrator
I have an accurate job description	4.33	4.32	4.58	4.00

Source: Tidwell and Associates Survey Results, LSD 4, 2015.

Note: Items in this section are rated on a 5-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of "4" or greater are considered areas where the district is especially effective and efficient. Items with an average score less than "3" are considered areas for improvement.

The team reviewed the following job descriptions: federal programs, academic coach, academic interpreter, business manager, fiscal services/account payable clerk, fiscal services/payroll clerk, maintenance, secretary and secretary to the superintendent. The current HR coordinator job description was being updated by the superintendent. The team did not review job descriptions for the associate superintendent, director of operations, principals or assistant principals.

Existing job descriptions contain the job title, qualifications required, to whom the position reports, its supervisory responsibilities, job goals, performance responsibilities, terms of employment, and evaluation information. However, the district does not appear to have job descriptions for every position. In addition, each job description should be updated to contain additional information including the date it was written, revised, or updated.

### TIER 2 RECOMMENDATION

#### Recommendation 4-3:

**Create and maintain job descriptions for all district staff online and systematically review and update job descriptions on a three-year cycle.**

Well-written and maintained job descriptions are vital in the hiring and retraining of a qualified and competent staff. An effective job description allows jobs standards and the assignment of pay grades to be set more easily. Well-developed job descriptions can also serve as a basis for annual performance evaluations and are becoming increasingly important in defending against workers' compensation claims and civil lawsuits. Moreover, in a small school district like LSD 4, which has an all-hands approach to doing business, job descriptions will also help to codify existing responsibilities into practice so that institutional knowledge is not lost.

Reviewing and updating job descriptions at least every three years is an industry standard. A full review of all job descriptions should be conducted and should include an analysis of the essential functions of each position. Job descriptions should be created and written for any position that does not currently have one.

All job descriptions should be dated. The dates on each job description page should reflect when the job description is developed, reviewed, edited, revised or deleted. Each employee should be provided with a copy of his/her current job description, either electronically or in hard copy.

After all job descriptions are created, reviewed and updated, the human resources department should establish a procedure for updating job descriptions on a three-year cycle. Maintaining updated job descriptions should provide an effective tool for communicating expectations to current and prospective employees.

All LSD 4 job descriptions should be updated to include the following information:

- pay grade;
- job classification;
- physical requirements of the position as related to the Americans with Disabilities Act (ADA);
- date (developed or revised);
- immediate supervisor or the reports to;
- board action if any; and
- approved by.

**Exhibit 4-11** provides sample job description categories for a modern and thorough job description.

**EXHIBIT 4-11  
JOB DESCRIPTION EXAMPLE  
2015**

Job Title: Division: Job Classification: Pay Grade/Step: Reports to:	Prepared/Revised Date: Approved By: Approved Date: Board Action Required: Y/N
<p><b>General Statement of Job:</b></p> <p><b>Essential Duties and Responsibilities: (Other duties may be assigned)</b></p> <p><b>Supervisory Responsibilities:</b></p> <p><b>Qualifications:</b></p> <p><b>Examples of Work:</b></p> <p><b>Required Knowledge, Skills, Abilities:</b></p>	

<b>Certificates, Licenses, Registrations:</b>
<b>Other Desirable Qualifications:</b>
<b>Physical Demands:</b>
<b>Work Environment:</b>
<b>Terms of Employment:</b>
<b>Evaluation Criteria:</b>

Source: Tidwell and Associates, 2015

**FISCAL IMPACT**

This recommendation can be implemented without additional resources; however, it is estimated that it will take approximately 40 hours to update all existing job descriptions and to create any new descriptions. A schedule should then be implemented to allow the district to review and update recommendations.

**IMPLEMENTATION PLAN**

1. The HR coordinator should identify existing and missing job descriptions based on the district’s organizational chart.
2. The HR coordinator should draft missing job descriptions.
3. The HR coordinator should update all existing job descriptions to reflect existing duties with additional information.
4. The HR coordinator should complete all updates before new or updated job descriptions are made public to avoid any confusion.
5. The superintendent should approve all job descriptions.
6. The HR coordinator should maintain up-to-date job descriptions, supervisors should review job descriptions with employees during annual performance evaluations.

**4.5 Recruitment and Retention**

**FINDING**

LSD 4 does well on its recruitment and retention initiatives. The district maximizes its resources by participating in targeted job fairs and by posting jobs on the district’s webpage and on Center for Educator Recruitment, Retention, and Advancement (CERRA).

During the principals’ focus group, school administrators expressed that while they are a small district outside of a major municipality, that every school had vacancies filled and were fully staffed at the beginning of each school year.

Survey results also demonstrated that school administrators, teachers and district administrators rate the district’s recruitment of high quality staff to fill vacant positions as especially effective and efficient. **Exhibit 4-12** provides the results of the survey question addressing recruitment:

**EXHIBIT 4-12  
LSD 4 STAFF RECRUITMENT SURVEY RESULTS  
2015**

VARIABLE	TOTAL	TEACHER	SCHOOL ADMINISTRATOR	DISTRICT ADMINISTRATOR
The district actively recruits high quality staff to fill vacant positions	3.97	3.93	4.62	3.67

Source: Tidwell and Associates, LSD 4 Survey Results, 2015

Note: Items in this section are rated on a 5-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of “4” or greater are considered areas where the district is especially effective and efficient. Items with an average score less than “3” are considered areas for improvement.

In addition, in 2014 LSD 4 analyzed and adjusted its salaries in its ongoing effort to attract and retain the best and brightest employees.

Teacher salaries are an important indicator of the relative economic well being of teachers and of general teacher supply and demand conditions. An international study by the University of London and University of Malaga respectively, identified two key factors that determine how professional pay enhances teacher quality, particularly as it pertains to attracting new teachers. It found that “higher pay promotes competition and therefore more and better teaching applicants. Secondly, improving pay increases the ‘national status’ of the profession, again making it more attractive to potential recruits.”<sup>7</sup>

According to the 2013 SCDOE Report Card for LSD 4, the average teacher salary was \$45,308. **Exhibit 4-13** illustrates the change from 2012 and provides comparison to districts with similar students and a median district total.

**EXHIBIT 4-13  
AVERAGE TEACHER SALARY COMPARISON  
2012-13**

LEXINGTON 4	CHANGE FROM LAST YEAR	DISTRICTS WITH SIMILAR STUDENTS	MEDIAN DISTRICT
\$45,308	Up 3.5%	\$45,513	\$47,587

Source: SC Annual School District Report Card Summary 2013, SC Department of Education Website, 2015.

Lexington 4’s salary study compared the district to its surrounding county districts, including Lexington 1, Lexington 2, Lexington 3, and Lexington 5. The outcome of the study took teachers from 23 steps to 27 steps for their experience. **Exhibit 4-14** illustrates the comparative salaries by district for starting salaries, mid, and long-term employment.

<sup>7</sup> <http://neatoday.org/2012/01/04/international-study-links-higher-teacher-pay-and-teacher-quality/>

**EXHIBIT 4-14  
LEXINGTON COUNTY SALARY COMPARISON  
2013-14**

DISTRICT	POSITION	START PAY	20 YEARS	MAX	20 YEARS	MAX PAY
Lexington 1	Teacher Doctorate Degree	\$42,331	\$23,247	\$7,933	\$65,678	\$73,511
Lexington 2	Teacher Doctorate Degree	\$42,806	\$25,233	\$7,341	\$68,039	\$75,380
Lexington 3	Teacher Doctorate Degree	\$42,633	\$23,004	\$7,843	\$65,637	\$73,480
<b>Lexington 4</b>	<b>Teacher Doctorate Degree</b>	<b>\$42,415</b>	<b>\$24,056</b>	<b>\$2,015</b>	<b>\$66,471</b>	<b>\$68,486</b>
Lexington 5	Teacher Doctorate Degree	\$44,521	\$25,097	\$4,083	\$69,618	\$73,701

Source: Lexington 4 Salary Study, Human Resources Department, 2015.

**COMMENDATION 4-D:**

**The district is commended for its work is analyzing and maintaining competitive salaries.**

**FINDING**

Despite having limited funding available for professional development, LSD 4 principals and district staff are committed to staff development and teacher training. The district does a very good job providing meaningful professional development opportunities to its staff.

During our focus group meeting, all of the principals expressed the importance of professional development in their schools to strengthen teachers' practice throughout their careers. Furthermore, teachers in the focus group provided high praise to the LSD 4 mentoring program and the entire district's focus on helping teachers to succeed. The district also does a good job of disseminating information about professional development opportunities through the district website.

Survey results were also consistent with the results of the focus groups and interviews. As illustrated in **Exhibit 4-15**, teachers, school administrators and district administrators feel that they receive adequate training and support to perform job functions.

**EXHIBIT 4-15  
LSD 4 PROFESSIONAL DEVELOPMENT AND TRAINING SURVEY RESULTS  
2015**

VARIABLE	TOTAL	TEACHER	SCHOOL ADMINISTRATOR	DISTRICT ADMINISTRATOR
I receive adequate training and support to perform my job functions	4.27	4.25	4.69	4.17

Source: Tidwell and Associates, LSD 4 Survey Results, 2015.

## **COMMENDATION 4-E:**

**Principals and district staff are commended for their commitment to professional development.**

### **4.6 Technology Utilization**

#### **FINDING**

The human resources department underutilizes technology. Most processes are conducted manually – applicant tracking is done manually, personnel files are not electronic, and the district does not send letters of intent electronically.

Applicant tracking is particularly cumbersome and it, therefore, represents an example of underutilization by the district and schools. District staff and principals commented on the need to create a more seamless and digital process. The current method requires the district staff to gather applicant information and input it into an Interview Process Tracking Form, which is a separate database from the SmartFusion software, the existing human resource system. The Interview Process Tracking Form also is not integrated with the CERRA system. This results in applicant information being manually entered into the Interview Process Tracking Form database and then, if accepted for hire, being entered into SmartFusion. The Interview Process Tracking Form seems to have been created as a stopgap solution.

#### **TIER 1 RECOMMENDATION**

##### **Recommendation 4-4:**

**Evaluate the use of existing SmartFusion technology and maximize utilization to reduce manual processes.**

SmartFusion is a widely used technology in South Carolina and seems to have the capacity to provide human resource service by linking to CERRA, managing applicant tracking, and payroll. It also allows for employee self-service, absent employee tracking, and tracking of insurance and benefits. It may be necessary for LSD 4 to reach out to its vendor to determine how these aspects of the program can be better utilized.

More efficient use of technology would help LSD 4, an already lean system, to be faster and more efficient. Technology can help reduce the administrative and transactional burden of HR functions. If LSD 4 is not satisfied with the options SmartFusion has to offer, there are other technologies on the market that may help to reduce the manual processes of the district.

#### **FISCAL IMPACT**

There is a potential fiscal impact if the district needs to purchase additional interfaces through SmartFusion.

## IMPLEMENTATION PLAN

1. The district should prioritize automation of services to ease administrative burden on HR functions.
2. The HR coordinator should contact LSD 4's SmartFusion vendor.
3. The HR coordinator should explain LSD 4's needs including applicant tracking, electronic personnel records, and interaction with CERRA, etc.
4. The HR coordinator should determine if needs can be met with existing application of software.
5. The HR coordinator should have vendor train staff on different interfaces.
6. The HR coordinator should ensure the use of technology.

## FINDING

Lexington 4 should automate as many HR practices as possible in order to reduce the number of burdensome transactions that are currently required. More specifically, LSD 4 should implement electronic personnel files. Electronic personnel files reduce the need for physical storage space, and the need for staff to create, file, locate and update hardcopy records. Electronic files allow for easier and immediate access to important files. They also save paper, reducing cost and environmental impacts.

In addition, a number of institutions of higher education and private companies are moving toward issuing letters of intent electronically. Electronic letters of intent would help increase record accuracy, create efficiencies through electronic routing and processing, eliminate the need for manual data entry, and eliminate paper transfers from office to office.

Laurens 56, one of LSD 4's peer districts, maintains paper and electronic personnel files.

## TIER 1 RECOMMENDATION

### Recommendation 4-5:

#### Automate HR practices.

Implementation of this recommendation will contribute to reducing the workload of HR personnel and provide more efficient access to needed files. This should be accomplished with the implementation of **Recommendation 4-4**.

## FISCAL IMPACT

Implementation costs for LSD 4 can vary between \$500 and \$7,000, depending upon the scale of the document transfer. Costs can be reduced if LSD 4 staff participates in the scanning process, and further reduced or even eliminated if present technology resources (i.e., multi-function scanners/printers) are used for the effort without purchasing or leasing new equipment.

## IMPLEMENTATION PLAN

1. Like <b>Recommendation 4-4</b> , the district needs to prioritize automation of services to ease administrative burden on HR functions.
2. The HR coordinator should develop and adopt a new policy for electronic personnel records (ensure it complies with state records retention laws).

3. If necessary, get board approval of new policy.
4. The HR coordinator should develop clear processes and procedures for implementation and maintenance of online personnel records.
5. The HR coordinator should ensure the electronic record maintenance system (server) is secure, accurate, reliable, and accessible (in that they permit rapid electronic retrieval and hard-copy production).
6. The HR coordinator should scan and organize data into electronic files.
7. To keep momentum for electronic personnel files, consider starting new hires with electronic personnel files and then adding older files to the system over time.

## 5.0 FACILITY USE AND ENERGY MANAGEMENT

This chapter presents the results of the review of facility use and energy management functions in Lexington School District 4 (LSD 4). The sections in this chapter are:

- 5.1 Introduction, Methodology, and District Comparisons
- 5.2 Organizational Structure, Policies, and Procedures
- 5.3 Planning
- 5.4 Capital Construction Program
- 5.5 Maintenance
- 5.6 Custodial Services
- 5.7 Energy Management

### CHAPTER SUMMARY

Overall, LSD 4 provides competent facility services and is in compliance with state policies and procedures. However, the district needs to focus more on its ability to be more energy efficient.

This report contains the following commendations:

- LSD 4 is commended for the design and development processes for the Early Childhood Development Center and for creating a model for the state. (Page 5-12)
- LSD 4 is commended for developing a solid facilities master plan that recognizes the needs of the district. (Page 5-12)
- Based on the existing facilities master plan, it appears that LSD 4 is giving proper consideration to its growth requirements. (Page 5-14)
- LSD 4 effectively manages its capital construction program. (Page 5-17)
- LSD 4 incorporates sustainable/green and safety/security aspects into the design of its schools. (Page 5-17)
- LSD 4 is commended for the use of SchoolDude to track Work Order Status to maximize efficiencies in the work order process. (Page 5-18)
- LSD 4 maintains a successful recycling program at all schools. (Page 5-19)
- LSD 4 maintains a well-organized information management function that supports the communications requirements of the Building Automation System providing the necessary bandwidth and management reporting capability. (Page 5-26)

Each of the chapter's recommendations will be labeled as Tier 1, Tier 2, or Tier 3. This refers to our team's suggested level of importance in the urgency of the implementation of the recommendation. Below is a guideline on the various three tiers.

**Tier 1: Greatest Impact:** The district should implement these recommendations immediately to take maximum advantage of their opportunities.

**Tier 2: Moderate Impact:** The district should implement these recommendations as soon as practical to improve the efficiency and effectiveness of operations.

**Tier 3: Minimal Impact:** The district should implement these recommendations when time and funds are available as best suits the needs of the district.

While there are many best practices in the organization and management of the facilities department, certain efficiencies and improvements are suggested in the following recommendations:

- Change the maintenance / custodial coordinator position to maintenance project facilitator and modify the position's job description to include future supervisory responsibility. Tier 2 (Page 5-7)
- Schedule annual electrical system tests districtwide to identify and correct any potential danger, starting immediately at Frances Mack. Tier 1 (Page 5-8)
- Hire a certified HVAC technician. Tier 3 (Page 5-10)
- Evaluate the utilization rates of all schools annually. Tier 3 (Page 5-14)
- Apply the preventive maintenance work order system (PMDirect) available in SchoolDude. Tier 1 (Page 5-18)
- Confirm annually that staffing levels are adequate to maintain cleanliness standards and carefully review the need for additional staff should conditions warrant such action. Tier 2 (Page 5-21)
- Establish cleaning supply budgets for all schools. Tier 2 (Page 5-22)
- Hire a certified energy manager. Tier 1 (Page 5-24)
- Revise procurement procedures to require purchasing energy efficient materials whenever practicable. Tier 1 (Page 5-27)
- Request assistance from the South Carolina Energy Office through its Palmetto Energy Efficient Retrofits (PEER) program to determine energy efficiency needs and options. Tier 1 (Page 5-27)
- Replace the high pressure sodium (HPS) exterior lights with LEDs. Tier 1 (Page 5-29)

#### **Survey Results Related to Facilities Use and Energy Management**

Tidwell and Associates, Inc. conducted a survey of all district office administrators, principals, assistant principals, and teachers. The entire survey results can be found in **Appendix 1**. Survey results for facilities and energy management use is shown in this chapter in **Exhibit 5-1**. Overall, the results (Mean = Average) show that:

- District administrators (Mean = 4.75) reported greater agreement that the district has a process for involving administrators, teachers, and support staff in planning new facilities in comparison with school administrators (M=4.38) and teachers (M=3.44).
- There were also requests to improve facilities and school grounds. One teacher noted that the district could do a better job of "improving sports facilities. Specifically the high school locker rooms and the track-softball-baseball facilities." Improvements were indicated for custodial and maintenance management. This included increased oversight over custodial staff and a need to move away from temporary repairs of buildings and facilities towards "solving a problem the first time."

**EXHIBIT 5-1  
FACILITIES USE AND ENERGY MANAGEMENT SURVEY RESULTS  
LEXINGTON 4 SCHOOL DISTRICT**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
The district has a long-range plan to address facility needs	3.98	3.93	4.42	4.50
The district has too many portable buildings	3.99	3.97	4.15	4.33
The district's facilities are well-maintained	3.61	3.61	3.85	3.67
Our schools have sufficient space and facilities to support the instructional program	3.43	3.41	3.69	3.83
Repairs are made in a timely manner	3.59	3.59	3.69	4.00
The construction managers are selected objectively	3.97	3.81	4.45	4.40
The district's facilities are kept clean	3.76	3.76	4.00	3.67
The district has an energy management program in place to minimize energy consumption	3.80	3.76	4.09	3.80
There are facility and/or equipment concerns throughout the schools	2.84	2.81	3.15	3.33
The district's facilities are secure from unwanted visitors	3.88	3.87	4.23	3.83
I know what to do during a crisis or an emergency	4.45	4.43	4.69	4.50
Safety hazards do not exist on school grounds	3.75	3.71	4.31	4.00
There is a process in place for community use of a facility space and it is applied equally to all users	4.05	3.95	4.54	4.60
The district has a process for involving administrators, teachers and support staff in planning new facilities	3.60	3.44	4.38	4.75

Source: Tidwell and Associates, Inc., 2015.

Note: Items in this section are rated on a 5-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of "4" or greater are considered areas where the district is especially effective and efficient. Items with an average score less than "3" are considered areas for improvement. Items marked with an asterisk are reverse scored so that higher values reflect greater perceptions of efficiency and effectiveness.

**Exhibit 5-2** shows responses regarding how well the district is doing in facilities planning, plant management, custodial, and energy management. On a scale of 1-5 (5 being the highest), an overall lower score was received in the areas of custodial and energy management services. While the functions of custodial services and energy management did not score below “2”, they were primarily within the “2” range indicating a need for careful evaluation.

**EXHIBIT 5-2  
OPERATIONAL FUNCTIONS SURVEY RESULTS  
LEXINGTON 4 SCHOOL DISTRICT**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
Facilities Planning	3.02	2.96	3.50	3.20
Plant Management	3.13	3.05	3.64	3.25
Custodial	2.91	2.93	2.77	2.67
Energy Management	2.96	2.95	3.20	2.67

Source: Tidwell and Associates, Inc. Survey Results, 2015.

Note: Items in this section are rated on a 4-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of “3” or greater are considered areas where the district is especially effective and efficient. Items with an average score less than “2” are considered areas for improvement.

Well-planned facilities will be based on the educational program and on accurate enrollment projections. The design process will have input from all stakeholders, including administrators, teachers, parents, and maintenance staff. The maintenance and operation of the facilities must be accomplished in an efficient and effective manner to provide a safe and secure environment that supports the educational program and efficiently utilizes the LSD 4’s resources.

A comprehensive facilities management program must be based on sound planning, cost-effective design and construction, proactive maintenance and cleaning, and aggressive energy management strategies. The administration of the program must integrate facilities planning effectively with the other aspects of institutional planning.

**FISCAL IMPACT OF RECOMMENDATIONS**

**Exhibit 5-3** provides a summary of the estimated costs and savings associated with the recommendations contained in this chapter. Should the district decide to implement all of our recommendations, the total cost for five years is \$264,791.

**EXHIBIT 5-3  
FISCAL IMPACT OF CHAPTER 5  
FACILITY USE AND ENERGY MANAGEMENT**

<b>Recommendation</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Schedule annual electrical system tests school wide to identify and correct any potential danger, starting immediately at Frances Mack to identify and correct any potential danger.	(\$16,400)	-0-	-0-	-0-	-0-
Hire a certified HVAC technician	(\$48,637)	(\$42,752)	(\$42,752)	(\$42,752)	(\$42,752)
Hire a Certified Energy Manager	(\$8,246)	(\$8,246)	(\$8,246)	(\$8,246)	(\$8,246)
Replace the high pressure sodium exterior lights with LEDs	(\$28,228)	\$10,178	\$10,178	\$10,178	\$10,178
<b>TOTAL COST/SAVINGS</b>	<b>(\$101,511)</b>	<b>(\$40,820)</b>	<b>(\$40,820)</b>	<b>(\$40,820)</b>	<b>(\$40,820)</b>

**5.1 Introduction, Methodology, and Peer District Comparisons**

The director of operations and staff have many responsibilities including, but not limited to:

- Staff assignments, employee hires and dismissals;
- Planning, capital construction program, maintenance, custodial services, energy management, transportation, and food services;
- Compliance with state laws and federal laws, including regulations related to dozens of categorical programs; and
- Management of the district's real property and facilities.

Based on similar criteria, peer districts for this study were selected and include Orangeburg 4, Orangeburg 5, Hampton 1, and Laurens 56. As part of this voluntary study, the Education Oversight Committee and Tidwell and Associates requested various data points for comparative purposes.

LSD 4 has a total of seven schools: Lexington 4 Early Childhood Center, Sandhills Primary School, Sandhills Elementary School, Frances Mack Intermediate School, Sandhills Middle School, Swansea High Freshmen Academy, and Swansea High School.

The operations' department budget data indicates that the total revenues for FY 2014-15 are \$3,713,409.84 and the total expenditures for FY 2014-15 YTD are \$2,077,464.16

The primary methodologies used to review the facilities' function of the district included:

- interviews of all key operations personnel including the superintendent, board chairman, director of operations, business manager, custodial staff and maintenance staff;
- a community open house;

- analysis of state and district data and documents including, but not limited to, policies and procedures, maintenance contract documents, organizational chart, master energy plan and five-year master plan;
- survey results; and
- a review of peer district comparison data (where available).

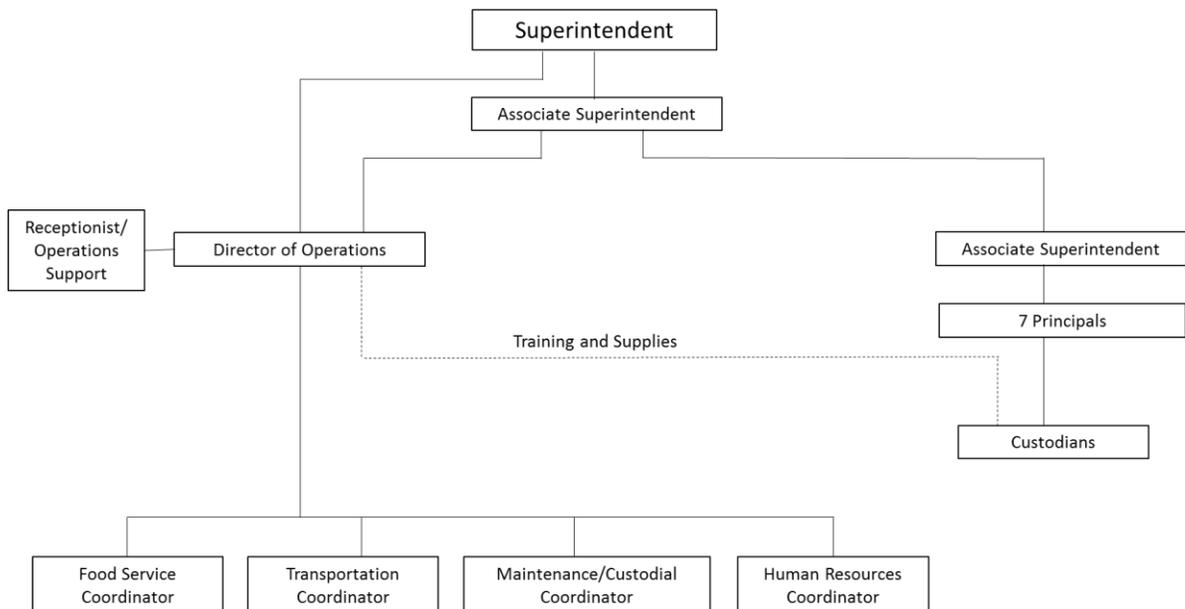
## 5.2 Organizational Structure, Policies and Procedures

The organizational structure for facility use and energy management functions can support or inhibit an effective operation. The structure should delineate clear lines of communication and areas of responsibility.

The facility use and energy management functions for a larger school with a substantial program of new construction are typically organized with two sides. One side contains the maintenance and operations functions, while the other side contains the design and construction functions. Planning functions may or may not be included in the design and construction side since planning activities are often focused on staffing needs in addition to student demographic projections. Smaller districts such as LSD 4 or districts without a substantial new construction program typically combine these functions in one organizational unit.

**Exhibit 5-4** provides the organizational structure for the facility use and energy management function. As shown, the director of operations has a dual reporting line to the superintendent and the associate superintendent and has five direct reports.

**EXHIBIT 5-4  
LSD 4 FACILITY USE AND ENERGY MANAGEMENT ORGANIZATIONAL CHART  
2014-15 SCHOOL YEAR**



Source: LSD 4 Organizational Chart, 2015.

## **FINDING**

The director of operations has too many direct reports, creating issues of effectiveness in carrying out assigned duties.

Currently, there are four coordinators reporting directly to the director of operations. These include food service coordinator, transportation coordinator, maintenance/custodial coordinator, and human resources coordinator. In addition, the maintenance staff reports to the director of operations, and custodial personnel report to the school principals, with operations providing training and supplies for custodial staff. The director of operations reports to the superintendent.

The maintenance/custodial coordinator position as originally shown on the LSD 4 organizational chart has been assigned the job title of “maintenance projects facilitator”, rather than “coordinator.” In reality, this position is not fulfilling the management responsibility of a coordinator. However the individual is not being compensated as a coordinator or being asked to perform at that level. Rather, this position is responsible for coordinating maintenance projects and has no direct reports. The district at the present time will be retaining the “maintenance projects facilitator” position and will change the official district organization chart accordingly.

## **TIER 2 RECOMMENDATION**

### **Recommendation 5-1:**

**Change the maintenance / custodial coordinator position to maintenance project facilitator and modify the position’s job description to include future supervisory responsibility.**

At the present time all facilities maintenance personnel report directly to the operations director, rather than the maintenance/custodial coordinator. The director of operations does not have the time to dedicate to the planning process and key elements that would enable the department to achieve better management of maintenance and utility usage. The time saved for the director of operations by reducing the number of direct reports should yield additional time for the director, which can be applied to preventive practices for facilities management.

The job description and title for the maintenance/custodial coordinator should be revised to reflect this change. In addition, in the future, the director of operations should consider adding management/direct report responsibility to the position.

Also, as recommended in Chapters 2 and 4, the human resources department is misplaced and should be moved from the director of operations’ oversight to direct oversight by the superintendent. This should free up time for the director of operations to focus on food services, facilities, and transportation.

## IMPLEMENTATION PLAN

- |  |
|--|
| 1. The superintendent should instruct the director of operations to update the organization chart, position title, and job description to reflect the change to maintenance project facilitator. |
| 2. The director of operations should consider adding management and direct report responsibilities to the new position description.  |

## FISCAL IMPACT

This action has no cost except the time required to update the organization chart, position title, and job description.

## FINDING

The Frances Mack Intermediate School has breakers as shown in the photo below (**Exhibit 5-5**), that are known in the industry to often be defective.

It is well established in the literature that these breakers have a high probability of being defective and can cause fires if they malfunction. They were often used as the low cost alternative many years ago in many kinds of construction. These breakers depicted in this panel board appear to be part of the original installation for the Frances Mack building. The Underwriters Laboratory delisted these breakers in the 1990s.

### EXHIBIT 5-5 FRANCES MACK INTERMEDIATE SCHOOL PANELBOARD



Source: Frances Mack Intermediate School, LSD 4, 2015.

## TIER 1 RECOMMENDATION

### Recommendation 5-2:

**Schedule annual electrical system tests district wide to identify and correct any potential danger, starting immediately at Frances Mack.**

Breakers are designed to protect an electrical circuit from damage caused by overload or short circuit. The basic function of a breaker is to detect a fault condition and interrupt current flow. The electrical system audit should analyze the operating condition and safety of a facility's electrical system. A system audit should quickly identify potential trouble spots, recommend corrective action(s) and identify areas for future energy savings for any manufacturer's equipment.

The electrical system test/audit should result in the following:

- help maintain system reliability;
- add to installation safety;
- reduce unscheduled downtime;
- increase equipment life and allows lifecycle planning;
- reduce operating costs; and
- identify opportunities to add modern technology.

Subsequent to bringing this to the attention of the superintendent, the district (at the time of the writing of this report) is resolving the issue.

### IMPLEMENTATION PLAN

1. The superintendent should instruct the director of operations to contract with a qualified engineering firm to perform the test/audit at each facility.
2. The director of operations should recommend a contract with a qualified engineering firm to perform the audit at each facility.
3. The superintendent should submit the recommendation to the board for review and approval.
4. The school board should review and approve the recommendation.
5. The director of operations should implement the approved recommendation.

### FISCAL IMPACT

Exhibit 5-6 shows how the cost for an audit is estimated. This cost was calculated by using the amount of square footage at each school and attaching the associated cost with the square footage.

#### EXHIBIT 5-6 ELECTRIC AUDIT COST EXAMPLE

SCHOOL	SQUARE FOOTAGE	COST
LSD 4 ECC	97,751	\$2,000
LSD 4 Frances Mack	71,372	\$2,100
LSD 4 Sandhill Middle	93,738	\$2,100
LSD 4 Sandhill Primary	82,037	\$2,800
LSD 4 Sandhill Elementary	82,037	\$2,800
LSD 4 Freshman Academy	75,723	\$1,800
LSD 4 High School	171,025	\$2,800
<b>Total Cost</b>		<b>(\$16,400)</b>

Source: Tidwell & Associates, Inc., 2015.

Note: This estimate assumes the schools shown are roughly comparable in size and electrical makeup.

The cost to conduct an electrical audit for all schools is an estimated one-time cost of \$16,400.

<b>Recommendation</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Conduct an electrical audit	(\$16,400)	(\$0)	(\$0)	(\$0)	(\$0)

## **FINDING**

There is no Certified HVAC Technician on staff; therefore, no specialized, trained and certified person is available for the daily monitoring of Building Automation System (BAS) alarms and other important related tasks.

A non-HVAC certified electrician is responsible for the daily monitoring and acknowledgement of (BAS) alarms, and the resulting HVAC equipment troubleshooting support of all district facilities. This includes seven schools and the district office with facility ages ranging from the 1940's to 2009. The LSD 4 electrician is not a certified HVAC technician and is self-taught. When BAS control system problems and HVAC equipment failures exceed his knowledge base, the electrician first consults with Harris Integrated Solutions to diagnose the failure and if applicable contracts with Palmetto Chiller, a mechanical contractor, for on-site HVAC equipment troubleshooting and repair support.

Harris Integrated Solutions installed the BAS and provides phone support to the LSD 4 electrician for troubleshooting BAS control system problems. Harris also assists the electrician in the use of the BAS control software as a tool for troubleshooting HVAC equipment failures.

LSD 4 has an annual contract with Palmetto Chiller (\$5,885) to provide preventive maintenance support for large air handlers and chillers twice a year. The contract does not include the cost of on-site HVAC equipment troubleshooting support. Every on-site visit to troubleshoot an HVAC equipment problem is billed at Palmetto Chiller's rate.

LSD 4 has an annual contract with Harris (\$20,000) for BAS control system extended warranty support. The contract includes the cost of on-site training, on-site support for BAS control system troubleshooting, and the cost of on-site repair and replacement in the event of component failures. The contract also provides technical support to use the BAS software as a tool to troubleshoot HVAC equipment problems.

## **TIER 3 RECOMMENDATION**

### **Recommendation 5-3:**

#### **Hire a certified HVAC technician.**

If the district employs a certified HVAC technician, the district could avoid most of the expenses associated with the current use of Palmetto Chiller to support the electrician to diagnose and repair HVAC problems and the technician could institute a preventive maintenance program. Furthermore, the district would free up the electrician to dedicate 100 percent of his time to support the electrical needs of the school district.

## IMPLEMENTATION PLAN

1. The director of operations should identify the total cost of using Palmetto Chiller for support of the electrician as well as savings that can be derived from preventive maintenance and calculate the return on investment (ROI) of hiring an HVAC technician.
2. If the ROI is acceptable, the director of operations should submit the recommendation to the superintendent to include the position in the proposed budget for FY 2016-17.
3. The superintendent should submit the recommendation to the board for review and approval.
4. The school board should review and approve the recommendation.
5. The director of operations should implement the approved recommendation.

### Fiscal Impact

The addition of the HVAC technician will cost the district a grade 15 position which starts at \$21.11/hour x 7.5 hours a day for a total of 240 days a year. The benefits' rate is 28% for a total of  $\$21.11 \times 7.5 = 158.32 \times 240 = \$37,998 + (\$37,998 \times .28 = \$10,639) = \$48,637$ . Although this is a cost to the district, best practices show that by having an HVAC technician, the district could avoid most of the expenses associated with the current use of Palmetto Chiller to support the electrician to diagnose and repair HVAC problems. Elimination of the Palmetto Chiller contract will save \$5,885 each year beginning with the second year, culminating in a five-year overall cost of \$219,645.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Hire an HVAC Technician	(\$48,637)	(\$48,637)	(\$48,637)	(\$48,637)	(\$48,637)
Eliminate Palmetto Chiller contract costs	-0-	\$5,885	\$5,885	\$5,885	\$5,885
<b>TOTAL SAVINGS/COST</b>	<b>(\$48,637)</b>	<b>(\$42,752)</b>	<b>(\$42,752)</b>	<b>(\$42,752)</b>	<b>(\$42,752)</b>

### 5.3 Planning

Planning services include those activities that are necessary prior to starting the actual design of a school facility. These services include demographic and attendance zone studies, capacity and utilization analysis, land acquisition, and school site permitting.

Accurate enrollment projections are a critical planning tool for school districts. In the short-term, LSD 4 must be able to plan for teacher staffing levels and the placement of mobile classrooms. In the long-term, the school district must have accurate enrollment projections in order to plan on where and if to build new schools.

Effective school facility planning requires the development of standards and guidelines that detail the number and types of spaces that will be included in a school. These standards and guidelines should be developed with the goal of providing a safe and secure environment that enhances the educational experience of the student. In addition, districts need to establish the standards for measuring the capacity of a school. By comparing the capacities of the facilities with current and projected enrollments, districts can project the space they need.

## **FINDING**

LSD 4 has a comprehensive long-range facilities master plan. A comprehensive facilities master plan is the cornerstone to a well-managed educational facilities program and is considered a best practice.

District responsibilities include the following:

- procurement of design, construction and inspection services in accordance with its internal regulations;
- review and approval of program, budget, schedule, plans and specifications to ensure the project meets the design and programmatic intent established by the district;
- coordination of work contracted directly with the district such as furniture, road improvements, utility relocation, IT, telephone and security systems. All work contracted by the district must meet the requirements established by the guide and may require review and approval by the office of school facilities;
- application for and cost of permits as required by state and federal laws and regulations (refer to section 109 permits for additional guidance);
- ensuring that all asbestos and hazardous material testing is performed and abatement is completed prior to the start of any work;
- establishing requirements for record documents, operation and maintenance manuals and training at the completion of a project and ensuring that the design professional includes those requirements in the contract documents; and
- operational plans to be utilized such as fire safety and evacuation, full and modified lockdown and shelter in place. The plans should cover both hazardous weather as well as situations concerning safety and security.

LSD 4 has a master plan that is well developed, incorporates sustainable/green and safety/security aspects into the design of its Early Childhood Development Center and has developed a model for the state. LSD 4, in the Early Childhood Development Center's design and development phase, included teachers, administrators and principals early in the programming phase and met throughout the various design stages, providing accountability and information to support a strong educational environment.

### **COMMENDATION 5-A:**

**LSD 4 is commended for the design and development processes for the Early Childhood Development Center and for creating a model for the state.**

### **COMMENDATION 5-B:**

**LSD 4 is commended for developing a solid facilities master plan that recognizes the needs of the district.**

## **FINDING**

The district is doing an exemplary job of giving proper consideration to its growth requirements.

**Exhibit 5-7** presents the actual enrollments for the school system over the last five years. Projected enrollment is not calculated school-by-school; rather, it is calculated from the 135-day total daily attendance number across all schools.

**EXHIBIT 5-7  
LSD 4 ANNUAL ENROLLMENT FOR  
2010-15 SCHOOL YEARS**

<b>ELEMENTARY SCHOOLS</b>	
<b>SCHOOL YEAR</b>	<b>ACTUAL ENROLLMENT</b>
2010-11	1581
2011-12	1565
2012-13	1597
2013-14	1609
2014-15	1593
Average	1589
<b>MIDDLE SCHOOLS</b>	
<b>SCHOOL YEAR</b>	<b>ACTUAL ENROLLMENT</b>
2010-11	1005
2011-12	970
2012-13	991
2013-14	962
2014-15	917
Average	969
<b>HIGH SCHOOLS</b>	
<b>SCHOOL YEAR</b>	<b>ACTUAL ENROLLMENT</b>
2010-11	900
2011-12	882
2012-13	875
2013-14	883
2014-15	996
Average	907

Source: LSD 4 Enrollment Chart 2002-2015.

Based on the Statewide School District Facilities Capital Needs Analysis prepared by the Office of School Facilities, SC Department of Education, conducted every three years for the General Assembly, the school district projection is for 300 additional students, districtwide, over the next five years.

Accurate enrollment projections are a basic tool of effective facilities planning. Inaccurate projections can lead to a surplus or lack of appropriate space. Surplus space wastes valuable public resources.

### COMMENDATION 5-C:

Based on the existing facilities master plan, LSD 4 is giving proper consideration to their growth requirements.

### FINDING

While the school district projection is for 300 additional students, district-wide, over the next five years, a system is not in place for calculating each school's capacity or projected enrollments.

As shown in **Exhibit 5-8**, no data is provided showing individual school capacity.

**EXHIBIT 5-8  
LEXINGTON SCHOOL LSD 4  
ENROLLMENT CAPACITY AND  
UTILIZATION RATES  
2015-20**

SCHOOL	CAPACITY	2015 CURRENT ENROLLMENT	CURRENT UTILIZATION	2020 PROJECTED ENROLLMENT	PROJECTED UTILIZATION
<b>K5/PRIMARY/ELEMENTARY SCHOOLS</b>					
ECC3	N/A	582	N/A	N/A	N/A
SPS		507			
SES		504			
Sub Total		1593			
<b>MIDDLE SCHOOLS</b>					
FM	N/A	450	N/A	N/A	N/A
SMS		467			
Sub Total		917			
<b>HIGH SCHOOLS</b>					
SHFA	N/A	280	N/A	N/A	N/A
SHS		716			
Sub Total		996			
Total		3506			

Source: LSD 4, 2015–20

The best practice for schools is to maintain an overall utilization rate of 85 percent to 95 percent. This level of utilization ensures that resources are not wasted and still gives the school system some flexibility to handle enrollment fluctuations.

### TIER 3 RECOMMENDATION

#### Recommendation 5-4:

**Evaluate the utilization rates of all schools annually.**

It is difficult to confirm whether facilities are over or underutilized without utilization rate data. LSD 4 should monitor the utilization rates and ensure that they do not exceed an overall utilization rate of 85 percent to 95 percent.

### **IMPLEMENTATION PLAN**

1. The superintendent should direct the director of operations to develop annual utilization factors and rates for each school.
2. The director of operations should develop annual utilization factors and rates for each school.
3. The superintendent annually should review the rates' findings and facility recommendations with the board.

### **FISCAL IMPACT**

This recommendation can be implemented at no additional cost to the district using existing LSD 4 resources.

### **5.4 Capital Construction Program**

The mission of the typical capital construction program is to provide new and modernized facilities that meet the needs of the students at the lowest possible life cycle cost. The specific goals of a program should include:

- establish a policy and framework for long-range planning;
- determine the student capacity and educational adequacy of existing facilities and evaluate alternatives to new construction;
- develop educational specifications that describe the educational program and from which the architect can design a functional facility that matches the needs of the curriculum with the potential to enhance and reinforce the education LSD 4 desires for its students;
- secure architectural services to assist in planning and constructing facilities;
- develop a capital planning budget that balances facility needs, expenditures necessary to meet those needs, and shows how expenditures will be financed;
- translate satisfactorily the approved architectural plans into a quality school building and to do so within the budget and the time scheduled; and
- establish and implement an orientation program so that users of the facility can better understand the design rationale and become familiar with the way the building is designed to operate.

### **FINDING**

LSD 4 effectively manages its capital construction program.

Currently, LSD 4 has a five-year facility master plan of approximately \$10,871,000. The projects range from HVAC replacement and roof repairs to paving needs. LSD 4's Immediate Priority Projects plan budget is \$1,480,000. **Exhibit 5-9** shows only the immediate 2015-20 priority projects and their estimated costs.

**EXHIBIT 5-9  
LSD 4 IMMEDIATE PRIORITY PROJECTS  
2015-20**

<b>PRIORITY</b>	<b>PROJECT</b>	<b>ESTIMATED COST</b>	<b>PROPOSED LOCAL FUNDING</b>	<b>PROPOSED SBA</b>
1	TPO Roof at SHS	\$450,000	N/A	N/A
2	TPO Roof at SFA	\$500,000	N/A	N/A
3	HVAC Replacement at SFA (Media, Office, 3 wings)	\$130,000	N/A	N/A
4	SMS HVAC Replacement (Classrooms, Cafeteria)	\$400,000	N/A	N/A
Total		\$1,480,000		

Source: LSD 4, Five-Year Facilities Plan, 2015-20.

The district's five-year master plan is shown in **Exhibit 5-10**. This is the result of careful attention by the district to detail and understanding the educational needs of the district.

**EXHIBIT 5-10  
LSD 4 FIVE-YEAR FACILITY MASTER PLAN  
2015-20**

<b>Item</b>	<b>SHS</b>	<b>SHFA</b>	<b>SMS</b>	<b>FMIS</b>	<b>SES/SPS</b>	<b>ALT</b>	<b>Total</b>
Roof	\$450,000	\$500,000				\$50,000	\$1,000,000
HVAC	\$8,000	\$130,000	\$400,000				\$538,000
Lock Rm	\$250,000						\$250,000
Window						\$13,000	\$13,000
Bath			\$40,000	\$5,000		\$5,000	\$50,000
Doors					\$15,000	\$5,000	\$20,000
Flooring	\$250,000	\$120,000	\$150,000	\$75,000	\$350,000	\$15,000	\$735,000
Paving	\$200,000	\$100,000	\$15,000	\$35,000			\$350,000
Ceiling				\$50,000			\$50,000
Athletics							\$2,365,000
Fine Arts							\$5,500,000
<b>TOTAL:</b>							<b>\$10,871,000</b>

Source: LSD 4, Five-Year Plan, 2015.

The capital construction projects are identified by staff, the director of operations, and school principals. The final list of projects is reviewed and approved by the superintendent and the School Board. For projects that require design work, an architect is hired to work with the director of operations and other staff as appropriate to develop a design that is consistent with educational specifications. Projects are put out for competitive bids, and the director of operations oversees the project construction.

Please reference **Appendix 3** regarding utilization of eight percent capital funding.

## COMMENDATION 5-D:

**LSD 4 effectively manages its capital construction program.**

### FINDING

LSD 4 has incorporated sustainable/green and safety/security design elements in its construction program.

One of the key elements of a sustainable design is the incorporation of natural lighting to offset the need for artificial lighting. The ECDC incorporates natural lighting through windows in the classrooms and skylights in the multi-purpose room as shown in the picture below. In addition to natural lighting, recycling is incorporated into designs.

### EXHIBIT 5-11 EARLY CHILDHOOD DEVELOPMENT CENTER MULTI-PURPOSE ROOM DAYLIGHTING DESIGN



Source: Early Childhood Development Center, Multi-purpose Room Daylighting 2/19/2015.

## COMMENDATION 5-E:

**LSD 4 incorporates sustainable/green and safety/security aspects into the design of its new schools.**

### 5.5 Maintenance

The director of operations is responsible for maintaining all LSD 4-owned facilities. The department employs six maintenance mechanics that are responsible for plumbing, HVAC, electrical, painting, and grounds work.

### FINDING

LSD 4 is making maximum use of SchoolDude to track maintenance work order status.

Operations support staff inputs the work order information and tracks the status. This is an efficient means of seeing that all the work is completed in a timely fashion.

In 2014-15, the maintenance department has received 1,426 work order requests as of March 5, 2015. The department completed 1,005 work orders or 70 percent of those received.

#### **COMMENDATION 5-F:**

**LSD 4 is commended for the use of SchoolDude to track work order status to maximize efficiencies in the work order process.**

#### **FINDING**

Little or no preventive maintenance is occurring in the LSD 4.

Maintenance or repairs are primarily driven by the “fix when broken” principle for the vast majority of repairs and maintenance.

LSD 4 maintenance is presently being performed on an “emergency” basis, with the exception of the Early Childhood Development Center. According to the standards from the National Center for Education Statistics, maintenance costs can be significantly reduced by utilizing preventive measures.

LSD 4 currently has access to PMDirect, a cloud-based preventive maintenance tool available from SchoolDude. However, after discussing this matter with the SchoolDude representative, it is clear that no training has ever occurred on the capabilities available through SchoolDude. Once training occurs, the full value of the system can be utilized. This solution will help schedule reoccurring maintenance tasks and generate corresponding work orders within Maintenance Direct.

#### **TIER 1 RECOMMENDATION**

##### **Recommendation 5-5:**

**Apply the preventive maintenance work order system (PMDirect) available in SchoolDude.**

A good maintenance program is built on a foundation of preventive maintenance. It begins with an audit of the buildings, grounds, and equipment. Once facilities data have been assembled, structural items and pieces of equipment can be selected for preventive maintenance. When designing a preventive maintenance program, heating and cooling systems are always a good place to start, but planners should think creatively because there may be other components that would be good candidates for preventive maintenance.

Breakdown maintenance defers repairs and allows damage to accumulate, compounding an organization's problems. On the other hand, regularly scheduled equipment maintenance not only prevents sudden and unexpected equipment failure, but also reduces the overall life-cycle cost of the building.

There are five levels of maintenance response is shown in **Exhibit 5-12**.

## EXHIBIT 5-12 FIVE LEVELS OF RESPONSE



Source: Facilities Team, Tidwell & Associates, Inc., 2015.

When planning preventive maintenance, decision-makers should consider how to most efficiently schedule the work, i.e., concurrently with academic breaks or other planned work. For example, preventive maintenance work such as boiler pipe replacements can be conducted while the boiler is out of commission for routine maintenance (such as when cleaning the scale and mud from inside the boiler or cleaning the manhole and handhold plates). However, emergency events demand immediate attention whenever they occur, while preventive maintenance activities can be scheduled at a convenient time. Because a rigorous preventive maintenance system results in fewer emergency events, it tends to reduce disruptions to the school schedule.

### IMPLEMENTATION PLAN

1. The director of operations should schedule SchoolDude to provide the training for the operations department on how to utilize the SchoolDude preventive maintenance module, PMDirect, for replacement and repair.
2. The director of operations should assign the receptionist/operations support person the responsibility for this function.

### FISCAL IMPACT

SchoolDude is already being utilized by LSD 4. PMDirect is currently available in SchoolDude and there will be no cost for SchoolDude to train the Operations Department.

### FINDING

LSD 4 maintains a successful recycling program at all schools with the students taking responsibility for emptying all containers into recycling dumpsters, except for the high school, where the special education group handles recycling.

LSD 4's successful recycling program will result in a direct reduction of cost for trash removal. The district is looking into the before and after trash removal costs.

During the custodial focus group, it was made abundantly clear that there is a direct benefit to the cleanliness of the schools and the workload of the custodial staff as a result of the program.

### Commendation 5-G:

**LSD 4 maintains a successful recycling program at all schools.**

### 5.6 Custodial Services

Custodians report to the principals and are supervised by the administrative staff at each school. The administrator schedules substitute custodians when custodians are absent. The

receptionist/operations support person does the supplier purchasing for custodial supplies; the district courier delivers the custodial supplies.

**FINDING**

LSD is not meeting best practices standards with regard to custodial staffing.

Based on the statistical requirements as described by the National Center for Education Statistics, U.S. Department of Education, LSD 4 is understaffed by 16 custodians (see **Exhibit 5-13**).

In previous performance reviews, facilities consultants have seen school systems assign an average between 12,600 gross square feet and 21,500 gross square feet per custodian as an operational formula. Using these averages, it has been determined that the best practice for custodial staffing for cleaning duties is approximately 20,000 gross square feet per custodian.

**Exhibit 5-13** compares the current LSD 4 staffing levels with this best practice standard. As the exhibit shows, LSD 4 is utilizing 15.8 less custodial staff than the best practice standard.

**EXHIBIT 5-13  
LSD 4 CUSTODIAL STAFFING COMPARISON  
2015**

SCHOOL	TOTAL SQUARE FOOTAGE*	LSD 4 NUMBER OF CUSTODIANS	LSD 4 SF/CUST.	NUMBER OF CUSTODIANS BEST PRACTICE	LSD 4 NUMBER OF CUSTODIANS OVER/UNDER BEST PRACTICE
Swansea High	171,025	4.0	42,756	8.6	-4.6
Swansea High Freshman	75,723	2.0	37,861	3.8	-1.8
Sandhills Middle	93,738	2.5	37,495	4.7	-2.2
Francis Mack Intermediate	71,372	2.5	28,584	3.6	-2.1
Sandhills Elementary	82,037	2.5	32,814	4.1	-1.6
Sandhills Primary	82,037	2.5	32,814	4.1	-1.6
Early Childhood Center	97,751	3.0	32,571	4.9	-1.9
Total Schools	673,683	19.0	244,895	33.68	-16

Source: LSD 4, Maintenance Department, 2015

Survey results conducted by Tidwell and Associates, Inc. indicate much work needs to be done in the area of custodial services. Our facilities team conducted site visits to five of the schools in the district. On the day visited, the schools appeared clean and well maintained. However, this was only a snapshot in time and based on the survey results, the cleanliness of the schools appears to waver.

**Exhibit 5-14** shows survey results related to cleanliness of the schools. This was one of the lower scores of all the questions asked in the survey. Several open ended comments included observations regarding the need for increased oversight over custodial staff and a need to move away from temporary repairs of buildings and facilities towards “solving a problem the first time.”

**EXHIBIT 5-14  
LSD 4 SURVEY RESULTS FOR FACILITIES**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
The district's facilities are kept clean	3.76	3.76	4.00	3.67

Source: Tidwell & Associates, Inc., 2015.

Note: Items in this section are rated on a five-point scale, with higher values representing greater agreement with the presented statement. Items with an average score of “4” or greater are considered areas where the district is especially effective and efficient. Items with an average score less than “3” are considered areas for improvement.

**TIER 3 RECOMMENDATION**

**Recommendation 5-6:**

**Confirm on an annual basis that schools are being kept clean for staff and students and carefully review the need for additional staff should conditions warrant such action.**

While the district custodial service is understaffed when compared with national standards, the facilities team visited five out of the seven school facilities and found the premises to be clean and tidy. However, the team recognizes that advanced preparations and actions may have been taken to ensure additional cleanliness.

The district should carefully review each school's staffing and the extent to which appropriate training is provided custodians and cleanliness as measured by the district's standards.

**IMPLEMENTATION PLAN**

1. The superintendent should direct the director of operations to develop an annual inspection system to accomplish the recommended action.
2. The director of operations should develop the system and ensure the training of personnel in its use.
3. The director of operations should provide the superintendent with an annual report of inspection results.

**FISCAL IMPACT**

No additional cost will be incurred to develop an annual inspection plan.

**FINDING**

Individual schools do not have custodial budgets; therefore, costs are difficult to estimate.

Generally speaking, the cost of custodial cleaning supplies varies widely when compared on the basis of dollars per square foot. **Exhibit 5-15** presents an analysis of cleaning supply costs per

square foot of LSD 4's schools and portables. The cost per square foot has to be calculated from the total square footage since there is no data available from individual schools. The national average cost is estimated at \$0.17/SF.

**EXHIBIT 5-15  
LSD 4 CUSTODIAL CLEANING SUPPLIES COST COMPARISON  
2015**

<b>SCHOOL</b>	<b>TOTAL SQUARE FOOTAGE</b>	<b>ANNUAL SUPPLY COSTS*</b>	<b>COST PER SF*</b>
Swansea High	171,025		
Swansea High Freshman	75,723		
Sandhills Middle	93,738		
Francis Mack Intermediate	71,372		
Sandhills Elementary	82,037		
Sandhills Primary	82,037		
Early Childhood Center	97,751		
<b>Total All Schools</b>	<b>673,683</b>	<b>\$91,387</b>	<b>\$0.14*</b>

Source: LSD 4 Purchasing, 2015.

\*No figures for individual schools available

A common practice of many school districts is to establish cleaning supply budgets for schools and then automatically deliver the cleaning supplies accordingly. This eliminates over-ordering or wasting supplies. Budgets are then adjusted to fit special needs and additional supplies are provided for exceptional situations.

**TIER 2 RECOMMENDATION**

**Recommendation 5-7:**

**Establish cleaning supply budgets for all schools.**

By adhering to a cleaning supply budget, costs could be monitored and reviewed among the individual schools. In addition, the coordinator can validate when additional supplies are warranted by unique or different circumstances. At the current time the district is actually spending \$0.03 less than the national average and keeping the schools clean.

**IMPLEMENTATION PLAN**

1. The superintendent should direct the director of operations to develop an annual budget for each school and include in the annual budget proposal submitted to the board.
2. The director of operations should develop the budget and submit to the Superintendent and board for review and approval.
3. The superintendent and board should review and approve the budget.

**FISCAL IMPACT**

This option can be accomplished by the director of operations and school administrators and should have no fiscal impact.

## **5.7 Energy Management**

School systems have established numerous and varied policies, procedures, and methods for increasing efficiencies in energy consumption and reducing operating costs. Policies typically describe the board's specific desire to ensure that maximum resources are available for instructional purposes.

Energy management at LSD 4 is overseen by the director of operations, who reports to the superintendent.

LSD 4 consists of seven schools and one district office, and the schools vary in age from 1940 to the newest school constructed in 2009. The oldest school is Frances Mack Middle School, and the Early Childhood Development Center is the newest school. The schools have a wide range of HVAC equipment and lighting technology, but every school has an automated logic building automation system (BAS) that locally controls the HVAC equipment. The common thread that centrally ties all the individual school BAS systems together is the district IT network. The IT network communicates with BAS located in every school. Information regarding HVAC equipment run time, equipment time-of-day on/off scheduling, temperature set points and alarms are centrally monitored at the district office and remotely by maintenance personnel.

The BAS is an ideal choice for the district to control and centrally monitor their schools. The range of control and information available allows LSD 4 to manage energy consumption and comfort 24/7. LSD 4 does not have the in-house expertise required to take advantage of the capability of the BAS.

The director of operation's maintenance team is responsible for maintaining the HVAC equipment and implementing energy conservation measures (ECMs). Operations does not have an HVAC technician or an energy manager on staff and, as a result, has tasked the electrician with supporting the BAS and associated HVAC equipment. The electrician is not formally trained on the BAS, energy management and HVAC mechanical equipment troubleshooting and maintenance, but does have self-taught on-the-job knowledge.

Harris Integrated Solutions installed the BAS and serves as the main point of support for the electrician for the BAS, and Palmetto Chiller assists the electrician when HVAC mechanical problems exceed his experience. Harris is under annual contract to support the BAS and Palmetto Chiller provides HVAC mechanical equipment support for large air handlers and chillers.

The maintenance team is stretched just to keep up with day-to-day requirements to maintain the schools. The district needs assistance to assess their buildings' energy and utility management conservation needs and to develop a current master energy plan. There is no one on staff that can perform this important function. The addition of an HVAC technician and an energy manager to the staff would be an asset that would reduce energy and other utility consumption, improve equipment reliability and reduce operating cost.

LSD 4 is a small district with limited funding, the operations director and his maintenance team work to the best of their ability to keep up with the day-to-day HVAC maintenance requirements of the district, and the team stretches every dollar to provide safe and comfortable schools. Their inner sense of urgency is commendable. However, this level of effort, although commendable, will only continue them on the path they are on, which is, at best, maintaining status quo.

If a master energy plan were developed and implemented, energy consumption and HVAC maintenance requirements would be reduced and there would be a positive effect on the operating costs of the district. This would support the expense of having an energy manager on staff, who could pursue additional savings.

A master energy plan would provide the district with an effective preventative maintenance program (PMDirect) that would reduce maintenance costs and support the cost of an HVAC technician on staff.

## **FINDING**

LSD 4 does not have the internal capacity for comprehensive energy management.

The director of operations is not trained in energy management. The result is that electric costs are increasing and there are no trained personnel available to monitor, evaluate, and determine corrective action to control the increases.

LSD 4 does not have a certified energy manager reporting to the director of operations and as a result does not realize the full value of the BAS.

The LSD 4 does not have a current master energy plan but has identified high-energy usage equipment and targeted it for replacement. The district recently replaced HVAC equipment at the high school, and the freshman academy units are next.

## **TIER 1 RECOMMENDATION**

### **Recommendation 5-8:**

#### **Hire a certified energy manager.**

The employment of a certified energy manager trained to evaluate and manage energy for the purpose of reducing operating cost should result in long-term savings for the district and increase efficiency levels.

The energy manager, once on board, would need to determine the best course of action and develop a master energy plan. Among other aspects this should include consideration of the support contracts in place for HVAC maintenance, building automation system extended warranty and technical support. After the master energy plan is completed, the energy manager will understand the best course of action necessary to control utility and maintenance costs. Examples of support contracts that need consideration include Harris Integrated Solutions (\$20,000 annual fee), Palmetto Chiller (\$5,885 annual fee plus additional repair costs), Simplex fire system testing, generator testing and trash services. In addition, water and sewer usage needs to be analyzed.

South Carolina state law 48-52-620 asks state agencies and public schools to develop energy conservation plans for a goal of a 20 percent reduction in energy use by 2020. Therefore agencies and school districts should implement all energy saving improvements that are cost-effective over a five-year time horizon.

As shown in **Exhibit 5-16**, the cost of electric usage (including lighting) over the next five years, if unchecked, is projected to increase at an 18 percent rate to an estimated \$2,090,645

by year 2020. The projections are based on data derived from SchoolDude, and potential savings are estimated by multiplying costs by the 20 percent reduction requirement.

**EXHIBIT 5-16  
PROJECTED UTILITIES COST AT 18% INCREASE ANNUALLY**

UTILITY TYPE	2012	2013	2014	2015 YTD	2015 PROJECTED	% CHANGE
Electric	\$681,313	\$665,243	\$701,645	\$583,859	\$875,789	19.88%
Lighting	\$20,833	\$21,075	\$20,815	\$16,494	\$24,740	15.87%
Natural Gas	\$34,916	\$13,381	\$18,884	\$8,874	\$13,311	-41.87%
Sewer	\$15,978	\$17,065	\$18,935	\$15,748	\$23,622	19.84%
Water	\$26,975	\$28,903	\$33,572	\$25,078	\$37,612	10.76%
Water/Sewer	\$38	\$586	\$462	\$748	\$1,122	58.85%
<b>TOTAL</b>	<b>\$780,053</b>	<b>\$746,252</b>	<b>\$794,312</b>	<b>\$650,801</b>	<b>\$976,202</b>	<b>18.63%</b>

Source: Data obtained by Facilities Team, 2015.

**IMPLEMENTATION PLAN**

- |  |
|--|
| 1. The superintendent should instruct the operations director to hire an energy manager. |
|--|

**FISCAL IMPACT**

The Association of Energy Engineers' industry standard for the starting salary for an energy manager position is \$40,000. With Certified Energy Manager (CEM) certification as of June 2011, an engineer without PE certification also has a starting salary of \$40,000. With PE certification, and work experience required as part of CEM certification, the salary can climb up to \$89,000.

The addition of the energy manager will cost the district a grade 16 position, which starts at \$22.30/hr x 7.5 hours a day for a total of 240 days a year. The benefits' rate is 28 percent for a total of  $22.30 \times 7.5 = 167.25 \times 240 = \mathbf{\$40,140} + (40,140 \times .28 = \mathbf{\$11,239}) = \mathbf{\$51,379}$ .

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Employ a certified energy manager	(\$51,379)	(\$51,379)	(\$51,379)	(\$51,379)	(\$51,379)
SCEO required 20% Savings	\$43,133	\$43,133	\$43,133	\$43,133	\$43,133
<b>TOTAL COST</b>	<b>(\$8,246)</b>	<b>(\$8,246)</b>	<b>(\$8,246)</b>	<b>(\$8,246)</b>	<b>(\$8,246)</b>

By hiring an energy manager, the district could exceed the 20 percent savings required by the State Energy Office by the year 2020 and possibly save an additional \$10,000 - \$15,000 or more per year lowering the cost of hiring the energy manager. Hiring an energy manager will produce other savings that should go beyond the cost of the salary of the position by analyzing the costs associated with water use, sewer and trash collection in addition to the energy usage.

## FINDING

LSD 4 currently has a well-organized information management system that supports the communication requirement of the automated logic building automation system.

Automated Logic Building Automation Systems (BAS) are in each of its facilities, with the exception of the district office building. The BAS locally controls heating, ventilation and air conditioning equipment in each of the facilities. The Early Childhood Development Center (ECDC) has, in addition to the BAS, a Hubbell automated lighting control system. It is the only facility with an automated lighting control system. The lighting in all other facilities is controlled by wall switches and occupancy sensors. The outdoor lighting for all facilities is photocell controlled. The BAS in each facility is networked over the LSD 4 IT system for the purpose of data storage, central programming, monitoring, and report generation. Principals can request overrides for special occasions, but otherwise, these facilities are automatically controlled locally and centrally monitored. **Exhibit 5-17** shows the control panel.

### EXHIBIT 5-17 PHOTO OF THE AUTOMATED LOGIC BUILDING AUTOMATION PANEL



Source: Photo taken by facilities team 2-29-2015.

The chief information officer manages the IT network and understands how to centrally access the BAS. The director of operations has access to the BAS and delegates the responsibility of accessing the BAS software for HVAC equipment alarms, on a daily basis, to the LSD 4 electrician. The BAS is also monitored remotely by Harris Integrated Solutions. Harris installed the Automated Logic BAS equipment in each facility and is under contract to provide maintenance, training, and troubleshooting support to LSD 4 when needed.

#### Commendation 5-H:

**LSD 4 maintains a well-organized Information management system that supports the communications requirements of the Building Automation System necessary for providing the management reporting capability.**

## **FINDING**

The procurement procedures do not include energy efficiency requirements and cost benefit analysis is not given to the board.

Without this data it is not feasible to make accurate long-term cost analysis decisions that could have a major impact on budget decisions. Without the data, decisions on such functions as equipment preventative and other maintenance as well as schedule replacements or upgrades are difficult to project.

## **TIER 1 RECOMMENDATION**

### **Recommendation 5-9:**

**Revise procurement procedures to require purchasing energy efficient materials whenever practicable.**

Cost benefit analysis is fundamental for sound decision-making, and energy efficiency requirements will enable the district to make long-term cost analysis decisions. Otherwise decisions may be made on a lowest cost basis with no consideration to the long-term costs for maintenance and usage.

The South Carolina Energy Office maintains a list of products that are recognized as efficient and this should enable the district to prepare estimates of potential savings.

## **IMPLEMENTATION PLAN**

1. The superintendent should direct the director of operations to proceed with implementing the recommendation.
2. The director of operations should task the energy manager with implementing the recommendation.

## **FISCAL IMPACT**

By implementing this recommendation the district should be able to save five percent or more on purchasing supplies and materials. However, without proper and accurate data, these projected savings cannot be calculated.

## **FINDING**

LSD 4 has never performed a school wide energy audit.

Without energy audits, essential data upon which to make important equipment upgrades and take preventive maintenance actions, the district does not have a sound basis for decision-making.

## **TIER 1 RECOMMENDATION**

### **Recommendation 5-10:**

**Request assistance from the South Carolina Energy Office through its Palmetto Energy Efficient Retrofits (PEER) program to determine energy efficiency needs and options.**

LSD 4 should avail itself of this free assessment to support continuing energy conservation measures. It could also be extremely useful in the development of a current energy master plan for the district.

Public schools qualify for a free assessment from the South Carolina Energy Office (SCEO) to help determine energy efficiency needs and various options that may be available. The SCEO will work with the school district to determine what assistance is needed to reduce energy consumption, with options including a level-one energy assessment of buildings, evaluation of project funding options, assistance applying for a ConservFund loan, or other options. The application form is available on the SCEO site and is a simple tool that is easy and quick to fill out.

In a separate program, the SCEO will announce in August 2015 a limited number of grants of up to \$5,000 to support demonstration projects in energy efficiency, renewable energy, and alternative fuels.

Cost sharing is not required but leveraging of funds is encouraged to maximize the energy-related benefits of a project. School districts are eligible to apply. In the past applications have had to be in by the middle of September, with the work being completed by a date in April of 2016.

#### **IMPLEMENTATION PLAN**

- |  |
|--|
| 1. The superintendent should direct the director of operations to proceed with obtaining a free energy assessment from the SCEO. |
| 2. The director of operations should task the energy manager with obtaining a free energy assessment from the SCEO.              |

#### **FISCAL IMPACT**

This is a free level-one energy assessment so there should be no cost to the district except some time from the operations director to execute the action. Having an audit of this nature could find substantial additional savings for the district.

#### **FINDING**

The pole lighting in the parking lots and school grounds is very inefficient and costing the district approximately 50 percent more in electrical usage than necessary. **Exhibit 5-18** shows the pole lighting data for the district. As can be seen, cost comparisons show the extent of the inefficiencies.

**EXHIBIT 5-18  
LSD 4 LIGHTING POLE DATA**

Location	# Lights	Type Lights	Cost per light	Monthly Lighting Cost	Annual Lighting Cost	Monthly HPS Lighting Cost Less Pole	Annual HOS Lighting Cost Less Pole	Monthly LED Lighting Cost/Fixture Less Pole	Monthly LED Lighting Cost Less Pole	Annual LED Lighting Cost Less Pole	Annual LED Lighting Cost Savings Less Pole
<b>SWANSEA HIGH SCHOOL</b>											
500 E 1ST ST	27	400W HPS FLOOD	\$23.58	\$705.22	\$9,255.96	\$ 636.66	\$7,639.92	\$ 11.79	\$ 318.33	\$ 3,819.96	\$ 3,819.96
500 E 1ST ST	2	150W HPS OPEN	\$10.70			\$ 21.40	\$ 256.80	\$ 2.52	\$ 5.04	\$ 60.48	\$ 196.32
500 E 1ST ST	1	400W HPS FLOOD	\$23.58	\$66.11		\$ 23.58	\$ 282.96	\$ 11.79	\$ 11.79	\$ 141.48	\$ 141.48
500 E 1ST ST	1	1000W HPS FLOOD	\$42.53			\$ 42.53	\$ 510.36	\$ 37.66	\$ 37.66	\$ 451.92	\$ 58.44
<b>EARLY CHILDHOOD DEVELOPMENT</b>											
135 LEWIS RAST RD	7	400W HPS SHOEBOX	\$23.37	\$691.53	\$8,298.36	\$ 163.59	\$1,963.08	\$ 11.79	\$ 82.53	\$ 990.36	\$ 972.72
135 LEWIS RAST RD	1	400W HPS FLOOD	\$23.58			\$ 23.58	\$ 282.96	\$ 11.79	\$ 11.79	\$ 141.48	\$ 141.48
135 LEWIS RAST RD	12	1000W HPS FLOOD	\$42.53			\$510.36	\$6,124.32	\$ 37.66	\$ 451.92	\$ 5,423.04	\$ 701.28
<b>SAND HILLS MIDDLE SCHOOL</b>											
582 MEADOWFIELD RD	12	400W HPS FLOOD	\$23.58	\$562.33	\$6,747.96	\$ 282.96	\$3,395.52	\$ 11.79	\$ 141.48	\$ 1,697.76	\$ 1,697.76
582 MEADOWFIELD RD	9	400W HPS COBRA	\$20.18			\$181.62	\$2,179.44	\$ 11.79	\$ 106.11	\$ 1,273.32	\$ 906.12
<b>SWANSEA PRIMARY</b>											
1195 I W HUTTO RD	3	400W HPS FLOOD	\$23.58	\$178.25	\$2,139.00	\$ 70.74	\$ 848.88	\$ 11.79	\$ 35.37	\$ 424.44	\$ 424.44
1195 I W HUTTO RD	2	1000W HPS FLOOD	\$42.53			\$ 85.06	\$1,020.72	\$ 37.66	\$ 75.32	\$ 903.84	\$ 116.88
<b>FRANCIS MACK ELEMENTARY</b>											
161 GASTON ST	5	400W HPS FLOOD	\$23.58	\$150.25	\$1,803.00	\$117.90	\$1,414.80	\$ 11.79	\$ 58.95	\$ 707.40	\$ 707.40
161 GASTON ST	2	150W HPS OPEN	\$10.70			\$ 21.40	\$ 256.80	\$ 2.52	\$ 5.04	\$ 60.48	\$ 196.32
<b>LIFELONG LEARNING CENTER</b>											
295 N LAWRENCE AVE	1	150W HPS OPEN	\$10.70	\$15.89	\$190.68	\$ 10.70	\$ 128.40	\$ 2.52	\$ 2.52	\$ 30.24	\$ 98.16
<b>Totals</b>	<b>85</b>				<b>\$28,434.96</b>	<b>\$ 2,192</b>	<b>\$ 26,305</b>		<b>\$1,343.85</b>	<b>\$16,126.20</b>	<b>\$10,178.76</b>

Source: LSD 4, 2015.

**TIER 1 RECOMMENDATION**

**Recommendation 5-11:**

**Replace the high pressure sodium (HPS) exterior lights with LEDs.**

According to a chart provided by SCE&G, the district currently has 85 HPS pole lights in various parking lots at school facilities. If the district replaces these lights with LEDs, the estimated savings for a year is \$10,178 in energy usage. Based on estimates for the cost of purchasing the LEDs and installation, payback should occur in 3.77 years. SCE&G may offer an additional discount for the purchase of LEDs.

**IMPLEMENTATION**

- |   |
|---|
| 1. The operations director should develop the financial justification and present it to the superintendent.                 |
| 2. The superintendent should present the information to the board and request approval for purchasing the LED replacements. |
| 3. The superintendent should instruct the operations director to replace the HPS exterior pole lights with LEDs.            |

## FISCAL IMPACT

Exterior pole lighting, primarily in parking lots, is costing the district \$28,435 annually. The lighting being used is high pressure sodium (HPS), which is extremely inefficient.

<b>RECOMMENDATION</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Replace HPS pole lighting with LEDs (costs)	(\$38,406)	(\$0)	(\$0)	(\$0)	(\$0)
Replace HPS pole lighting with LEDs (savings)	\$10,178	\$10,178	\$10,178	\$10,178	\$10,178
<b>TOTAL COST/SAVINGS</b>	<b>(\$28,228)</b>	<b>\$10,178</b>	<b>\$10,178</b>	<b>\$10,178</b>	<b>\$10,178</b>

## 6.0 TRANSPORTATION

This chapter presents the major findings, commendations, and recommendations for the Lexington School District 4 (LSD 4) transportation functions. The major sections of this chapter include:

- 6.1 Introduction, Methodology, and Peer District Comparisons
- 6.2 Organization and Staffing
- 6.3 Routing, Scheduling and Payroll Accountability
- 6.4 Activity Bus Fleet Size
- 6.5 Operations
- 6.6 Aging State Bus Fleet

### CHAPTER SUMMARY

Overall, the LSD 4 transportation office provides effective and efficient student transportation services. The office is in compliance with South Carolina Department of Education (SDE) policies and procedures. The transportation program does an effective job controlling costs, maintaining buses, maintaining its vehicle fleet, and delivering students to and from their destinations. The review team found some operations that could be improved by LSD 4, and other potential improvements that the district needs to refer to SDE and the South Carolina General Assembly. Recommendations outlined in this chapter will increase efficiency, save costs, improve district funding and resources, improve personnel retention, and improve operational integrity and safety.

Notable commendations of the transportation office include:

- The transportation coordinator, in addition to supervising the student transportation program, is also doing an exemplary job of managing the maintenance and repair of the district fleet. (Page 6-11)
- Considering the level of school bus driver turnover, the three driver vacancies, and the frequent breakdown of school buses, students continue to be delivered to school and home on schedule at a very high rate of success. (Page 6-11)
- The transportation office stresses a partnership between the school bus drivers and parents, and the district has a practice of not leaving young students without adult supervision. (Page 6-17)

As a result of our on-site visit and review of materials, the review team found the transportation office warrants improvements (recommendations) in employee support, maintenance management, routing and scheduling, recording of work-time, training, and bus driver recruitment and retention, and encourage the state to provide a newer bus fleet. Each recommendation has an associated tier level; the definition of each tier is described below.

**Tier 1: Greatest Impact:** The district should implement these recommendations immediately to take maximum advantage of their opportunities.

**Tier 2: Moderate Impact:** The district should implement these recommendations as soon as practical to improve the efficiency and effectiveness of operations.

**Tier 3: Minimal Impact:** The district should implement these recommendations when time and funds are available as best suits the needs of the district.

Our recommendations include:

- Reorganize the transportation office. Tier 1 (Page 6-11)
- Acquire vehicle maintenance management software. Tier 2 (Page 6-14)
- Develop and implement a school bus driver and aide recognition program and provide continuous training. Tier 1 (Page 6-15)
- The school transportation office needs adequate space for office staff, training, private space for bus drivers to talk with parents, a drivers' lounge, and functioning bathroom facilities. Tier 1 (Page 6-16)
- Develop and adopt a revised hazardous transportation service policy and procedures for the 1.5-mile walking zones around school campuses. Tier 1 (Page 6-18)
- Adjust school bus routing and schedules. Tier 1 (Page 6-20)
- Acquire a payroll system that requires drivers to clock-in and out of work. Tier 1 (Page 6-21)
- Dispose of excess buses and establish a use policy. Tier 1 (Page 6-25)
- Purchase all bulk fuel from the state contract supplier. Tier 1 (Page 6-27)
- Document the impact of the old buses on district operations and file a request with the SDE for replacement of school buses older than 15 years. Tier 1 (Page 6-29)

## FISCAL IMPACT OF RECOMMENDATIONS

As shown in **Exhibit 6-1**, the cost and savings range from the added cost for personnel services as part of the transportation office reorganization and the purchase of maintenance management software and supplies for the drivers, and facility improvements to savings associated with the reduction of hazardous transportation services, the sale of excess activity buses, the purchase of fuel from state contract providers and the elimination of excessive minutes of driver pay. While there are some costs associated with the implementation of these recommendations, the overall five-year savings is \$126,473 if all recommendations are implemented.

### EXHIBIT 6-1 FISCAL IMPACT OF CHAPTER 6 TRANSPORTATION

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Add 1 full-time clerk	(\$13,089)	(\$13,089)	(\$13,089)	(\$13,089)	(\$13,089)
Add 1 part-time clerk	(\$8,390)	(\$8,390)	(\$8,390)	(\$8,390)	(\$8,390)
Increase dispatch to full-time	(\$18,346)	(\$18,346)	(\$18,346)	(\$18,346)	(\$18,346)
Add part-time maintenance manager	(\$7,526)	(\$7,526)	(\$7,526)	(\$7,526)	(\$7,526)
Purchase maintenance software	(\$1,000)	(\$100)	(\$100)	(\$100)	(\$100)
Institute a bus driver recognition program	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)
Purchase supplies	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)
Purchase vests	(\$1,500)	(\$200)	(\$200)	(\$200)	(\$200)
Correct facility needs	(\$15,000)	\$0	\$0	\$0	\$0
Eliminate hazard services	\$21,250	\$21,250	\$21,250	\$21,250	\$21,250
Eliminate excess pay	\$51,292	\$50,000	\$50,000	\$50,000	\$50,000
Develop a compensation plan	(\$5,000)	\$0	\$0	\$0	\$0

Sell 2 1991 activity buses	\$5,000	\$0	\$0	\$0	\$0
Save insurance/ maintenance expenses on 2 activity buses	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Purchase fuel from state contract provider ultra low sulfur diesel	\$1,611	\$1,700	\$1,700	\$1,700	\$1,700
Purchase fuel from state contract provider gasoline	\$3,175	\$3,200	\$3,200	\$3,200	\$3,200
Replacement of the aging school bus fleet *	\$0	\$0	\$0	\$0	\$0
<b>TOTAL SAVINGS</b>	<b>\$12,477</b>	<b>\$28,499</b>	<b>\$28,499</b>	<b>\$28,499</b>	<b>\$28,499</b>

\* No value is given to the replacement of the aging school bus fleet; however, having no bus older than 15 years would save the district bus driver salary and fringe costs for the delays associated with the bus breakdowns.

### **6.1 Introduction, Methodology, and Peer District Comparisons**

The transportation of students to and from instructional programs is among the most important functions and responsibilities of any school district. LSD 4 operates 37 school buses that transport 4,380 students each school day, for approximately 788,400 student trips a year. This service delivers 108 routes each school day covering 3,144 route miles (565,848 miles annually). The district transportation program manages an estimated 1,960 loading and unloading stops per school day (353,160 stops per year) without injury to a single child. Not only in LSD 4, but also across the country, school transportation is by far the safest form of passenger transportation possible.

School districts and the state should do everything possible to encourage and make it possible for students to ride the school bus to and from school. According to the American School Bus Council:

- School buses are extremely safe and energy efficient;
- Students are 50 times more likely to arrive safely at school if they take a school bus than if they drive themselves;
- Students are 20 times more likely to arrive at school safely on a bus than riding with their parents;
- School transportation is also an energy saver: a 20-mile round-trip school commute saves approximately \$420 annually for each student who rides the bus, compared to being transported in a car; and
- Without school bus service, traffic around school campus would be even more congested, with all students needing a ride to school being transported by a family vehicle.

School transportation is faced with growing public expectations, the safe must get safer and the efficient must make continuing efforts to eliminate waste. School transportation continues to investigate innovations and new technology to improve operations.

While the district's costs for school transportation continue to increase, state reimbursement of these costs has not kept up with cost increases over the past 27 years. The state financial support stopped keeping up with district costs in 1987 and today requires LSD 4 to fund over \$770,000 of the expense from local tax sources. This shortfall in state funding has occurred even though state law makes the expense of school transportation to required instructional

courses a state responsibility. **Exhibit 6-2** presents the LSD 4 transportation services financial situation last fiscal year.

**EXHIBIT 6-2  
LSD 4 TRANSPORTATION FINANCIAL DATA  
2013-14**

FISCAL YEAR	STATE REIMBURSEMENT FOR SCHOOL TRANSPORTATION SERVICES	TOTAL DISTRICT EXPENDITURES FOR SCHOOL TRANSPORTATION
FY 2013-14	\$308,124	\$1,078,751

Source: LSD 4, transportation department, 2015.

Parents in LSD 4 have grown to expect door-to-door service and request ever more timely service, while the transportation staff struggle with aging vehicles, driver staffing, school bell times/scheduling conflicts, and longer and longer bus routes. Many LSD 4 buses start moving each school day at 5:45 AM and end their day around 5:15 PM. Pick-up times for students start as early as 5:43 AM with the last student returning home at 5:20 PM. These times make for long school days for the many students and the transportation staff.

School transportation has two key goals, to transport children safely and on-time. LSD 4 school transportation is commended for achieving these goals with limited staff and training.

LSD 4 is mostly a rural area with low growth and development. There are 3,119 students in the district's service area of 109 square miles, about 28.6 students per square mile. In the past three years, the number of students attending district schools has remained fairly stable, increasing by only seven students (from 3,102 to 3,119 students based on the 45-day attendance count). The district operates 37 school buses, an increase of four buses in the past ten years; this increase is totally to support the increasing number of students with disabilities, no additional regular route buses have been needed. There are five special needs buses, each with a lift and wheelchair securement positions; a lift on every bus is not necessary. LSD 4 only requires two buses in the fleet to have a lift (one bus to serve the student using a wheelchair and the other as a backup if the first bus has a mechanical problem). In fact, the district has requested the SDE provide regular route type buses that offer more seating flexibility instead of lift-equipped buses. The increase in buses to serve students with disabilities is typical among all districts across the country.

The district expects very little growth in student population in the near future. Each day the transportation office provides transportation to 4,380 student trips in the morning, midday and afternoon, traveling to and from eight schools located on seven campuses. The transportation office also provides special transportation services for students participating in work programs, attending functions away from the campus (field trips), and shuttles between campuses. Among those served are students who, because of their varying disabilities or special needs, require special accommodations to access work sites, instructional services throughout the district and to neighboring school districts and areas.

The LSD 4 transportation policies are focused on protecting students in the district's charge. This is evident in the strictly enforced practice of not releasing second grade and younger students at the end of a bus ride unless there is a responsible person present.

Student transportation is provided to and from the school the student is zoned to attend. Students are required to meet their bus at an assigned bus stop, which may be a maximum walking distance of up to 3/10 mile from the student's residence, in compliance with state law. LSD 4 provides transportation to all students that live within the 1.5-mile school walk zone, a service that receives no state funding. It is believed that the LSD 4 is the only school district in South Carolina that offers this level of service.

The school bus fleet provided to the district by the SDE has 38 percent of the buses 20 years old or older. The purchase of school buses by the state is a very valuable benefit to the district and ensures that all students in South Carolina have an equitable level of fleet availability and safety. Starting in 1991, the state began delaying the replacement of school buses, which has resulted in the aged fleet of today. The aging fleet places an unnecessary expense burden on the school districts. Every time a bus has a mechanical problem while operating a bus route it takes the driver longer to complete the route. The extra time is a payroll cost to the district that is not reimbursed by the state.

Similarly, beginning with the requirement to have adult school bus drivers ordered by the US Department of Labor in 1987, the state has not kept up with the bus driver salary and benefits costs, requiring districts to pay a greater percentage of this cost each year. Prior to 1986, very few local tax dollars were needed to deliver school transportation services; during these years the state provided all the resources or funds to the districts to cover the student transportation costs. In 2015, the state is funding less than 60 percent of the school bus driver and aide salary and fringe benefits costs, and none of the school transportation administrative, training, and clerical costs.

LSD 4 is commended for having an adequate school bus parking facility. This facility is located behind the Sandhills Primary and Elementary schools. This location includes a small fuel depot, a bus washing and maintenance area and shelter, and several office facilities (a small main office and other temporary buildings). Should any of the temporary facilities not be available, adequate facility space for the transportation operation would be in question.

Of special commendation note is the queuing area for student drop-off and pick-up at Sandhills Primary and Elementary schools. The queuing area is a hard surface stacking road unlike any other in South Carolina. It provides vehicles waiting to unload or pick up students with a hard surface roadway that is adequate to hold all waiting vehicles; the design does not allow for the vehicles to pass each other and encourages students to wait at their designated loading area for the ride to arrive, greatly improving safety. For the most part, vehicles on the queuing road are out of the student's view.

The primary methodologies used to review transportation include:

- interviews of key district personnel including the chairman of the school board, superintendent, associate superintendent, director of operations, transportation coordinator, dispatcher, transportation clerk, director of pupil services, food service coordinator, maintenance/custodial coordinator, human resources/benefits coordinator, business manager, a focus group with five school bus drivers, and SDE shop and administrative staff;

- analysis of documents including SDE and district vehicle information, route plans and schedules, cost data for bus purchases, fuel purchases and operations audit and budgets, personnel listings and salary information, and peer district comparisons;
- visiting all schools and bus loading/unloading and parking areas;
- a review of survey results;
- participation in the community forum and a review of all community open forum comments; and
- collection and analysis of the peer district data shown below.

The data in **Exhibit 6-3** were collected in support of general discussions in this chapter. The data presented from Laurens 56, a district with a fleet size of 31 buses, is the only district that is comparable. In all categories except “the value of hazardous transportation service” LSD 4 has the best comparable data. LSD 4 transports more students per bus, provides more driver training pay, pays the most appropriate administrative or soft time, and has fewer activity buses. This analysis recommends that hazardous transportation (transportation provided to help students avoid walking along or across traffic hazards) service be dramatically reduced.

**EXHIBIT 6-3  
LSD 4 PEER DATA RELATED TO TRANSPORTATION**

DISTRICT	# STUDENTS TRANSPORTED PER DAY	# BUSES OPERATED	# HOURS OF DRIVER TRAINING PROVIDED WITH PAY	# HOURS OF ADMINISTRATIVE OR SOFT TIME PAID WEEKLY	# ACTIVITY BUSES IN THE DISTRICT FLEET	WHO PROVIDES FLEET MAINTENANCE	VALUE OF HAZARDOUS TRANSPORTATION SERVICE
LSD 4	4,380	37	20	5	6	Transportation and Maintenance	\$25,000
Laurens 56	2,069	31	10	2.5	12	Transportation & Athletics	\$3,012
Florence 4	700	9	10	0	2	Transportation	\$10,658
Orangeburg 5	7,659	65	10	2.5	14	Environmental Services	\$39,033

*Source: Data collected by Tidwell and Associates, February 2015.*

**Survey Results Related to Transportation Functions**

As detailed in Chapter 2, the review team administered a survey to teachers, school administrators and district administrators. Participants were asked to rate the transportation program as a whole. **Exhibit 6-4** provides the survey results.

- Discipline on Buses - Respondents, overall, felt that discipline on buses is a problem (M=2.17). School teachers (M=2.10) and school administrators (M=2.39) felt more strongly that discipline on buses is a problem in comparison to district administrators (M=2.75). This likely reflects the more direct relationship between what happens daily on a school bus and that student discipline is handled at the school level.
- Student Ride Time - Both teachers (M=2.19) and school administrators (M=2.25) felt that student ride times on school buses are too long, suggesting that this is an area for improvement. This issue was also voiced during the community meeting and by the bus drivers during the focus group discussion.

- Buses Breaking Down - The respondents had generally disagreed that buses seldom break down (M=2.46), again the school administrators (M=2.18) believe this to be a concern. Bus maintenance is a responsibility of the SDE, it is known and understood best by the district office transportation staff. This is an area for improvement.
- Adequate Number of Buses - Both school (M=2.75) and district administrators (M=2.40) agreed that the number of buses used in service may be an issue. To address the excessive student ride times more buses and drivers will be needed. This is an area for improvement.
- Availability of Bus Drivers – There was a general agreement by all respondents (M=3.52) that this may be an issue. The concern is highest by the teachers (M=3.44) who hear firsthand from the students when their bus driver is not available and a substitute driver is used. The district is in need of a better bus driver retention and recruiting program.

**EXHIBIT 6-4  
TRANSPORTATION SURVEY  
LEXINGTON SCHOOL DISTRICT 4**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
Buses arrive and depart on time each day	3.55	3.57	3.62	3.40
There are enough working buses to meet the needs of the district	3.20	3.29	2.75	2.40
Student ride times on school buses are too long	2.22	2.19	2.25	3.00
The drop off zones at the schools are safe	4.28	4.26	4.45	4.50
The district has a user-friendly process to request buses for special events	3.83	3.76	4.08	4.20
Adding or modifying a route for a student is easy to accomplish	3.86	3.80	4.17	3.80
Buses arrive early enough for students to eat a school breakfast	4.02	4.03	4.00	3.75
Bus drivers are well trained	3.74	3.83	3.42	3.25
Discipline on buses is a problem	2.17	2.10	2.39	2.75
Buses seldom break down	2.46	2.51	2.18	2.60
The district has alternate bus drivers on call when drivers are unavailable due to health or emergency concerns	3.52	3.44	3.89	3.50

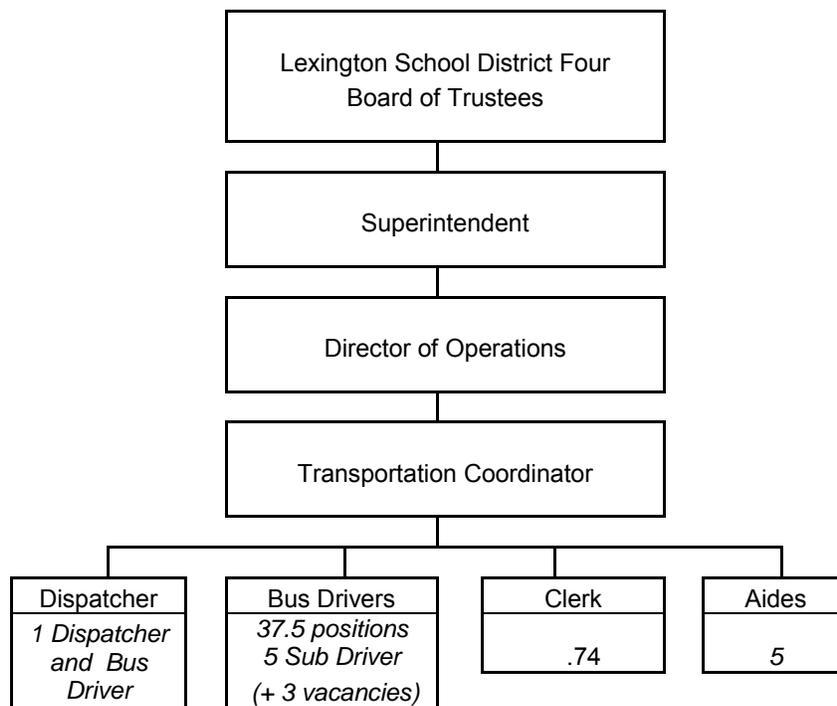
*\*Items reverse scored so that higher values reflect greater perceptions of efficiency and effectiveness  
Source: Tidwell & Associates Survey, 2015.*

## 6.2 Organization and Staffing

It should be the objective of all transportation personnel to deliver services efficiently and effectively. Greater efficiencies will potentially return dollars to the classroom and greater effectiveness will lead to higher quality transportation services. An efficient and effective transportation office will support the educational goals of the district.

**Exhibit 6-5** shows how the LSD 4 transportation office is currently structured to accomplish daily operations and services. As shown, the transportation coordinator reports to the director of operations. Within the transportation office the transportation coordinator supervises a part-time clerk, bus drivers (regular and substitutes), aides and a half-time dispatcher who is also a full-time bus driver.

**EXHIBIT 6-5  
LSD 4 TRANSPORTATION ORGANIZATIONAL STRUCTURE  
2014-15**



Source: LSD 4 Transportation Office, 2015.

The LSD 4 staffing levels are based on past practice rather than the results of a staffing formula or study. There are 43.5 filled driver positions (37.5 full-time and six part-time) operating the 37 buses, with 108 routes operated daily. Due to bus driver absenteeism and three vacancies, the five substitute drivers are used every day. Each of the 37.5 full-time drivers and the five substitute bus drivers are guaranteed a minimum of 30 hours a week. The five substitute drivers are part-time employees. The office has a need for a continuing recruiting program.

As shown in **Exhibit 6-6** the transportation office now has 53.24 personnel positions, 40 of which are full-time. These positions are categorized as administrative (non-drivers and aides),

drivers (filled, vacant and substitute), and aides. The transportation coordinator (one of the administrative positions), driver, and dispatch positions are required to be trained and certified/licensed to operate a school bus. The exhibit details how the LSD 4 transportation personnel are spread across the employment categories, and compares the district with peer districts. The most comparable size peer district shown is Laurens School District 56 with 4.5 administrative staff; Laurens 56 also has its vehicle maintenance function in the office of transportation.

**EXHIBIT 6-6  
TRANSPORTATION STAFFING COMPARISON WITH PEER DISTRICTS  
2014-15**

DISTRICT	ADMINISTRATIVE POSITIONS (NON-DRIVERS AND AIDES)	DRIVERS			AIDES
		REGULAR		SUBSTITUTE	
		Filled	Vacant		
<b>Lexington 4</b>	<b>2.74</b>	<b>37.5</b>	<b>3</b>	<b>5</b>	<b>5</b>
Orangeburg 5	2	65	2	NA	56/8
Laurens 56	4.5	36	3	NA	4/0
Florence 4	5	9	0	NA	2/0

*The Clerical Position gets 29.5 hours per week, no benefits*

*Source: Data Collection from peer districts, February 2015, SC Education Oversight Committee.*

LSD 4 currently has three bus driver position vacancies (two full-time and one part-time). **Exhibit 6-7** shows the number of terminations in the past three school years. A 25 percent turnover rate is high. On a typical school day the district has enough regular and substitute drivers for its planned routes and other transportation activities. The transportation coordinator noted that on most days LSD 4 has more drivers (regular + substitute) available than the state (SDE) has operating school buses. **Exhibit 6-6** above shows the number of driver vacancies among the peer districts. Laurens 56 is showing a 10 percent rate, the same as LSD 4. From the data it appears that Orangeburg 5 is providing an aide on a majority of the school buses.

**Exhibit 6-7** shows driver terminations for a three-year period. At a total of 40.5 positions, the turnover rate in three years is nearly equal to the total number of positions. This is a major expense to the LSD 4 recognizing that these new 37 drivers in the past three years had to be recruited and trained.

**EXHIBIT 6-7  
LSD 4 DRIVER TERMINATIONS  
SY 2011 - 14**

ACTION	SY 2011 -2012	SY 2012 - 2013	SY 2013 - 2014
Drivers Terminated	13	11	13

Sources: LSD 4, February, 2015.

**FINDING**

The LSD 4 transportation office needs to be reorganized to reach maximum efficiency. The office is understaffed.

A review of peer district documents shows the need for a full-time dispatcher and clerk positions throughout the service day. **Exhibits 6-5** and **6-6** shows part-time positions for the clerical and dispatcher functions. These positions are needed to adequately support the safety and management functions of a 37-vehicle student transportation operation and the recording and processing of time sheets, Medicaid data, and other related and required reports.

The following functions are being handled by the transportation coordinator and create a serious work overload situation:

- oversees the services delivered by a 37-school bus fleet and a 6-bus activity bus fleet;
- responsible for training and leadership of all driver and aide positions ;
- supervises the related 52 positions;
- responsible for managing the repair of 30 additional vehicles and other pieces of equipment; and
- oversight of the transportation Medicaid documentation process.

The responsibilities are well beyond what the district should expect of one person. The coordinator’s workload is further impacted by the delayed response time of state school bus maintenance staff because of the location of the SDE St. Matthews School Bus Shop. This shop is over 22 miles away from the center of LSD 4. The maintenance service delay causes the coordinator to personally respond to most bus breakdowns to determine if a simple fix can get the bus operational. Many times the coordinator is able to resolve the problem, but this effort takes large blocks of time away from the workday. The coordinator’s day usually starts at 5:45 AM and ends around 6:15 PM, a 12-hour day. The official work schedule for this position includes a midday break but that is not possible.

The coordinator is forced to delay such important functions as staff training, safety monitoring, employee recruitment, and employee morale programs. Adding the recommended staff will free time for the coordinator to plan and provide safety training, monitor safety practices of the bus drivers and aides, recruit new employees and plan programs to raise the morale of the staff and improve staff retention. All of these duties require that the salary of the transportation coordinator be reviewed and compared with peer and nearby districts. The LSD 4 transportation coordinator’s salary appears to be in line with other districts of similar size, like Lexington 3; however the Lexington 3 transportation coordinator is only required to work a 215 day contract and is not responsible for district fleet maintenance.

**Exhibit 6-8** shows transportation supervisor salary comparisons to that of other similar sized districts. As shown, the LSD 4 transportation coordinator works more contract days for less pay than the comparison districts.

**EXHIBIT 6-8  
TRANSPORTATION SUPERVISOR SALARY COMPARISON**

DISTRICT	POSITION TITLE	START PAY	20 YEAR PAY	CONTRACT DAYS
Lexington 1	Transportation Director	\$72,842	\$103,450	230
Lexington 3	Transportation Coordinator	\$39,000	\$51,700	215
Lexington 4	Transportation Coordinator	\$37,242	\$55,026	240
Lexington-Richland 5	Transportation Director	\$75,114	\$107,224	240

Source: Team survey, February 2015.

The coordinator is supported by a half-time dispatcher who is also a substitute school bus driver and a part-time clerk.

#### **COMMENDATION 6-A:**

**The transportation coordinator, in addition to supervising the student transportation program, is also doing an exemplary job of managing the maintenance and repair of the district fleet.**

#### **COMMENDATION 6-B:**

**Considering the level of school bus driver turnover and three vacancies with the frequent breakdown of school buses, students are delivered to school and home on schedule at a very high rate of success.**

#### **TIER 1 RECOMMENDATION**

##### **Recommendation 6-1:**

##### **Reorganize the transportation office.**

1. Convert the dispatcher position to a full-time position of eight hours per day and assign this position the additional function of safety/training officer.

The dispatcher is now a part-time function that is frequently required to function as a bus driver. This position should continue to have the credentials to operate a school bus but should at least 80 percent of the time fulfill the function of the dispatcher with the added responsibilities of safety trainer. This position should only be required to serve as a bus driver if all substitute drivers have been used. Adding the training function to this position will address a serious safety training need and further give the transportation coordinator time to oversee the comprehensive transportation function, recruiting employees and provide employee morale programs. This position should be required to obtain the SDE bus driver training certification and the Department of Public Safety Third Party Tester qualifications.

2. Create a full-time clerical position to manage the telephones and clerical functions from 6:00 AM to 2:00 PM, and continue the existing part-time clerk position to manage the office from 2:00 to 6:00 PM each school day.

The new clerical position's work schedule should begin with opening the bus office and parking facility each morning and continuing for eight work hours. This position should be qualified to operate a school bus and could be called on in an emergency to provide bus driver services. The existing half-time assistant clerk position job responsibilities will continue as is to manage the school transportation communications and close the transportation office and parking facility each school day. The person in this position should continue to be qualified to operate a school bus and could be called on in an emergency to provide bus driver services.

3. Create a new part-time position of vehicle maintenance manager.

The position should have the responsibility of managing the repair and preventive maintenance of the vehicle fleet. This position should initially be established as a quarter-time position. This position will be assigned to the transportation coordinator and assume the job responsibilities, now required of the transportation coordinator and office staff, to manage the maintenance and repair of all vehicles owned and operated by LSD 4. This includes all LSD 4 fleet vehicles shown in **Exhibit 6.9**. Maintaining the fleet is now a split responsibility; the preventive maintenance of vehicles is assigned to the maintenance/custodial coordinator. This split practice should end with all responsibilities placed under the office of transportation and the recommended new part-time maintenance position.

Implementation of this comprehensive recommendation should result in a more efficient and effectively managed transportation system and permit the transportation coordinator to concentrate on the recruitment of new office employees and the management of the transportation function.

### IMPLEMENTATION PLAN

1. The superintendent should include the proposed positions in the proposed budget for FY 2016-17.
2. The superintendent should submit the recommendation to the board for review and approval.
3. The school board should review and approve the recommendation.
4. The director of operations and transportation coordinator should implement the approved recommendation.

### FISCAL IMPACT

The following table shows the calculations for the staffing changes. The calculations include the costs of making the existing clerk position a full-time employee, which requires adding four hours of daily salary plus benefits for all eight hours of work. Benefit costs are also included for the part-time maintenance manager for even though it is shown as a two-hour per day position, it is assumed that to attract the best employee the district will employ a full-time person and the other six hours of work will be assigned to a different function.

ADDED COSTS	ADDITIONAL HOURS/DAY	COST PER HOUR	ADDED HOURLY FRINGE RATE	WORK DAYS PER SCHOOL YEAR	SAVINGS/ (COST)
Full-time clerk	4	\$11.04	28%	190	(\$13,089)
Part-time clerk	4	11.04		190	(\$8,390)
Full-time dispatcher	4	14.00	28%	210	(\$18,346)
Part-time maintenance manager	2	14.00	28%	210	(\$7,526)

Source: Tidwell and Associates, February 2015.

<b>Recommendation</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Add 1 full-time clerk	(\$13,089)	(\$13,089)	(\$13,089)	(\$13,089)	(\$13,089)
Add 1 part-time clerk	(\$8,390)	(\$8,390)	(\$8,390)	(\$8,390)	(\$8,390)
Increase dispatch to full-time	(\$18,346)	(\$18,346)	(\$18,346)	(\$18,346)	(\$18,346)
Add part-time maintenance manager	(\$7,526)	(\$7,526)	(\$7,526)	(\$7,526)	(\$7,526)
<b>TOTAL COSTS</b>	<b>(\$47,351)</b>	<b>(\$47,351)</b>	<b>(\$47,351)</b>	<b>(\$47,351)</b>	<b>(\$47,351)</b>

## FINDING

The district has no program to monitor and record the maintenance of the district's fleet and other equipment.

As shown in **Exhibit 6-9**, the vehicle fleet owned by the district is composed of 30 vehicles and other mechanical equipment that requires routine maintenance and repairs. The school district is responsible for maintenance of these vehicles, with the state responsible for maintaining the 37 school buses. Maintaining school buses and other vehicles/equipment requires extensive paperwork and monitoring to ensure safe operation and the compliance with state and manufacturer requirements.

The district does not utilize management software that would reduce paperwork, schedule preventive maintenance services, record inspections and follow-up repairs, track repetitive and unnecessary repairs, ensure report accuracy and increase the efficiency of personnel.

### EXHIBIT 6-9 LSD 4 VEHICLE MAINTENANCE FLEET

<b>LIST #</b>	<b>YEAR</b>	<b>MAKE</b>	<b>BODY TYPE</b>	<b>LICENSE #</b>	<b>PASSENGER SEATING</b>	<b>VALUE</b>	<b>MISSION</b>
1	1991	International	Type C MFSAB	CG-34323	66	\$15,000	Student Transp
2	1991	International	Type C MFSAB	CG-54564	66	\$15,000	Student Transp
3	2000	Chevrolet Mini Bus	Type A MFSAB	CG-43954	30	\$38,297	Student Transp
4	2011	Chevy Collins	Type A w/lift Sch. Bus	CG-68416	28/1	\$67,770	Student Transp
5	2012	Bluebird DE	Type D w/lift MFSAB	CG-69284	63/1	\$130,920	Student Transp
6	2013	Bluebird	Type C MFSAB	CG-69954	66	\$103,102	Student Transp
7	1999	Chevrolet Lumina	Car	CG-47695		\$18,990	Admin
8	2006	Chevrolet Cobalt	Car	CG-54587		\$12,379	Admin
9	2006	Dodge Stratus	Car	CG-67387		\$8,705	Admin
10	2012	Dodge Caravan	Mini-van	CG-68415		\$21,287	Student Transp
11	2003	Ford	Van	CG-		\$4,520	Fac. Maint
12	1986	Ford	Passenger Van	CG-25043		\$1,200	Fac. Maint
13	2003	Chevrolet	Truck	CG-54563		\$16,500	Fac. Maint
14	2004	Chevrolet	Truck	CG-54566		\$16,500	Fac. Maint
15	2005	Chevrolet	Box Truck	CG-55695		\$24,848	Fac. Maint
16	2006	Chevrolet	Truck	CG-54589		\$15,228	Fac. Maint
17	2006	Chevrolet	Truck	CG-54588		\$15,228	Fac. Maint
18	2008	Ford	Truck	CG-64293		\$11,506	Fac. Maint
19	2002	Chevy 1500	Truck	CG-67390		\$11,042	Fac. Maint

LIST #	YEAR	MAKE	BODY TYPE	LICENSE #	PASSENGER SEATING	VALUE	MISSION
20	2004	Ford F250	Truck	CG-69832		\$12,000	Fac. Maint
21	2005	Skyjack Sjl111	19 <sup>th</sup> Scissor Lift			\$5,000	Fac. Maint
22	2005	Harben	12 <sup>th</sup> Sewer Machine			\$15,000	Fac. Maint
23	1978	Trailer	Trailer				Fac. Maint
24	2002	Bobcat	2 attachments & trailer	PT 81507		\$7,298	Fac. Maint
25		Tractor	3 attachments				Fac. Maint
26 - 28		Mowers (3)					Fac. Maint
29 - 30		Gators (2)					Fac. Maint

Source: LSD 4 Transportation Data, February 19, 2015.

## TIER 2 RECOMMENDATION

### Recommendation 6-2:

#### Acquire vehicle maintenance management software.

Implementation of this recommendation should provide an important tool to assist in the management of the fleet and equipment maintenance program. The SDE is installing a new web-based vehicle maintenance software system in their school bus shops; this system may be a possible resource for meeting LSD 4 maintenance management software needs.

## IMPLEMENTATION PLAN

1. The superintendent should include the software acquisition in the proposed budget for FY 2016-17.
2. The superintendent should submit the recommendation to the board for review and approval.
3. The school board should review and approve the recommendation.
4. The director of operations and transportation coordinator should implement the approved recommendation.

## FISCAL IMPACT

The review team investigated available software packages and estimates that an off-the-shelf software package can be purchased for \$1,000 and that maintaining this software in the future will cost about \$100 per year.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance software	(\$1,000)	(\$100)	(\$100)	(\$100)	(\$100)
<b>TOTAL SAVINGS/COST</b>	<b>(\$1,000)</b>	<b>(\$100)</b>	<b>(\$100)</b>	<b>(\$100)</b>	<b>(\$100)</b>

## FINDING

School bus drivers and aides report that they do not receive recognition and feel like they are not part of the district family.

The school bus drivers (as a group) voiced that they are not recognized by the schools or the district office. Drivers and other employees are not required to wear standardized uniforms nor are they provided recognition patches that could show their years of service and, potentially, recognize accident-free performance. Additionally, there is a need to supply drivers with adequate supplies to meet the cleaning needs of their equipment.

Other than the required ten hours of SDE training, the drivers voiced a concern that there is no on-going training. The drivers referenced updating defensive driving skills and other operational tasks. The drivers also had limited knowledge of procedures to manage roadway impediments, a process established by the SDE and available to all drivers by the SC Department of Transportation. LSD 4 does allow for 20 hours of paid training each school year. The LSD 4 also reimburses driver applicants 40 hours of pay once they are employed and become fully trained and licensed to operate a school bus. This reimbursement is to cover the applicant's expense of completing the more than two-week process of obtaining the state school bus certifications and licenses. Drivers are also reimbursed the expense getting their required CDL medical exam. The LSD 4 is commended for both of these reimbursements.

## TIER 1 RECOMMENDATION

### Recommendation 6-3:

**Develop and implement a school bus driver and aide recognition program, provide continuous training and supplies, and improve facilities.**

There need to be recognition programs and events that assure that school bus drivers and aides feel they are an important part of the district instructional program. These programs can be events throughout the school year praising the drivers and aides and rewarding activities that show appreciation for their efforts.

The drivers and aides need to be provided a continuing training program of at least one training event each month. The SDE can assist with this training.

Drivers need to have supplies to keep the buses clean and to assist in conducting pre- and post-trip safety inspections. Drivers and aides should also be provided a safety vest to wear at all times when on the job. If existing space is lost the district needs to make available replacement space. The drivers also must have an operational restroom facility and a private area to talk with parents (see Recommendation 6-3).

## IMPLEMENTATION PLAN

1. Training staff should periodically ride with school bus drivers to highlight the driver's professional abilities and service. Create a School Bus Drivers Safety Committee made up of drivers; the committee should meet regularly to discuss safety and work issues. The meetings should generate a report that is presented to the district superintendent and annually to the school board.
2. Establish a service rewards program for bus drivers and other personnel.

Recognition events could occur during national school bus safety week and school bus driver appreciation week.
3. Assure that each bus driver has the needed supplies (bus cleaning materials, broom and disinfectants).
4. Authorize a uniform that identifies personnel as a district employee. The uniform could be a shirt, jacket or reflective safety vest and include a requirement that the school bus drivers and aides wear their uniform at all times while on the payroll.

**FISCAL IMPACT**

The following are a few job related items the LSD 4 should provide in support of the school transportation program and to the school bus drivers. Refer to the above implementation actions for explanation about these expenses.

<b>Recommendation</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Bus driver recognition program	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)
Purchase supplies	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)
Purchase vests	(\$1,500)	(\$200)	(\$200)	(\$200)	(\$200)
<b>TOTAL COST</b>	<b>(\$3,500)</b>	<b>(\$2,200)</b>	<b>(\$2,200)</b>	<b>(\$2,200)</b>	<b>(\$2,200)</b>

**FINDING**

The existing facility provides very limited space for offices, driver training, and functioning restrooms.

The review was advised that the district may have plans in the next few months to remove facilities now used by the drivers. These are supplementary facilities to the small permanent office and (non-functioning) bathroom facility that now houses the transportation coordinator’s office space. During the focus group interviews, complaints were heard from the bus drivers that the existing restroom facilities were not adequate and frequently did not function. This was later confirmed by other staff. The restroom issue is a health issue that must be resolved. Drivers are also required to speak with parents if there is an issue with a student on their bus. These driver-parent conversations should occur on district time and in a private environment. In addition to the transportation coordinator’s office space and a space for the clerk and dispatcher, there should be a small private office with a phone to allow the drivers to appropriately complete the driver-parent communications.

**TIER 1 RECOMMENDATION**

**Recommendation 6-4:**

**The school transportation office needs adequate space for office staff, training, private space for bus drivers to talk with parents, a drivers’ lounge, and functioning bathroom facilities.**

**IMPLEMENTATION PLAN**

1. The transportation coordinator should evaluate the office needs of the transportation program and prepare a detailed facility request to the director of operations.
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2. The coordinator should consider possible vacant space in school buildings adjacent to the school bus parking area.
3. The director of operations should determine the lowest cost method to address this need.
4. The restroom needs should be resolved immediately. The remaining facility needs should be outlined in an implementation plan over the next year.
5. The implementation plan should be presented to the superintendent and approved.

**FISCAL IMPACT**

The fiscal impact of the facility recommendation is dependent on the availability of vacant school building space adjacent to the school bus parking area. The review team was advised that space was available and only minor changes to the school building would be necessary to secure the school and address the transportation office needs.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Correct transportation facility needs	(\$15,000)	\$0	-0-	-0-	-0-

**6.3 ROUTING, SCHEDULING & PAYROLL ACCOUNTABILITY**

**FINDING**

The district provides excessive hazardous transportation service within the 1.5-mile school areas.

This finding can be considered a commendation because it provides the highest level of safety for students that live in the 1.5-mile walking zone around their school. However, the LSD 4 is the only district in South Carolina that provides hazardous transportation service to all students in the walk zone. School districts usually provide hazardous transportation service to students when, for traffic safety reasons, the student needs to ride the school bus instead of walking to and from school. LSD 4 cannot afford this level of hazardous service and should reduce it to a level consistent with neighboring school districts.

Hazardous transportation service is provided by school districts typically for young students that cannot be accompanied by students over 11 years of age or adults and in locations of traffic safety concern. Traffic safety concerns include students crossing railroad tracks or major roadways or walking along traffic-ways without the availability of sidewalks or road shoulders that allow for a safe walking path.

The review team also received a number of comments about the valuable service the district provides in the adoption and enforcement of the practice that no student in second grade or younger can be released from a school bus unless a responsible person is visible to the driver. The drivers talked about how faithful they are to this policy.

**COMMENDATION 6-C:**

**The transportation office stresses a partnership between the school bus drivers and parents, and the district has a practice of not leaving young students without adult supervision.**

## TIER 1 RECOMMENDATION

### Recommendation 6-5:

**Develop and adopt a revised hazardous transportation service policy and procedures for the 1.5-mile walking zones around school campuses.**

The district should establish a hazardous transportation policy clearly delineating the circumstances for which the district will provide student transportation service in the 1.5-mile walk and other hazard zones. This policy should only be based on traffic safety standards for students. The creation and implementation of a policy will eliminate most of the existing \$25,000+ hazardous transportation expense while providing the service only where it is truly necessary.

### IMPLEMENTATION PLAN

1. The director of operations and transportation coordinator should prepare and recommend the policy and procedures to the superintendent for immediate consideration and approval.
2. The superintendent should submit the recommendation to the board for review and approval.
3. The school board should review and approve the recommendation in accord with policy adoption requirements.
4. The director of operations and transportation coordinator should cause the approved recommendations to be systematically implemented following extensive communications with school personnel, students and parents.

### FISCAL IMPACT

Based on a new hazardous transportation policy adopted by the LSD 4 the district will be able to reduce costs by \$21,250 while continuing to address the need (estimated at \$3,750).

DISTRICT	EXISTING HAZARDOUS SERVICE		TYPICAL LEVEL OF HAZARDOUS SERVICE	HAZARDOUS TRANSPORTATION SAVINGS/YR.
	MILEAGE COSTS/YR.	BUS DRIVER SALARY COSTS/YR.	PROPOSED EXPENDITURE	
LSD 4	\$16,000	\$9,000	(\$3,750)*	\$21,250

Source: LSD 4 Hazardous Transportation Data, February 19, 2015.

\*The proposed expenditure provides a minimum amount of funds to respond to hazardous transportation services where justified by the LSD 4 new policy.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Eliminate Excessive Hazard Services	\$21,250	\$21,250	\$21,250	\$21,250	\$21,250
<b>TOTAL SAVINGS</b>	<b>\$21,250</b>	<b>\$21,250</b>	<b>\$21,250</b>	<b>\$21,250</b>	<b>\$21,250</b>

## FINDING

The existing bell times and school bus schedules are creating excessive student ride- and wait-times and increasing transportation costs.

Based on the routing data provided by the district, existing routing schedules provide drivers with excessive payroll minutes to start the route in the morning and create excessive waiting times at schools. In some cases, after students have already been riding for more than an hour, drivers are required to wait at the school for ten or more minutes before unloading. The school bus routing schedule needs to better match the bell times and the required time to run the route. These extra time periods of 10-15 minutes per route are unnecessary, costly, and require students to sit in a school bus, which may be crowded, hot or cold, for too long. **Exhibit 6-10** shows the impact of the current situation in terms of both time and costs.

Ten of the 108 school bus routes operated each school day require students to ride more than 90 minutes, which is **more than the maximum ride time permitted in state law**:

*Section 59-67-105.*

*(A) A student may not ride continuously on a state-owned school bus for more than ninety minutes. With the approval of the Department of Education, the ninety-minute maximum ride time may be exceeded when the area's geography requires longer than average highway travel because of a circuitous or meandering road network, extremely low population density, or waterway barriers. The ninety-minute maximum ride time may be exceeded when attendance zones are multidistrict or countywide.*

These long routes, as shown in **Exhibit 6-10**, are equally split between AM and PM routes. One of these routes serves three- and four-year old students attending the Early Childhood Development Center. Such long ride times have an exhausting effect on students, especially young students, impacting their ability to learn.

### EXHIBIT 6-10 EXCESSIVE BUS DRIVER PAY-TIME

SCHOOL	AM BELL TIME	EXAMPLE OF MORNING DRIVER SCHEDULE						
		PAY TIME START *	ROUTE START	ROUTE DROP-OFF TIME	EXCESSIVE PAY TIME	# OF ROUTES	EST. TOTAL HOURS/ YEAR	TOTAL VALUE @ \$13.54 / HR.
Early Childhood Center	7:50	5:45	6:10	7:15	10 min.	22	660	\$8,936
Sandhills Primary School	7:50	5:45	6:10	7:12				
Sandhills Elementary	7:50	5:45	6:10	7:13				
*First 15 minutes of pay time is approved soft-time.								
SCHOOL	PM BELL TIME	EXAMPLE OF AFTERNOON DRIVER SCHEDULE						
		PAY TIME START*	ROUTE START	ROUTE PICK-UP TIME	EXCESSIVE PAY TIME	# OF ROUTES	EST. TOTAL HOURS/ YEAR	TOTAL VALUE @ \$13.54 / HR.
Early Childhood Center	2:20	1:30	1:30	2:00	35 min.	22	2,310	\$31,277
Sandhills Primary School	2:30			2:15				
Sandhills Elementary	2:30			2:16				
*First 15 minutes of pay time is approved soft-time								

Source: LSD 4 payroll data, February 2015.

## TIER 1 RECOMMENDATION

### Recommendation 6-6:

#### Adjust school bus routing and schedules.

Implementation of this recommended action should result in shortening student ride-time and adjusting school bell-times to eliminate students waiting on a school bus at the school. LSD 4 should request the SDE Office of Transportation to assist the district in conducting an efficiency analysis of the district route plan, with the focus on eliminating wait times and excessive ride times.

As is shown previously in **Exhibit 6-10**, implementing this recommendation should have significant cost and time savings. The efficiency analysis that could be conducted by the SDE, which is beyond the scope of this review, may show opportunities for additional savings in both time and costs.

### IMPLEMENTATION PLAN

1. The director of operations and transportation coordinator should prepare a revised scheduling plan and recommend superintendent for review and approval.
2. The superintendent should communicate the plan to the principals for their review and approval.
3. The superintendent should submit the recommendation to the board for review and approval.
4. The school board should review and approve the recommendation.
5. The director of operations and transportation coordinator should systematically implement the approved recommendations following extensive communications with school personnel, students and parents.

### FISCAL IMPACT

This recommendation can be implemented with cost savings to the district estimated at \$51,292 the first year and \$50,000 in subsequent years, for a five year savings of \$251,292. SDE staff assistance and existing district staff resources will be needed.

ROUTE TIMES	ESTIMATED SAVINGS	SALARY VALUE	BENEFITS VALUE	TOTAL VALUE SAVED
	ROUTE HOURS/YR.	@ \$13.54 AVERAGE BUS DRIVER SALARY	@ 28%	
Morning route time	660	\$8,936	\$2,502	\$11,438
Afternoon route time	2,310	\$31,277	\$8,575	\$39,853
<b>TOTAL</b>	<b>2,970</b>	<b>\$40,213</b>	<b>\$11,077</b>	<b>\$51,291</b>

Source: LSD 4 Hazardous Transportation Data, February 19, 2015

<b>Recommendation</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Eliminate excess pay	\$51,292	\$50,000	\$50,000	\$50,000	\$50,000
<b>TOTAL SAVINGS</b>	<b>\$51,292</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$50,000</b>

## **FINDING**

The lack of a payroll system that provides the district with verification of exact time of bus driver attendance is costing the district money.

The payroll accounting system needs to accurately account for driver route time at the beginning and end of each route. A review of the routing and pay data indicates that drivers are receiving pay in excess of the actual route time plus the one hour of soft time each school day. **Exhibit 6-10** (previously shown) shows an example of this excess time for the 22 school bus routes that serve the Early Childhood Development Center.

When such a system has been approved by the district, the transportation and finance departments should proceed with full implementation immediately.

## **TIER 1 RECOMMENDATION**

### **Recommendation 6-7:**

#### **Acquire a payroll system that requires drivers to clock-in and out of work and develop and implement a driver and aide compensation plan.**

Implementation of this recommendation should result in cost savings to the district and greater efficiency in maintaining payroll records and payment accuracy. The district should move forward with plans to implement a payroll system that requires drivers to clock-in and -out of work and to identify themselves when doing so. This clock data, instead of the route plan generated data, should be used to calculate the payroll. The payroll system should include a school bus driver and aide compensation plan. This plan would include:

- a detailed salary scale for regular school bus drivers, school bus aides, substitute school bus drivers and other office staff;
- a detailed explanation of how the drivers and aides time will be calculated using the new time clock system;
- a listing of administrative duties (soft duties) for each position and exactly how many minutes is allotted for these per day or week;
- how the driver and aides will verify that these duties have been completed;
- supplemental pay for drivers of buses serving students with disabilities;
- what additional expenses the drivers will be reimbursed for (certification and licensure, medical exams);
- how activity trip time will be calculated and what special administrative time is allowed; and
- job descriptions for each position in the office of transportation.

After the routes are revised to best reflect efficiency and the payroll system is installed, coupled with a driver and aide compensation plan, the estimated savings may be diminished due to the fact that full-time drivers are guaranteed a minimum of 30 hours per week regardless of the number of route hours operated. These drivers are also paid five hours of soft-time each week

which helps insure the minimum of 30 hours of work time is reached each week. In no case should the district reduce this minimum of 30 hours and five hours of administrative/soft time per week.

**IMPLEMENTATION PLAN**

1. The director of operations should proceed with the implementation of the approved time system for school bus drivers and aides.
2. The LSD 4 should select a consultant to develop a School Bus Driver and Aide Compensation Plan.
3. The plan should be reviewed and approved by the superintendent and school board.
4. The approved School Bus Driver and Aide Compensation Plan should be implemented by the transportation coordinator.

**FISCAL IMPACT**

The payroll system recommendation is already budgeted and planned by the district.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Implement a compensation plan	(\$5,000)	\$0	\$0	\$0	\$0

**6.4 Activity Bus Fleet Size**

**FINDING**

The district has too many activity buses, thus increasing the cost of transportation services.

A review of the use of the activity bus fleet documents that LSD 4 has too many activity buses and the district is not adequately using the fleet available.

The review team analyzed the daily use of the activity bus fleet over a 30-day period. **Exhibit 6-11** shows the activity fleet. During the 30-day period only five of the six buses were used; the 2011 Chevy Collins Type A bus was most frequently in use. This mid-size bus was used to provide transport to work locations for special education services numerous times during the week; trips typically occurred between the hours of 8:40 AM and 12:30 PM. Vehicles 1, 2, and 3 were used mainly for athletic trips. The 2013 Bluebird DE 2013 bus was not used.

The district also permitted state owned buses to provide four trips. The analysis showed the district could have served all activity trip needs with two district activity buses, except for one day. That day required three buses because of overlapping schedule demands. In each case, when more than one bus was needed, the district could likely have used one or two state permitted buses to supplement the fleet and only needed one district activity bus.

The analysis clearly documents that the district needs no more than four activity buses for all purposes; two large buses (one with a lift and wheelchair positions) and two smaller buses (one with a lift and wheelchair positions).

**EXHIBIT 6-11  
LSD 4 ACTIVITY BUS FLEET**

LIST #	YEAR	MAKE	BODY TYPE	LICENSE NUMBER	SEATING CAPACITY (POSSIBLE WHEEL-CHAIR POSITIONS)
1	1991	International	Type C Activity Bus	CG-34323	66
2	1991	International	Type C Activity Bus	CG-54564	66
3	2000	Chevrolet Mini Bus	Type A Activity Bus	CG-43954	30
4*	2011	Chevy Collins	Type A School Bus	CG-68416	27 +1(3)
5*	2012	Bluebird DE	Type D w/lift Activity Bus	CG-69284	63 +1(3)
6	2013	Bluebird	Type C Activity Bus	CG-69954	66

Source: LSD 4 Office of Transportation, February 23, 2015.

\*Buses 4 and 5 have track seating that will allow up to 3 wheelchair positions; this will result in the reduction of seating capacity.

Vehicles 4 and 5 were purchased with IDEA-MOE state funding and have been reserved for special education programs when needed. The district has restrictions on the use of these two buses due to their source of funding and believes that they cannot be used for other purposes. To establish that these buses may be utilized for other purposes, the review team contacted SDE and was provided with the following guidance for the use of equipment purchased with IDEA-MOE funding:

*Equipment - State and local governments §80.32 Equipment.*

*(a) Title. Subject to the obligations and conditions set forth in this section, title to equipment acquired under a grant or subgrant will vest upon acquisition in the grantee or subgrantee respectively.*

*(b) States. A State will use, manage, and dispose of equipment acquired under a grant by the State in accordance with State laws and procedures. Other grantees and subgrantees will follow paragraphs (c) through (e) of this section.*

*(c) Use. (1) Equipment shall be used by the grantee or subgrantee in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer needed for the original program or project, the equipment may be used in other activities currently or previously supported by a Federal agency.*

*(2) The grantee or subgrantee shall also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use shall be given to other programs or projects supported by the awarding agency. User fees should be considered if appropriate.*

*(3) Notwithstanding the encouragement in §80.25(a) to earn program income, the grantee or subgrantee must not use equipment acquired with grant funds to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by Federal statute.*

*(4) When acquiring replacement equipment, the grantee or subgrantee may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval of the awarding agency.*

*§80.32 (e) Disposition. When original or replacement equipment acquired under a grant or subgrant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:*

*(1) Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.*

*(2) Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.*

*(3) In cases where a grantee or subgrantee fails to take appropriate disposition actions, the awarding agency may direct the grantee or subgrantee to take excess and disposition actions. .*

*(h) The provisions of paragraphs (c), (d), (e), and (g) of this section do not apply to disaster assistance under 20 U.S.C. 241–1(b)–(c) and the construction provisions of the Impact Aid Program, 20 U.S.C. 631–647.*

The use analysis confirmed that there are times during every day that vehicles 4 and 5 are “no longer needed for the original program” (as specified in section 80.32, (c) (1)) and the “equipment may be used in other activities currently or previously supported by a Federal Agency.”

School transportation is a program and activity supported by the US Department of Education and the Federal Motor Carrier Safety Administration. The fact that vehicle 5 was not used a single time during the 30-day analysis period suggests the vehicle cannot be justified. Finding a frequent need for the vehicle, even if not for special needs programs, is a must. As referenced in section 80.32, (c) (3), “User fees should be considered if appropriate”, it is recommended that LSD 4 establish a user fee for vehicles 4 and 5 based on the depreciated value of the vehicle and vehicle’s operating costs. This fee would be charged to the LSD 4 transportation budget or some other general funded account based on the miles the vehicle was used when the use is for a non-IDEA related program. It is recommended that the district use a tracking system much like the SDE permit system that is used when a state-owned bus is used for activity trips.

The review team also found that LSD 4 has purchased optional items on their activity buses that are not recommended. An expensive track flooring system was purchased for vehicles 4 and 5 to allow the district to add up to three wheelchair securement positions in each vehicle. While this may be an option some districts have use for, it will likely never be needed by LSD 4. There is only one student in the district now transported that has need of a wheelchair securement position. There is also a safety concern associated with the use of track seating systems. Any time school bus seats are removed or moved in a school bus to accommodate a wheelchair securement position, the seats must be reinstalled in exactly the same position as installed by the bus manufacturer. A Federal Motor Vehicle Safety Standard regulates the positioning between school bus seats. Because of this safety concern the SDE does not use track seating. In the future the district should avoid purchasing buses with such expensive options that are rarely if ever used. In the future, the LSD 4 should speak with the SDE Director of Maintenance

to review bus specifications before purchasing. That type of review could save the district \$10,000 per activity bus purchase.

**TIER 1 RECOMMENDATION**

**Recommendation 6-8:**

**Dispose of excess buses and establish a use policy.**

This recommendation should result in disposing of the two 1991 International buses and establishing a policy and financial methodology that will allow the use of the two activity buses purchased with IDEA-MOE funds for non-IDEA program purposes. The district should, in the future, avoid the complexity of purchasing capital transportation items with IDEA-MOE funds. The district should also avoid purchasing buses that have optional systems that the SDE does not use. For example, district personnel are not trained to use the track-flooring system on vehicles 4 and 5.

**IMPLEMENTATION PLAN**

1. The director of operations and transportation coordinator should prepare a bus disposal plan and related policy and recommend to the superintendent for review and approval.
2. The superintendent should submit the recommendation to the board for review and approval.
3. The school board should review and approve the recommendation.
4. The director of operations and transportation coordinator should implement the approved recommendations including the sale of excess vehicles.

**FISCAL IMPACT**

Two buses have an estimated value of \$2,500 each; therefore, the sale should generate \$5,000. In addition, the district will also save the cost required to maintain and insure two vehicles, estimated at \$2,000 a year. This is a savings of \$7,000 the first year and \$2,000 each year thereafter. The total five-year savings is \$15,000.

<b>Recommendation</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Sell 2 1991 activity buses	\$5,000	\$0.00	\$0.00	\$0.00	\$0.00
Saved insurance/ maintenance expenses	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
<b>TOTAL SAVINGS</b>	<b>\$7,000</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$2,000</b>

**6.5 Operations**

**FINDING**

The district is not purchasing fuel at the lowest available price.

Fuel is now being purchased from a private company and not through the state contract vendor or the SDE. LSD 4 now purchases ultra-low sulfur diesel and other fuels for district vehicles, including the activity buses, from Walker Oil Company in Orangeburg.

These fuels could be purchased from the state contract provider or using the State Fuel Credit Card system. The savings for the ultra-low sulfur diesel fuel and gasoline purchased per gallon should exceed \$0.30 per gallon (see **Exhibit 6-12**). The district should also note that fuel for school bus use is exempt from nearly all state and federal fuel highway use taxes.

As shown, in FY 2013-14 the district could have saved \$1,611, which is an average of \$0.44 per gallon for ultra-low sulfur diesel fuel. Similar savings could also be achieved if LSD 4 had purchased gasoline (10,583 gallons) from the state contract provider.

**EXHIBIT 6-12  
DIESEL FUEL SAVINGS**

<b>ULTRA LOW SULFUR DIESEL FUEL PURCHASED FY 2013-2014</b>				
<b>GALLONS PURCHASED</b>	<b>WALKER OIL AVERAGE PURCHASE PRICE</b>	<b>STATE CONTRACT PURCHASE PRICE</b>	<b>POTENTIAL SAVINGS PER GALLON</b>	<b>ANNUAL VALUE TO LSD 4</b>
3,659	\$3.81	\$3.37	\$0.44	\$1,611

*Source: LSD 4 Business Manager, February 15, 2015 and Daily Fuel Price tables provided by the B&CB on line at <http://www.mmo.sc.gov/PS/agency/PS-agency-fuel-prices.phtm>*

**TIER 1 RECOMMENDATION**

**Recommendation 6-9:**

**Purchase all bulk fuel from the state contract supplier.**

Implementation of this recommendation should save the district the excess cost of current purchasing practices. The alternative could be to purchase ultra-low sulfur diesel fuel from the SDE through the school bus maintenance shop.

The district business manager should contact the Budget and Control Board, Procurement Services, (803) 737-0600 and ask for the contact information to purchase fuel under that state contract. The district should contact the state fuel contract provider and set up an electronic purchase/payment agreement. Electronic payments may also save additional cost. An additional option would be to contact State Fleet Management and acquire fuel cards for each vehicle to use at private service stations.

Purchasing the ultra-low sulfur diesel fuel from the SDE may even be a better option. This option will save the district on average about \$0.045 per gallon below the cost of the state contract supplier. The SDE charges \$0.12 per gallon to deliver the fuel to the district, but the SDE can purchase the fuel at a transport load rate. This rate in the past two months has been from \$0.16 to \$0.225 per gallon higher than the tank wagonload the district will be required to buy from the state supplier. This cost difference is a result of the SDE purchasing fuel in transport loads (about 7,800-8,000 gallons) and the district needing to purchase fuel in smaller amounts because of the size of the fuel storage container. If the SDE is used to provide the ultra-low sulfur diesel fuel, the district will have to use the state contract supplier or State Fleet Management fuel cards to provide regular diesel and gasoline fuels; the SDE does not handle these two fuel types.

The transportation staff should order fuel as needed, allowing three days for delivery.

### IMPLEMENTATION PLAN

1. The director of operations and transportation coordinator should submit a request to the superintendent to change bulk fuel purchasing practices.
2. The superintendent should approve and submit the recommendation to the board for review and approval.
3. The school board should review and approve the recommendation.
4. The director of operations and transportation coordinator should cause the approved recommendation to be implemented.

### FISCAL IMPACT

The savings from gasoline purchased from the state contract supplier is estimated at \$0.30 per gallon, for a savings of \$3,175. The total LSD 4 annual savings for all fuels would be \$4,786. The total savings over five years is \$24,386.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Purchase fuel from state contract provider ultra-low sulfur diesel	\$1,611	\$1,700	\$1,700	\$1,700	\$1,700
Gasoline	\$3,175	\$3,200	\$3,200	\$3,200	\$3,200
<b>TOTAL SAVINGS</b>	<b>\$4,786</b>	<b>\$4,900</b>	<b>\$4,900</b>	<b>\$4,900</b>	<b>\$4,900</b>

### 6.6 Aging State Bus Fleet

#### FINDING

The aged school buses provided by the state may be endangering the safety of students and causing students to miss instructional time.

While the district is doing an effective and efficient job of getting students to and from school on time, the age, mileage, and resulting frequency of breakdowns must be resolved to assure an effective school transportation service.

School bus efficiency is directly related to the age of the fleet and the number of odometer miles. The older the bus and the more mileage, the more likely the bus is to have a service breakdown. A January 2000 study of life cycle costs conducted by the SDE for Type D school buses in South Carolina indicated that 15 years should be adopted as the cycle for school bus replacement. The study also noted that school buses that accumulate mileage more quickly, such as special needs school buses, should have their life cycle cost analyses based on mileage accumulation not age.

**Exhibit 6-13** presents the age and mileage for the state school bus fleet assigned to LSD 4. Note that the district is using a school bus (bus # 507-2012) that is operating special needs routes that has operated 315,412 miles. The highlighted buses in the exhibit are 20 years or older (38 percent of the list).

**EXHIBIT 6-13  
STATE SCHOOL BUS FLEET ASSIGNED  
LSD 4**

<b>Regular</b>	<b>Route</b>	<b>Year</b>	<b>Cap</b>	<b>Type</b>	<b>Lift</b>	<b>March 2015 Odometer</b>
503-7275	Route	1990	60	C	No	132,028
503-7284	Route	1990	60	C	No	253,878
503-7345	Route	1990	60	C	No	227,465
503-7348	Route	1990	60	C	No	314,338
507-1111	Route	1995	78	D	No	259,377
507-1185	Route	1995	78	D	No	285,628
507-1321	Route	1995	78	D	No	141,726
507-1367	Route	1995	78	D	No	133,669
507-1526	Route	1995	78	D	No	205,499
507-1602	Route	1995	78	D	No	215,575
507-1675	Route	1995	78	D	No	239,519
507-1705	Route	1995	78	D	No	130,466
507-2003	Route	1995	78	D	No	228,157
507-2236	Route	2001	78	D	No	185,906
508-0384	Route	2003	62	C	No	166724
508-0404	Route	2005	65	C	No	124,332
508-0464	Route	2006	65	C	No	122,139
508-0549	Route	2007	65	C	No	121,149
508-0619	Route	2007	65	C	No	112,043
508-0648	Route	2007	65	C	No	120,311
508-0668	Route	2007	65	C	No	125,048
508-1009	Route	2007	65	C	No	117,191
508-1050	Route	2008	65	C	No	101,667
508-1076	Route	2008	65	C	No	108,216
508-1107	Route	2008	65	C	No	100,536
508-1221	Route	2008	65	C	No	108,348
508-1248	Route	2008	65	C	No	92,214
508-1254	Route	2008	65	C	No	92,699
508-1977	Route	2015	66	C	No	1,758
508-1985	Route	2015	66	C	No	1,791
508-1992	Route	2015	66	C	No	1,165
508-1994	Route	2015	66	C	No	1,638
503-7536	Route	1994	19	C	Yes	196,403
507-2012	Route	1996	35	D	Yes	315,142
508-0086	Route	2001	15	C	Yes	205,740
508-1642	Route	2013	29	C	Yes	49,915
508-1643	Route	2013	29	C	Yes	97,367
503-7109	Spare	1988	66	C	No	349,170

Regular	Route	Year	Cap	Type	Lift	March 2015 Odometer
503-7250	Spare	1990	60	C	No	191,784
507-0296	Spare	1995	78	D	No	258,334
503-7534	Spare	1994	19	C	Yes	292,924

Source: SDE March 2, 2015

Note Buses older than 15 years, in violation of Section 59-67-580 are shown highlighted in yellow.

## TIER 1 RECOMMENDATION

### Recommendation 6-10:

**Document the impact of the old buses on district operations and file a request with the SDE for the replacement of the 14 school buses older than 15 years.**

The district should prepare a documented formal request to the SDE for the replacement of the 14 school buses older than 15 years including, minimally, the following data:

- A record of the frequency of aging state school buses causing students to be late for class or delayed getting home on time;
- A record of the number of breakdowns and associated costs;
- A list of the differing safety features in the older vehicles; and
- Other information that supports the recommendation.

Preparations for this should include the following actions:

- The transportation coordinator should establish a database to record and a reporting method for bus drivers or supervisors to report school bus delays that are related to maintenance failures. The process needs to record the bus number, the date, time, location, students impacted, scope of the resulting delay and how the district resolved the delay.
- The transportation coordinator should submit a monthly report to the superintendent for review and submission to the school board that shows the extent of the delay problems, including how many students were not on-time for class or getting home.

State law requires that school buses be replaced on a 15-year cycle. The statute reads as follows.

**SECTION 59-67-580. SCHOOL BUS REPLACEMENT**

*(A) With funds appropriated by the General Assembly for school bus purchases, the State Board of Education shall implement a school bus replacement cycle to replace approximately one-fifteenth's of the fleet each year with new school buses, resulting in a complete replacement of the fleet every fifteen years. These funds must not be used for school bus maintenance or fuel.*

Limited purchase of school buses each year has resulted in a school bus fleet that has a high percentage of buses older than 15 years. LSD 4 has 14 route buses older than 15 years, in fact, 14 of these buses are older than 20 years, and six of them are 25 years old.

## **IMPLEMENTATION PLAN**

1. The superintendent should instruct the director of operations and transportation coordinator to prepare the recommended report.
2. The director of operations and transportation coordinator should prepare the report and submit to the superintendent.
3. The superintendent should approve and submit the report and recommendation to the school board for review and approval.
4. The school board should review and approve the recommendation and submit the request to the SDE.

## **FISCAL IMPACT**

This process can be done with little expense to the district. The resulting information will help the SDE support the funding of the state's school bus replacement program.

## 7.0 FOOD SERVICE

This chapter presents findings, commendations, and recommendations relating to the food service operations of Lexington County School District 4 (LSD 4). The major sections of this chapter are:

- 7.1 Introduction, Methodology, and District Comparisons
- 7.2 Organization
- 7.3 Planning and Budgeting
- 7.4 Nutrition, Nutrition Education, and Student Participation

### CHAPTER SUMMARY

This report contains the following commendations for the LSD 4 food service department:

- Community Eligibility Provision is utilized to ensure all students receive meals at no cost. (Page 7-7)
- The food service department participates in the South Carolina Purchasing Alliance, which allows the district to receive discounted pricing on food and non-food items. (Page 7-10)
- Scratch cooking processes are in place, which promotes a higher participation rate by students. (Page 7-14)
- All non-program foods served during the school day adhere to the USDA Smart Snack Rule. (Page 7-14)

Though the LSD 4 food services department is overall operating efficiently, there are areas that should be addressed to strengthen program services, presented as recommendations. Each of the chapter's recommendations is labeled as Tier 1, Tier 2, or Tier 3. This refers to our team's suggested level of importance in the urgency of the implementation of the recommendations. Below is a guideline to the three tiers.

**Tier 1:** Greatest Impact: The district should implement these recommendations immediately to take maximum advantage of their opportunities.

**Tier 2:** Moderate Impact: The district should implement these recommendations as soon as practical to improve the efficiency and effectiveness of operations.

**Tier 3:** Minimal Impact: The district should implement these recommendations when time and funds are available as best suits the needs of the district.

This report contains the following recommendations for the LSD 4 food services department:

- Eliminate the part-time food services assistant position, change the title of the food services coordinator to food services supervisor, and revise the job description to reflect the new title and clarify the job's responsibilities. Tier 1 (Page 7-6)
- Expand the use of NUTRIKIDS software to include complete production record and inventory modules. Tier 2 (Page 7-8)
- Utilize excess funds to enhance the needs of the food service program. Tier 1 (Page 7-9)
- Revise menus for all grade levels to increase variety and palatability of meals, and discontinue serving pre-cupped meals. Tier 1 (Page 7-13)

## Survey Results Related to Food Services

Tidwell and Associates, Inc. surveyed all teachers, principals, assistant principals, and district office staff regarding operations, including food services. **Exhibit 7-1** provides the results of the survey. Items in this section are rated on a 5-point scale, with higher values representing greater agreement with the presented statement. Items with an average score of “4” or greater are considered areas where the district is especially effective and efficient. Items with an average score less than “3” are considered areas for improvement. Please note that items marked with an asterisk are “reverse scored” so that higher values reflect greater perceptions of efficiency and effectiveness.

Overall, LSD 4 administrators and teachers completing the survey agree that facilities are sanitary and that breakfast is available to all students. They consider the food service staff helpful and friendly. The ratings are lower when discussing the quality of meals. These ratings range from 2.76 to 3.40 with an average of 2.95, which indicates that improvement is needed.

### **EXHIBIT 7-1 LEXINGTON 4 SCHOOL DISTRICT FOOD SERVICE SURVEY RESULTS**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
The cafeteria facilities and equipment are sanitary and neat	4.14	4.11	4.54	4.17
I find the cafeteria meals appealing and appetizing	2.76	2.73	2.92	3.40
The school breakfast program is available to all children	4.81	4.81	4.85	5.00
Students have enough time to eat	3.95	3.88	4.77	4.20
Students wait in food lines longer than 10 minutes	3.58	3.53	4.00	4.00
Cafeteria staff is helpful and friendly	4.20	4.16	4.69	4.20
Weekend provisions for food is made for needy students	3.70	3.72	4.00	3.00
The district has a summer program for feeding students	4.25	4.19	4.54	4.40

Source: Tidwell & Associates, Inc. Survey of LSD 4 Staff, 2015.

## **FISCAL IMPACT OF RECOMMENDATIONS**

**Exhibit 7-2** provides a summary of the estimated savings associated with the recommendations contained in this chapter. As shown, should the district choose to implement the recommendations in this chapter, the district could save \$20,000 in the first year, with a total five-year savings of \$100,000.

**EXHIBIT 7-2  
FISCAL IMPACT OF CHAPTER 7  
FOOD SERVICES**

<b>Recommendation</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Eliminate food service assistant position	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Implement production and inventory modules	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000
<b>TOTAL SAVINGS</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>

**7.1 Introduction, Methodology, and District Comparisons**

The LSD 4 food services department participates in the National School Lunch Program and the School Breakfast Program. Both of these are federal reimbursement programs for meals served to students. The LSD 4 also receives USDA Commodity Foods to help support these programs. The district adheres to all aspects of USDA’s Healthy Hunger Free Kids Act of 2010 and policies set by South Carolina Food and Nutrition Services.

LSD 4 serves meals to seven schools and an alternative school. Meals are prepared on-site with the exception of the alternative school, which receives meals from Swansea High School. Sandhills Primary and Elementary Schools are housed on the same properties and share food service staff and facilities. Students are highly encouraged to participate in the school meals programs.

Each day more than 4,800 meals are served to 3,449 students. The district employs 36 food service employees. Over 234 work hours are designated daily to address the nutritional needs of students attending LSD 4 schools.

The primary methodologies used to review the food services functions included:

- Interviews of all key district personnel including managers, director of operations, food service coordinator, food service assistant, and students;
- Analysis of food service data provided by LSD 4 such as cafeteria staff levels, meal prices, cost control procedures, profit and loss statements, revenue and expenditure statements, menus, meal participation rates, etc.;
- Review of peer district comparison data (Orangeburg 4, Orangeburg 5, Hampton 1, and Laurens 56);
- Onsite observations at various cafeterias;
- Community forum; and
- Survey results.

**7.2 Organization**

The LSD 4 food services department is under the administration of the director of operations. The 2014-15 personnel master report for LSD 4 identifies a food service supervisor as the primary person responsible for managing day-to-day operations of the program. Based on information received during interviews, the current food service coordinator will retire in the near

future, though the actual retirement date is not known. Because of this, the director of operations has put in place a food service assistant to help manage the program. The food service assistant is managing day-to-day operations, which includes supervision of food service managers, menu development, USDA foods management, and selection of products. It should be noted that the food service assistant is a part-time temporary position, and is also assigned to pupil services where she works as an administrative secretary. The food service coordinator has been reassigned to other duties and is now responsible for administrative duties that include correspondence with the state office, meal reimbursement reports, and other like duties.

## **FINDING**

The LSD 4 food services organization structure is in need of revision.

There is one food service coordinator who reports to the director of operations. This position is charged with full oversight of the program as indicated in the job description for the food services *director*. Note, the job description in **Exhibit 7-3** refers to the position as a director-level, but the organizational chart and the title of the position is coordinator (which further causes confusion). As shown in the job description, this position is responsible for the daily operation and management of the food and nutrition program and for assisting food services employees in the performance of their duties. However, the food services coordinator is not overseeing the day-to-day management of the program, but rather focusing on the administrative requirements of the National School Lunch and Breakfast programs as well as other administrative duties that include correspondence with the state office, meal reimbursement reports, and similar duties.

**EXHIBIT 7-3**  
**LSD 4 FOOD SERVICES DIRECTOR JOB DESCRIPTION**  
**2014-15**

**Job Description**

**Job Title:** Food Services Director

**Qualifications:** Requires minimum of a high school diploma or GED. Must have working knowledge of Food and Nutrition Services operations and knowledge of mathematical computations. Requires ability to inventory and record information accurately, ability to comprehend and apply verbal and/or written guidelines or instructions, and the ability to communicate effectively and efficiently with others.

**Reports To:** Director of Operations

**Job Goal:** An individual in this position is responsible for the daily operation and management of the Food and Nutrition Services Program and for assisting Food and Nutrition Services employees in the performance of their duties.

**Performance Responsibilities:**

- Oversee all phases of program operations
- Manage special food service programs
- Manage and oversee daily records and reporting requirements
- Manage all training for food service workers
- Communicate changes in food service policy, procedures, regulations, and laws to food service workers and Director of Operations
- Manage the operational budget of the Food and Nutrition Services Program.
- Manage food and equipment orders
- Perform other related duties as assigned

**Physical Requirements:** Requires sedentary work that involves walking or standing some of the time and involves exerting up to 10 pounds of force on a recurring basis or routine keyboard operations.

**Terms of Employment:** 240 days based on salary schedule CLS Classified 15

**Evaluation:** Performance of this job will be evaluated in accordance with Board Policy.

Source: LSD 4, Human Resource Department, 2015.

In addition to the food services coordinator, there is also a food services assistant who is charged with supervising the food service managers (with the assistance of the director of operations). The food services assistant is the key person managing day-to-day operations, which includes supervision of food service managers, menu development, USDA Foods management, and selection of products. In addition to these responsibilities, the food services assistant is also assigned to pupil services where she works as an administrative secretary.

When interviewed and in focus groups, some food services managers at the school-level believed they were being evaluated by school principals (not the director of operations, the food services coordinator, or the food services assistant). Several principals interviewed were also unclear on the reporting structure. There is obvious confusion in the district office and in the schools as to the lines of responsibilities and duties.

The review team looked at two other peer district food services organizational structure. In both Orangeburg 4 and 5, there is only one food services supervisor (and no assistant supervisor).

## TIER 1 RECOMMENDATION

### Recommendation 7-1:

**Eliminate the part-time food services assistant position, change the title of the food services coordinator to food services supervisor, and revise the job description to reflect the new title and clarify the job responsibilities.**

Since the study did not include the review of pupil services, the extent that the part-time position being eliminated in food services should also retain the duties in the pupil services department is unknown. The new job description for the formerly known food services coordinator should reflect the title of food services supervisor and clearly explain that the position should oversee the day-to-day operations of food services. This includes not only the reporting portion of the responsibilities, but also the oversight of the food services managers. Also, the director of operations should not be expending time managing food services managers; with responsibility for overseeing facilities, maintenance, transportation, human resources, and food services, this is not the best use of his time.

## IMPLEMENTATION PLAN

1. The director of operations should eliminate the part-time food services assistant position.
2. The human resources department should work with the director of operations to revise the job description of the food services coordinator.
3. The director of operations should monitor the activities of the food services supervisor to ensure compliance with the new job description and also communicate this change to school-level staff.

## FISCAL IMPACT

The food services assistant earns a stipend of \$2,000, above the regular pay in pupil services. There is a savings of \$2,000 each year for a five-year savings of \$10,000.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Eliminate food services assistant position	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000

## FINDING

All LSD 4 students receive meals at no cost through the Community Eligibility Program (CPE).

CEP allows districts with high percentages of categorically eligible students an alternative to accepting free and reduced applications. The intent of the program is to assist families in receiving meal benefits without the burden of completing an application. The program also removes the stigma associated with applying for benefits. Because all students receive free meals under this program, a larger number of students participate in the program. CEP has

been in existence since the implementation of the Healthy Hunger Free Kids Act 2010. CEP eliminates the work associated with unpaid meal charges that so many districts are currently struggling with. Under the CEP program the food services staff can focus on the intent of the program, which is to feed children.

This is the first year LSD 4 has participated in CEP. Eligible districts must have at least 40 percent of its students listed as categorically eligible. In LSD 4, 50 percent of students qualify for meal benefits. The percentage of students is multiplied by a factor of 1.6 to determine the district free claiming percentage. LSD 4 receives free reimbursement for 80 percent of meals served to students. The paid federal reimbursement is received for the remaining 20 percent of reimbursable meals.

#### **COMMENDATION 7-A:**

**Community Eligibility Provision is utilized to ensure all students receive meals at no cost.**

#### **7.3 Planning and Budgeting**

Planning and budgeting is paramount in the school food services operation. Food services is the only department within a school district that must be self-sufficient and operate without the support of district revenue. School food services departments must understand their financial needs during the school year and have knowledge of various methods to secure the needed revenues such as a la carte sales, adult meal sales, and reimbursements from program meals.

#### **FINDING**

LSD 4 does not fully utilize the NUTRIKIDS software.

The NUTRIKIDS Menu Planning and Nutritional Analysis software is the district's primary point of sale system. The production record module of the system is also used in the program, although the full module is not utilized by food services managers. The district uses spreadsheets to track inventory. This process requires food services managers to manually update the spreadsheet, which is cumbersome and completed outside the current software program. It is unclear why both modules are not operational. The director of operations expressed concern that he does not understand all aspects of the program because of other responsibilities. During interviews, staff expressed a desire for the district to update and implement the current software package, which would allow them access to both modules.

The district does not use the updated NUTRIKIDS software for production record and inventory documentation. Updating the software will eliminate the need for managers to spend additional time handwriting sections of production records that can be completed by the software package. The NUTRIKIDS perpetual inventory system allows the district to maintain stronger accountability. The upgraded system tracks inventory receipts, withdrawals, transfers, and physical inventory. The inventory tracking module operates in conjunction with production records and current processes to document use of food and non-food items.

## TIER 2 RECOMMENDATION

### Recommendation 7-2:

#### **Expand use of NUTRIKIDS software to include complete production record and inventory modules.**

The district should consider updating the production record software currently managed through NUTRIKIDS Menu Planning modules to automatically document mandated sections of the production report. It is also recommended the district include the NUTRIKIDS perpetual inventory system that captures and documents items used in daily meal production.

NUTRIKIDS is a leader in child nutrition and is recognized by USDA as an acceptable menu analysis software program in National School Lunch and Breakfast Programs. The NUTRIKIDS system includes streamlined reporting designed for school food services. The system improves productivity and fiscal accountability. Complete use of modules maximizes the district's efficiency allowing time for managers to address other critical responsibilities.

### IMPLEMENTATION PLAN

1. The director of operations should collaborate with district technology to expand the current NUTRIKIDS software package to include complete production record and inventory modules.
2. The food services coordinator should make arrangements for staff to receive training and support on the updated software package.

### FISCAL IMPACT

It is estimated that implementation of the inventory and complete production record modules would make available at least one additional work hour daily for each of the six managers. As a result, the district will increase efficiency by six work hours each day. The hourly pay for managers is \$13.04 plus a benefits rate of 28 percent (\$3.65) which totals \$16.69 hour, which at for six hours day = \$100; yielding a yearly savings of \$18,000 and a five-year savings of \$90,000.

According to the information received from the initial data request, the NUTRIKIDS Menu Planning and Perpetual Inventory modules are currently included in the district automated systems for LSD 4 food services, so there would be no additional cost for the suggested modules.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Implement production and inventory modules to streamline time required to update records	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000

### FINDING

The food services program currently has approximately \$600,000 in excess cash available to improve various areas within the program.

According to the Schedule of Revenues, Expenses Year ended 2014, LSD 4 monthly expenditures average \$200,000. The program currently has approximately \$600,000 in excess cash available to improve various areas within the program. The reason for this excess could be the result of the increased revenues the district has gained as a result of participating in CEP district-wide, which allows the district to provide meals at no cost to students, which has increased the level of participation in the food service program. The reason for excess revenues could also be the result of the district participation in the South Carolina Purchasing Alliance. The Alliance helps to control increased food costs which helps the district to purchase foods at better prices than if they were not a part of the purchasing group.

Pursuant to Federal Regulation 7 CFR Part 210, subsection 210.19 state agencies, "shall ensure compliance with the requirements to limit net cash resources and shall provide for approval of net cash resources in excess of three months' average expenditures. Each State agency shall monitor, through review or audit or by other means, the net cash resources of the nonprofit school food service in each school food authority participating in the Program. In the event that net cash resources exceed 3 months' average expenditures for the school food authority's nonprofit school food service or such other amount as may be approved in accordance with this paragraph, the State agency may require the school food authority to reduce the price children are charged for lunches, improve food quality or take other action designed to improve the nonprofit school food service. In the absence of any such action, the State agency shall make adjustments in the rate of reimbursement under the Program."

The district could review the food services survey comments and results to upgrade the program. The district should also upgrade older or worn equipment removing items that required repeated repairs. Comments made when meeting with students was that the high school cafeteria feels the same as the middle school. LSD 4 should consider updating the high school cafeteria with seating similar to that found in a food court at the college level. Booths and tall tables are popular items with older students.

## **TIER 1 RECOMMENDATION**

### **Recommendation 7-3:**

#### **Utilize excess funds to enhance the needs of the food services program.**

The LSD 4 food services department should review areas of need and develop a plan to utilize excess funds within the school year. Recommendations include replacing worn or outdated equipment. The district could select to purchase additional equipment that will help improve quality of meals. Other options for use of excess funds include incorporating new menu items like theme bars that encourage healthy eating and help to improve and increase the variety of items offered to students. (See recommendation 7-4.) These changes should be made in high schools and similar ideas can also be incorporated with other age groups. Use of these funds will bring LSD 4 in compliance with federal regulations. The district should make use of the Indirect Costs Guidance for State Agencies and School food Authorities, which includes OMB Circular A-87 (2 CFR Part 225) to gain information on the best use of federal funds.

## IMPLEMENTATION PLAN

- |   |
|---|
| 1. The director of operations and food services coordinator should review results of surveys (or conduct their own) to get ideas from customers.                      |
| 2. Based on results of surveys, the director of operations and food services coordinator will develop a plan to use excess funds to enhance the food service program. |

## FISCAL IMPACT

The fiscal impact will be determined by the options the district chooses to implement; it cannot be determined at this time.

## FINDING

The food services department participates in the South Carolina Purchasing Alliance, which allows the district to receive discounted pricing on food and non-food items.

Members of purchasing groups such as the Alliance often receive discounted pricing compared to districts purchasing items individually. The financial impact of cooperative purchasing is substantial to the department's fiscal well being.

## COMMENDATION 7-B:

**The food services department participates in the South Carolina Purchasing Alliance, which allows the department to secure food and non-food items at discounted prices.**

## 7.4 Nutrition, Nutrition Education, and Student Participation

Critical nutritional changes to 7 CFR Parts 210 and 220, which regulate the National School Lunch and Breakfast Programs, require school districts to provide menus that include lower sodium, more whole grains, and less sugar. Many districts find it difficult to meet the new standards and have opted out of these programs. Foods that were once a main part of the school food services menu are gradually replaced with healthier, but potentially less desirable, items.

## FINDING

Student meals do not contain a wide variety of options.

The review team conducted student body focus group meetings at three of the seven schools and found that most students eat in the cafeteria. A review of lunch meal count reports submitted to the state agency for reimbursement records a district average of 80 percent participation. Although participation is at a good level, all students participating in the student body focus groups expressed the menu lacked variety and requested more food selections.

Students were asked to respond to nine general questions to extract their opinions of meals served. **(Exhibit 7-4)** Their responses to the 'best item eaten' and the 'least favorite item' varied. Students commonly made reference to food items' appearance and flavor, to wanting more choices, and to the cafeterias running out of food.

It should be noted that federal regulations require all meal options to be available at the start of the service through the end of the service. Not having food and running out of choices violates program regulations. If the issue is not addressed, it could become a finding during the district's next administrative review by the state office.

**EXHIBIT 7-4  
FOOD SERVICES STUDENT FOCUS GROUP SURVEY  
SANDHILLS ELEMENTARY, SANDHILLS MIDDLE, and SWANSEA HIGH**

<b>SANDHILLS ELEMENTARY</b>					
<b>Statement</b>	<b>Delicious</b>	<b>Pretty Good</b>	<b>Okay</b>	<b>Terrible</b>	<b>Comment</b>
How many eat in the cafeteria?					9 out of 10
How would you rate the food?	1	8	1		
How healthy do you think the food is?		10			Healthy because of fruit and vegetable salads and broccoli
Do you feel you have enough time to eat?		10			
What is the best thing you've eaten in the cafeteria?	2 - turkey & noodle 3 - spaghetti 2 - pizza 1 - Chick Filet 1 - taco				
What is your least favorite food?	1 - Lasagna 1 - Spaghetti Most unhappy with breakfast choices because of entrée selections				
Outside of food what would you change to improve the dining experience?	1 - Need more flavor 1 - Students need to pick up behind themselves				
What do you think needs to change to get others to eat?	More food choices Some sides don't go with food School survey of what to serve				
General Comments	Run out of strawberries Have to sit and wait on milk Would like Macaroni Don't care for sweet potato fries				
<b>SANDHILLS MIDDLE</b>					
<b>Statement</b>	<b>Delicious</b>	<b>Pretty Good</b>	<b>Okay</b>	<b>Terrible</b>	<b>Comment</b>
How many eat in the cafeteria?					10 out of 10
How would you rate the food?			8	2	
Do you feel you have enough time to eat?			4	6	6 – Not enough time
How healthy do you think the food is?	1 – Not healthy 2 – Shared components				

What is the best thing you've eaten in the cafeteria?	Chicken nuggets Cheeseburger Steak				
What is your least favorite food?	General Tso Chicken				
Outside of food what would you change to improve the dining experience?	Allow students to sit where they want				
What do you think needs to change to get others to eat?	Increase Choices Improve food Stop running out of food				
General Comments	None				
SWANSEA HIGH					
Statement	Delicious	Pretty Good	Okay	Terrible	Comment
How many eat in the cafeteria?					9 out of 10
How would you rate the food?		5	5		Some days better than others
How healthy do you think the food is?			10		Pretty healthy depends on what you choose
Do you feel you have enough time to eat?	25 minutes and lines are long				
What is the best thing you've eaten in the cafeteria?	Chick Filet Pizza (depending on pizza)				
What is your least favorite food?	Whole grains Sweet Potato Fries				
Outside of food what would you change to improve the dining experience?	Salad Bar Appearance of food Chicken fajita meat is cupped Would like for staff to make fajitas Move popular items to two lines when busy				
What do you think needs to change to get others to eat?	Broccoli gray color Need to make vegetables appealing Run out of fruit and some food items Run out of food twice per week Make food taste better Possibly to cook food longer Bring back the sherbet cup				
General Comments	Feel students eat because its free Need more tables feels like café same as middle school Would like the option they had last year to purchase in a-la-carte French fries cooked in fryer				

Tidwell & Associates, Student Body Focus Group, February 2015

## TIER 1 RECOMMENDATION

### RECOMMENDATION 7-4:

**Revise menus for all grade levels to increase variety and palatability, and discontinue serving pre-cupped meals.**

Based on results of a survey conducted by Tidwell & Associates Inc. during the focus groups, students request increased an variety of entrée choices and vegetables. A variety of food choices encourage students to eat meals and to select items they normally would not. Districts implementing wide varieties of food choices have higher customer satisfaction and participation rates.

Research shows that appearance and presentation of food is extremely important in any food service operation. The district should examine the serving process that is used to serve entrees and vegetables. The current process of pre-cupping prior to the service may have a huge effect on a student's perception of the food. The meal service observation at the high school during lunch found that lasagna, a scratch entrée that is prepared using uncooked ground beef, is cupped and served on the line in white styrofoam containers. A student returned to the register with a complaint that his portion was less than what is normally served. The staff did not address the issue and the student returned to his seat. It would have been more appealing if served on the line. This would also allow LSD 4 to eliminate the use of portion cups and save staff time.

An additional method to improve meals is to expand the variety of vegetables served during three-week rotation. The LSD 4 high school menu reflects sweet potato fries and potato "smiles" being offered as a side two days each week. There are also servings of corn on two consecutive days. The freshman high menu lists serving broccoli with cheese twice during the same week, February 23, 2015 and again on February 25, 2015. The same vegetable is also served the previous Thursday, February 19, 2015. The district should revise the menu following the winter break to introduce seasonal vegetables and other entrées to avoid serving the same rotation for the entire school year.

The district should explore various websites and resources provided by the National Food Service Management Institute, School Nutrition Association, Team Nutrition, and USDA Child Nutrition Programs to locate new recipes to test with students. In addition, the district should conduct additional surveys to explore students' preferred choices and variety. Research should be conducted on the use of sodium reduced spices and herbs to enhance the flavor of food. Recipes that provide various preparation methods for vegetables like "roasting" should also be considered.

### IMPLEMENTATION PLAN

1. The director of operations and food services coordinator will review list of products included under the Alliance and test items with students.
2. The food services coordinator should add items selected by students via testing to the approved list of products and incorporate items into weekly menus at all levels.
3. The food services coordinator should research food and nutrition resources and websites like the National Food Service Management Institute or USDA Team Nutrition website to locate recipe options to test with students.

## **FISCAL IMPACT**

Costs associated with this recommendation are not known until surveys and product testing is completed and the menu has been revised to include more choices.

## **FINDING**

LSD 4 food services provide several scratch cooked items.

The scratch cooked items include yeast rolls, cinnamon rolls, spaghetti with meat sauce, and lasagna. The district is commended in its efforts to provide students with these popular items. Scratch cooking was once considered a forgotten art in school food services. Districts that moved from scratch are gradually returning some scratch or speed scratch items to meet the new restraints on sodium while trying to retain student participation.

Scratch cooking processes can improve the quality of food. By implementing scratch cooking methods, students not only receive high quality meals but also nutritious non-processed foods. This encourages students to participate in the food services program.

## **COMMENDATION 7-C:**

**Scratch cooking processes are in place, which promotes a higher participation rate by students.**

## **FINDING**

All foods sold in LSD 4 schools are reviewed by the district food services office using the Smart Snack Product Calculator, a food planning tool designed by the Alliance for a Healthier Generation.

In July 2014, USDA Food and Nutrition launched the All Foods Sold in Schools Regulation section 208 of the Healthy Hunger Free Kids Act 2010. The regulation also known as the Smart Snack Rule placed nutritional standards on all foods sold during the school day by food service and school fundraisers.

Beginning in the 2014-15 school year, schools were faced with monitoring the types of foods sold to students during school hours. This became a challenging task for many districts throughout country. LSD 4 has implemented a process to comply with the new regulation. The district food services office reviews all foods sold in schools using the Smart Snack Product Calculator to ensure adherence to USDA Smart Snack Rules.

## **COMMENDATION 7-D:**

**All non-program foods served during the school day in LSD 4 schools adhere to the USDA Smart Snack Rule.**

## 8.0 TECHNOLOGY USE AND MANAGEMENT

This chapter presents findings, commendations, and recommendations relating to technology use and management at Lexington School District 4 (LSD 4). The major sections of this chapter include:

- 8.1 Introduction, Methodology, and Peer District Comparisons
- 8.2 Organization and Policies
- 8.3 Network and Operations
- 8.4 Hardware and Software
- 8.5 Administrative

### CHAPTER SUMMARY

The LSD 4 technology department provides quality network support and hardware with high-availability time in its pursuit to deliver access to digital resources for student learning, faculty preparation, and administrative computing. Consultants reviewed the policy and planning documents, organizational structure, funding, infrastructure, software and hardware, and staff development related to technology within the district.

This chapter contains the following commendations:

- The district leadership and staff have established a vision utilizing technology that supports the learning process. (Page 8-11)
- The district has invested in wireless coverage throughout the district. (Page 8-12)
- The district recognizes the value of providing Google Apps for Education and Microsoft Office applications. (Page 8-17)
- The district is commended for its investment in a 1:1 computing strategy for grades 9-11 and in 2015-16 for grades 9-12. (Page 8-18)

Each of the chapter's recommendations is labeled as Tier 1, Tier 2, or Tier 3. This refers to our team's suggested level of importance in the urgency of the implementation of the recommendations. Below is a guideline to the three tiers.

**Tier 1: Greatest Impact:** The district should implement these recommendations immediately to take maximum advantage of their opportunities.

**Tier 2: Moderate Impact:** The district should implement these recommendations as soon as practical to improve the efficiency and effectiveness of operations.

**Tier 3: Minimal Impact:** The district should implement these recommendations when time and funds are available as best suits the needs of the district.

Though the technology team at LSD 4 delivers satisfactory services and possesses equipment necessary for the district to function, certain improvements are needed. Based upon a review of the district technology plan, state E-rate funding formulas, the district website, state and federal technology guidelines, on-site visits, focus groups and interviews, this chapter contains the following recommendations:

- Comply with the Children Internet Protection Act (CIPA) to receive E-rate funds. Tier 2 (Page 8-7)

- Formalize a relationship between the technology integration coach and assistant superintendent. Tier 2 (Page 8-8)
- Adjust district policy to allow personal devices to access the wireless network for educational purposes and require personal devices to authenticate for guest WiFi access. Tier 2 (Page 8-13)
- Develop, implement, and regularly test a comprehensive disaster recovery and business continuity plan and address critical infrastructure needs as a priority to reduce risk. Tier 2 (Page 8-15)
- Explore purchasing Chromeboxes to replace Windows desktop computers. Tier 2 (Page 8-18)
- Explore investing in lockable desktop charging stations for classrooms with small numbers of dedicated devices. Tier 3 (Page 8-20)
- Provide Google Educator training. Tier 2 (Page 8-22)
- Develop a committee or roundtable composed of faculty, administrative, and technology team members to focus on the use of technology as a learning tool. Tier 2 (Page 8-23)
- Maximize E-rate and develop a strategy to reduce costs for telecommunications services that no longer have E-rate support. Tier 1 (Page 8-25)
- Adopt the Information Technology Infrastructure Library (ITIL) service management model as one of the industry accepted best practices for the delivery of IT as a service. Tier 2 (Page 8-27)
- Establish a student technician team to assist with Chromebook hardware maintenance. Tier 3 (Page 29)
- Implement a document management solution and scan the backlog of paper documents, beginning with the human resources department. Tier 2 (Page 30)

### **Survey Results Related to Technology**

Tidwell and Associates, Inc. surveyed district office staff, administrators, principals, and teachers regarding technology tools, support, and infrastructure in LSD 4. Complete results for this survey section can be found in **Exhibit 8-1** below. Highlights include:

- All respondents generally agreed that they understand how to use technology as it relates to their job functions, with an overall average of 4.39 (on a scale of 1 – 5).
- School administrators (M=4.54) and district administrators (M=4.33) had greater agreement that they have adequate equipment and computer support to conduct their work in comparison with teachers (M=3.77).
- Both teachers (M=2.57) and school administrators (M=2.46) felt that the district's technology is used past its lifespan, indicating that this is an area for improvement.

Of particular note, and as reported, the greatest need in the classroom was access to technology. Teachers are requesting more technology for their students. In particular, teachers requested more access to computers/iPads/etc. for students and requested equal technology to other districts. As one teacher suggested, "I feel it would be beneficial for the students to have one-to-one Chromebooks. This could help keep them more organized and allow them to use them for many different subjects throughout the day." Other technology requests included improved Internet service, access to on-line textbooks, more technology training, better computers, and working smart boards.

**EXHIBIT 8-1  
TECHNOLOGY SURVEY RESULTS  
LSD 4**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
I understand how to use technology as it relates to my job functions	4.39	4.36	4.69	4.50
District wide, the district is up-to-date technologically	3.57	3.55	3.92	3.67
The district has adequate technology to support its operations	3.46	3.49	3.23	3.40
When necessary, the district's technology equipment is quickly repaired or serviced	3.60	3.58	3.92	3.67
The district has effective technology support when computers malfunction	3.46	3.67	3.58	3.60
I have adequate equipment and computer support to conduct my work	3.83	3.77	4.54	4.33
The district's technology equipment is often used past its useful lifespan	2.59	2.57	2.46	3.00
The district website is a useful tool for staff, parents, and students	3.95	3.92	4.31	4.00
Students have regular access to computer equipment and software in the classroom	4.01	4.01	4.15	3.83
District staff have easy access to internet	4.39	4.39	4.69	4.17
The district has adequate bandwidth to ensure maximum use of the internet	3.70	3.71	3.85	3.50
Overall, teachers are effectively utilizing technology as part of instruction	4.05	4.04	4.23	4.00

Source: Tidwell & Associates, Inc. 2015.

Note: Items in this section are rated on a five point scale, with higher values representing greater agreement with the presented statement. Items with an average score of "4" or greater are considered areas where the district is especially effective and efficient. Items with an average score less than "3" are considered areas for improvement. Items reverse scored are shown with an asterisk so that higher values reflect greater perceptions of efficiency and effectiveness.

During site visits it was observed that the district recently upgraded computer operating systems off the unsupported Microsoft XP platform. This was performed in conjunction with the purchase of the annual Microsoft Agreement to remain compliant. The review team tested sample computers, which were found unusable for basic functions of Internet browsing. The quantity of computers for access is critical but they must meet basic performance measures to be usable. A plan to adopt a service management program that should establish performance metrics for computer response is detailed in Recommendation 8-1.

The district's adoption of Google Chrome devices is sound, and highly recommended. The district should consider Chromeboxes for refreshing desktop computers. A Chromebox is a desktop version of the Chromebook and is a device no larger than a typical hardcover novel. A sub-\$200 device would allow for quicker refresh of older technology and also allow increased numbers for access. This strategy can be found in Recommendation 8-4.

### FISCAL IMPACT OF RECOMMENDATIONS

**Exhibit 8-2** provides a summary of the estimated costs and savings associated with the recommendations contained in this chapter. As shown, a net savings of \$691,300 could be realized over five years, should the district choose to implement the recommendations.

#### EXHIBIT 8-2 FISCAL IMPACT OF CHAPTER 8 TECHNOLOGY USE AND MANAGEMENT

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Adjust district policy to allow for personal devices to access the wireless network for educational purposes and require personal devices to authenticate for guest WiFi access	(\$30,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)
Develop, implement, and test a comprehensive disaster recovery and business continuity plan and address critical infrastructure needs as a priority to reduce risk	(\$10,000)	\$10,000	\$10,000	\$10,000	\$10,000
Explore purchasing Chromeboxes to replace Windows desktop computers	\$80,000	\$80,000	\$60,000	\$60,000	\$60,000
Explore investing in lockable desktop charging stations	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)
Maximize E-rate and develop a strategy to reduce costs for telecommunications services	\$230,000	\$190,000	(\$10,000)	(\$20,000)	(\$30,000)

Adopt the Information Technology Infrastructure Library (ITIL) service management model	(\$5,000)	(\$7,000)	(\$5,000)	\$5,000	\$5,000
Establish a student technician team to assist with Chromebook hardware maintenance	(\$3,200)	\$9,000	\$10,000	\$10,000	\$10,000
Implement a document management solution	(\$20,000)	\$10,000	\$10,000	\$10,000	\$10,000
Total Costs	(\$75,700)	(\$19,500)	(\$27,500)	(\$32,500)	(\$42,500)
Total Savings	\$310,000	\$299,000	\$90,000	\$95,000	\$95,000
<b>GRAND TOTAL SAVINGS</b>	<b>\$234,300</b>	<b>\$279,500</b>	<b>\$62,500</b>	<b>\$62,500</b>	<b>\$52,500</b>

### 8.1 Introduction, Methodology, and Peer District Comparisons

The technology department maintains the following devices in addition to the wired and wireless network infrastructure.

- 1,606 PCs
- 301 Laptops
- 726 Chromebooks
- 224 SmartBoards
- 239 Projectors
- 256 Handheld computers
- 38 Servers (Virtual and Physical)

The instructional and administrative technology support strategy is to assign one computer technician/intern for every three schools while keeping the network support staff centrally located.

Based on similar criteria, peer districts for this study were selected and include Orangeburg 4, Orangeburg 5, Hampton 1, and Laurens 56. As part of this voluntary study, the Education Oversight Committee and Tidwell and Associates requested various data from the peer districts for comparative purposes. This chapter will incorporate peer data shared with our team by each of the peer districts. Some of the comparative data used are extracted from the South Carolina Department of Education website and best practices based upon standards set by the International Society of Technology in Education.

**Exhibit 8-3** demonstrates the staffing for instructional and administrative technology and technology-related functions. Based on this comparison, LSD 4 is in line with other districts regarding the staffing of the technology function. Note: Orangeburg 5 has significant instructional technology staff under the technology function that accounts for its increased percentage of technology staff to total staff.

**EXHIBIT 8-3  
FULL-TIME TECHNOLOGY SUPPORT STAFF COMPARISON**

DISTRICT	TECHNOLOGY STAFF (FTE)				TOTAL DISTRICT STAFFING	PERCENTAGE TECH STAFF TO TOTAL STAFF
	SUPPORT	INSTRUCTIONAL	OTHER	TOTAL		
<b>Lexington 4</b>	<b>5</b>	<b>1</b>		<b>6</b>	<b>312</b>	<b>1.92%</b>
Hampton 1	5			5	325	1.54%
Laurens 56	6			6	305	1.97%
Orangeburg 4	6			6	348	1.72%
Orangeburg 5	13	10	1	24	757	3.17%

Source: Review of each district website and National Center for Educational Statistics (<http://nces.ed.gov/>), March 2015.

The increasing number of devices (1:1 program in the high school), as well as the increased support demands to maintain an aging fleet of desktops, leads to increased pressure for management efficiency. LSD 4 has performed well in this area.

The primary methodologies used to review the technology organization and management practices included:

- Interviews of many key district personnel including the assistant superintendent and the chief information officer;
- Separate focus groups of building principals, technology integration coaches, and new teachers;
- A community open house;
- An analysis of state and district data and documents including, but not limited to, state and national funding programs, hardware and software applications, organizational chart, technology plan, and public information documents;
- Survey results; and
- A review of peer district comparison data (where available).

## **8.2 Organization and Policies**

### **FINDING**

The district has an Internet acceptable use policy (AUP) contained within the Student/Parent Handbook.

As of February 23, 2015 the district AUP is not located in a prominent location on the district website or as a direct link. It is not clear by review if the parents and students as well as teachers and all staff members are required to sign the AUP agreement.

*An AUP is a written agreement, signed by students, their parents, and teachers, outlining the terms and conditions of Internet use. It specifically sets out acceptable uses, rules of on-line behavior, and access privileges. Also covered are penalties for violations of the policy, including security violations and vandalism of the system. Anyone using a school's Internet connection should be*

*required to sign an AUP, and know that it will be kept on file as a legal, binding document.” (Classroom Connect, December 1994-January, 1995 issue)*

**Exhibit 8-4** demonstrates that among peer districts, LSD 4 does not have an easily accessible AUP. Easily accessible is defined as an identifiable link being found in at least one of three locations, the district home page, building home page, or technology/instructional technology home page.

**EXHIBIT 8-4  
ACCEPTABLE USE POLICY ACCESSIBILITY  
LSD 4**

<b>DISTRICT</b>	<b>AUP EASILY FOUND ON WEBSITE</b>
<b>Lexington 4</b>	<b>No</b>
Hampton 1	Yes
Laurens 56	Yes
Orangeburg 4	Yes
Orangeburg 5	Yes

Source: District website review, February 2015.

**TIER 2 RECOMMENDATION**

**Recommendation 8-1:**

**Comply with the Children Internet Protection Act (CIPA) to receive E-rate funds.**

This requires an approved Internet Safety Policy and a public notice and hearing or meeting to present the policy. In addition the district must include in the policy that Internet safety education is provided and the district must ensure all students are provided lessons on cyber bullying awareness and response as well as appropriate online behaviors for students on social networking sites and chat rooms (Broadband Data Improvement Act / Protecting Children in the 21<sup>st</sup> Century Act). The district reported that it holds a public meeting regarding the district Safety Policy during the fall School Improvement Council meeting each year and that the Board is briefed regarding the E-Rate, including all policies, in February each year. As of February 23, 2015, the review team was unable to validate the Internet Safety Policy exists and if so, if it is approved by the school board, and if approved, the required components of the policy are enforced to assure E-rate compliance.

**IMPLEMENTATION PLAN**

1. The CIO and building principals will review the current Internet Safety Policy to ensure that current practices meet federal guidelines.
2. The CIO and assistant superintendent will develop a presentation to present the Internet Safety Policy at a board of education meeting.
3. The CIO will establish a link visible on each building web page that points to the updated and approved Internet Safety Policy.

**FISCAL IMPACT**

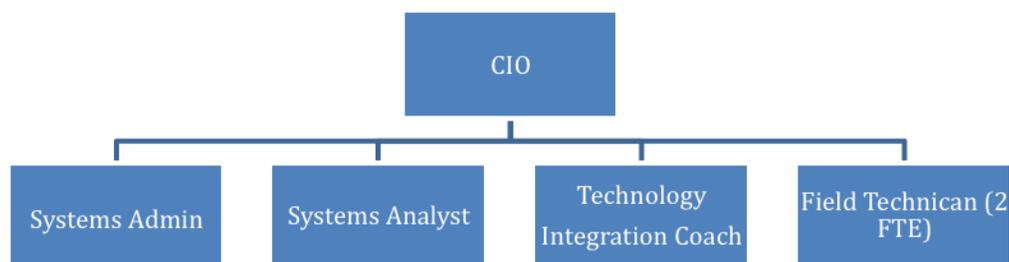
There will be no fiscal impact to this recommendation, as there are a multitude of guidelines and resources readily available online, ranging from the Federal Communications Commission to

the South Carolina K-12 School Technology Initiative websites. With these resources, district personnel will possess the best information available and access to free resources to produce a high quality Internet Safety Policy.

## FINDING

The technology department is headed by a chief information officer (CIO) who reports directly to the superintendent of schools. Within the technology department, there exists a systems administrator, systems analyst, and two field technicians. The technology integration coach position is currently vacant. The current reporting structure is shown in **Exhibit 8-5**. The technology department is responsible for maintaining the digital infrastructure of the school, and is not responsible for making or initiating projects that impact the learning environment. These decisions are made at the curricular level with principals and the assistant superintendent. The technology function in the district has received high marks for the support provided to the users in almost all cases, which is evident in the survey data found in the introduction of this chapter.

**EXHIBIT 8-5**  
**CURRENT TECHNOLOGY DEPARTMENT ORGANIZATIONAL CHART**  
**LSD 4**



Source: LSD 4 Chief Information Officer, February 2015.

Although pathways and relationships exist, there is no formal structure to facilitate communication among the technology department, instructional leaders, stakeholders, and those responsible for integrating technology tools into the learning process.

It was noted during interviews and field observations that there were some inconsistencies in communication among the technology department and members of the faculty and instructional coaches. This can be observed in that performance of hardware viewed as acceptable by technology and inconsistencies in the vision regarding the use of software applications supporting instruction.

## TIER 2 RECOMMENDATION

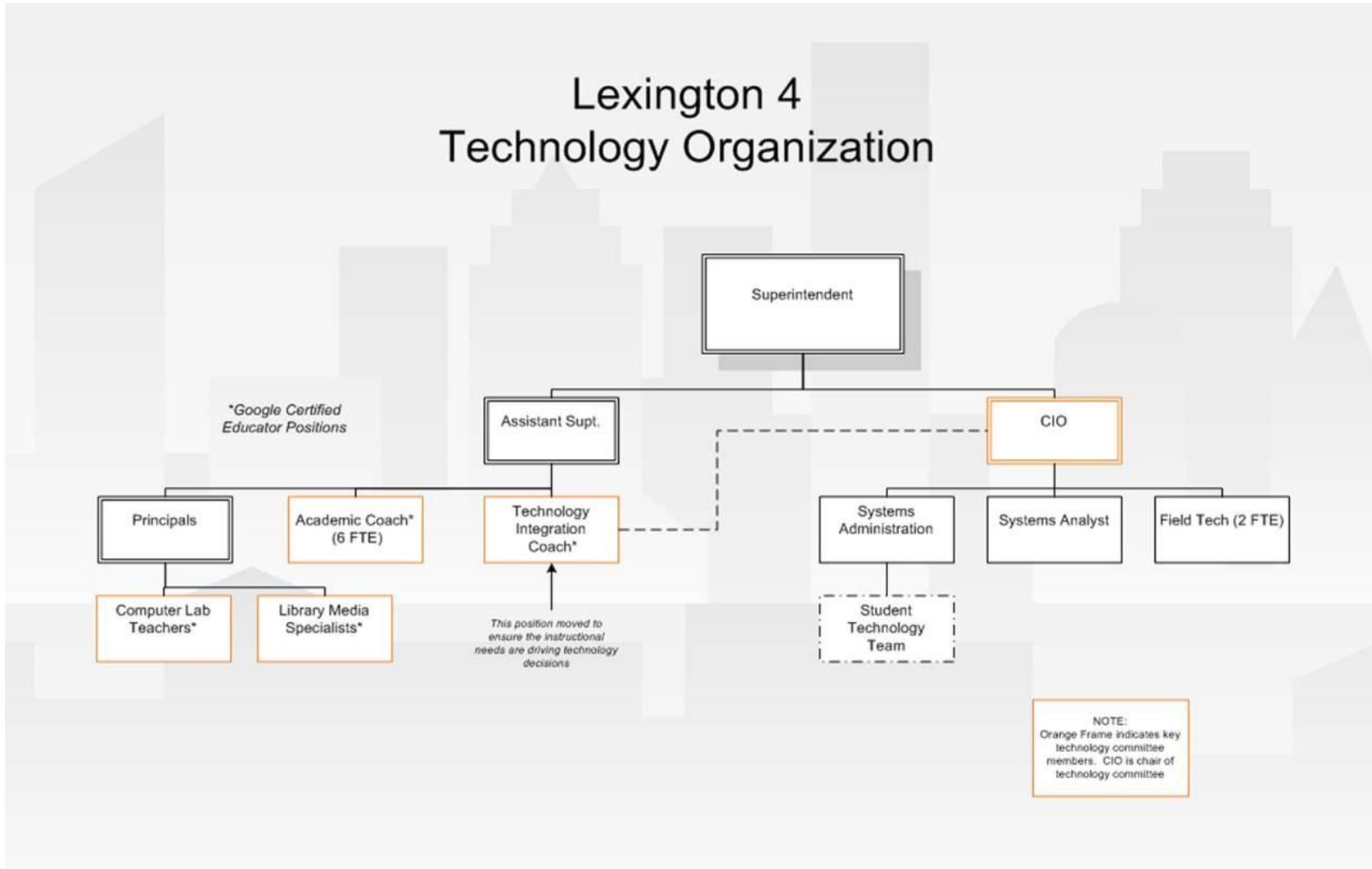
### Recommendation 8-2:

**Formalize a relationship between the technology integration coach and assistant superintendent.**

**Exhibit 8-6** is a proposed organizational structure that slightly modifies existing relationships, whereby the chief information officer maintains a non-supervisory role with the technology

integration coach. For adoption, two-way communication is critical between the technology department and the instructional and coaching staff in the field. The technology integration coach can maintain an administrative relationship with the assistant superintendent for such things as leave requests and expense reimbursements. The technology area has done excellent work implementing and supporting technology. The technology integration coach will be responding to instructional priorities and communicating and coordination with the CIO. This subtle change helps alignment of the academic coaches with the technology integration coach. In addition, current academic coaches should assume a more prominent and formal technology integration responsibility with the leadership of the technology integration coach and should assist the department in improved communication of mission and goals.

**EXHIBIT 8-6  
PROPOSED TECHNOLOGY DEPARTMENT ORGANIZATIONAL CHART**



Source: Tidwell & Associates, Inc. 2015.

## IMPLEMENTATION PLAN

1. The superintendent and assistant superintendent will formalize a nonsupervisory relationship between the CIO and technology integration coach.
2. The CIO and technology integration coach will develop a communication protocol and establish a periodic meeting schedule to discuss short-term implementation activities and long-range academic technology plans and IT infrastructure activities.

## FISCAL IMPACT

There will be no fiscal impact on the district as a result of this revision in the organizational chart and proposed meeting schedule.

## FINDING

The technology integration coach provides support and training to the faculty.

Throughout the district, there is an awareness and acknowledgement that today's student requires access to high quality technology tools. The administrative team has been supportive of the technology team that has, in turn, done an admirable job as a small district with limited funds to provide cost effective tools to teachers and students. Although there is room to grow, the key staff and culture exists to enable LSD 4 to become a model for other districts in the state. The district is providing students, teachers, and staff with a technology platform that is reliable, consistent, and ready to be leveraged as the district looks toward increased adoption of personalized learning, with each student setting personal learning plans that are augmented through the use of technology, and supported through an equitable technology platform.

## COMMENDATION 8-A:

**The district leadership and staff have established a vision utilizing technology that supports the learning process.**

### 8.3 Network and Operations

Overall the district's network infrastructure, including cabling and switching, is adequate to support the current devices on the network. The district actively monitors the network using management tools and is proactive in addressing issues that may arise. The network infrastructure is being asked to carry more critical and diverse traffic through consolidation. This includes recent implementation of Voice over Internet Protocol (VoIP), security cameras, and facilities management. This is in addition to the core functionality of Internet access. As the district migrates more critical services to the network and reliance on Internet access continues to expand, it will be necessary to increase the reliability and recovery time for the network (refer to Recommendation 8-3 for disaster recovery).

## FINDING

LSD 4 has made a major step in providing the district with wireless access.

Prior to rolling out wireless devices, the district embarked upon a wireless infrastructure project. This has provided wireless connectivity throughout the district and enabled policy discussion around bring your own device (BYOD) for increased access to the network and Internet

resources for all teachers, students, administrators and, in some cases, the community. Although challenges remain in this area, LSD 4 has made a major step in providing stakeholders with next generation access in support of the connected world the students of LSD 4 will inherit upon graduation.

#### **COMMENDATION 8-B:**

**The district has invested in wireless coverage throughout the district.**

#### **FINDING**

Personal electronic devices are not allowed in LSD 4 schools by policy, and the WiFi network is open for guest access. The current district (**Exhibit 8-7**) policy does not allow students to use personal devices on the wireless network.

#### **EXHIBIT 8-7 LSD 4 CELL PHONE POLICY**

Cell phones are allowed, but must not be audible or visible during the school day. Any phone that rings or is used during the school day will be confiscated. If a cell phone or electronic device is confiscated on school grounds, a parent/legal guardian must come to school to sign for return of the cell phone or electronic device. The same rule and consequences apply to use of cell phones on school buses. School buses are considered an extension of the school day. If a cell phone is confiscated on a school bus, a parent/legal guardian must come to the transportation office to sign for return of the cell phone. Students may use their phones once they are outside the building after school dismissal or after they have exited the school bus in the afternoons. Cell phones and unauthorized electronic devices used in violation of this policy will be confiscated, turned in to the school/transportation office and a parent/legal guardian must come to the school to sign for the return of the cell phone or electronic device. Second offenses will result in a parent/guardian having to come to school to sign for the return of the device; third offenses will result in the cell phone or electronic device being held for the remainder of the school year. Students who are determined to be in use of these items will be subject to disciplinary actions as defined by the student code of conduct. Use is defined, for the purpose of this policy, as any visible or audible presence. Any student that takes an inappropriate picture or video on their cell phone and shares it with other students or uses any cell phone features (including text messages) that causes a disruption of the learning environment may be classified as a level three offense resulting in a student recommendation for expulsion.

Source: LSD 4 Student Handbook, 2015.

The reality is that students and teachers can access the guest network and oftentimes have multiple devices (smartphone, laptop, tablet) accessing the WiFi network for Internet through the district guest network. There is currently no process to regulate this access or require a security check on devices accessing the network. Typically devices that are logging onto the secure network are district owned and are provided by the district with appropriate security measures and antivirus protection.

A best practice when providing WiFi services is to include a guest network for users who need access to the Internet while visiting the school. Guests must be restricted to basic Internet access with limits on streaming and other high traffic applications. Often guest users are passed through a captive portal provided by a network access controller. This traffic is separate

from district authenticated user wireless traffic. Guest usage is typically slowed if authenticated user access demand increases. The district IT staff must be capable of quickly bringing down the guest access if there is an issue that demands it. In most applications accessing a guest network should require users to accept terms of access (for example, in a hotel), and in some cases require device and user registration. Authentication for guest access is the ultimate solution where a dynamic, configurable, and pre-shared key – unique to each guest user – can be created and set up to expire. In essence, the district must balance convenience from security and open access for anyone specifically since the WiFi signal may bleed over into public spaces.

As a means of augmenting the district mobile device offering, Saratoga Springs City School District (Saratoga Springs, NY) utilizes student device authentication and threat assessment tools to manage the district BYOD initiative. Students must log onto the designated “student” wireless network with their BYOD device. This enables the district to provide high quality, secure access to students while managing and cataloging device usage to guard against both malicious behavior and outside threat protection. By reducing the threats to the district network, and ensuring that non-district devices are kept separate from internal data traffic, the district will save money in regard to compromised computers and stolen data.

## **TIER 2 RECOMMENDATION**

### **RECOMMENDATION 8-3:**

**Adjust district policy to allow for personal devices to access the wireless network for educational purposes and require personal devices to authenticate for guest WiFi access.**

The policy needs to take into account that students currently bring devices into school and are allowed (if not by policy) to connect to the WiFi and use these devices throughout the day. A policy that does not allow for, or realistically guide faculty and staff on acceptable student use of personal devices, or support in some way a bring your own device (BYOD) program, promotes confusion for all and is not in line with the realities faced by today’s students and teachers. The district student handbook regarding the use of electronic devices and cell phones does not provide a strong sense that the district is encouraging the use of technology and supportive of a program where personal devices can be used for valid educational purposes.

## **IMPLEMENTATION PLAN**

1. The CIO and building principals will review the policy for guest access. Consider this as an activity for the newly formed technology roundtable.
2. The CIO and building principals will review policy for Bring Your Own Device (BYOD).
3. The systems administrator will lock down the secure network.
4. The CIO and systems administrator should create the necessary infrastructure and process changes needed to provide a quality guest network. Review technical solutions to provide for high security and controls of the guest network.

- |  |
|--|
| 5. Building principals will roll out the new policies. Consider a trial period followed by evaluation. |
| 6. The technology department will monitor access and report to district and building leadership.       |

## FISCAL IMPACT

The hardware and software governing the wireless infrastructure is capable of supporting the recommended activities; however, it is expected that additional licensing or configuration of the network will be needed. This may include implementation of a network access control solution and a captive portal for wireless users. It should be noted that a network consultant might be required to assist in this design and implementation in Year 1. The technology department has the capability to perform tasks of network maintenance after this initial implementation.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Licensing and configuration support	(\$20,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)
Consultant	(\$10,000)				
<b>TOTAL COST</b>	<b>(\$30,000)</b>	<b>(\$5,000)</b>	<b>(\$5,000)</b>	<b>(\$5,000)</b>	<b>(\$5,000)</b>

## FINDING

The district's Disaster Recovery and Business Continuity Plan (DR/BC) is not formalized, written, and tested on a regular basis.

Based on interviews and documentation reviews, DR/BC for the district is being minimally addressed and, for the most part, only at a tactical level by addressing the district's critical administrative systems for data backup. Key network infrastructure components are functioning as single points of failure. A comprehensive disaster recovery and business continuity plan is not in place and what does exist is not tested on a regular basis. There is clear evidence of the understanding and criticality of data backups and there appear to be good systems and processes in place to address this critical requirement. For example the district has provided the following detail related disaster recovery plan:

*The district DR plan includes the following:*

1. *On-site "traditional" backup services (full, incremental, differential) to a disked-based backup appliance. Nightly scheduled backup run with full backups each weekend. The backup set is capable of BMR (bare metal restore) and has been verified in the past year.*
2. *All servers are running RAID 6 or 10.*
3. *All servers are covered by off-site backup to a cloud-based backup service that provides file-level restore. Files to this service are backed up every 15 minutes. Again, this service has been verified in the last month.*
4. *Additional steps are taken for mission critical systems to provide a tertiary or quaternary level of data protection.*
5. *All services report success or failure to the IT staff via email and other reports.*

*RTO – The recovery time for any single server is expected to be less than 8 hours. Recently, 3 school servers were restored to service from a controller/disk failure in less than 8 hours.*

The DR/BC in terms of the overall strategy and plan needs to be addressed, as data backup is only one part of a comprehensive DR/BC plan.

The district's technology plan identifies the need to develop the DR plan under Goal Number Five: "All learning communities have equitable access to diverse, quality technology and timely technical support." With Objective 5.4: "Lexington Four will implement a disaster recovery plan for all points of failure in local area networks (LANs) and wide area networks (WANs), including redundant data storage, robust automated backup, and immediate hardware recovery." This goal and objective does not reflect the comprehensive DR/BC planning that is needed. For example, it is unclear based on the current plan if all systems and services provided by the technology department are covered and for what potential risk, (i.e. hardware failure, software updates, security, virus infection, user error, etc.). Also, during a service impacting incident, it is unclear what the recovery time objectives (RTO) are and which services are priorities for restoration.

Of particular concern are the following, which should be considered as priority areas to address:

- Data center physical security and environmental issues that may impact the core infrastructure;
- Uninterruptable power supplies (UPS) located in data closets throughout the district and data center;
- Single points of failure in the core and building level network; and
- Continuity of communications, including E911, particularly VoIP service during power failure or a network outage.

The district's core data center is inadequate and, from an environmental perspective, is not up to minimal standards. Key components in the infrastructure also present single points of failure with the potential to create long-term outages of Internet access and service delivery. The district does have some virtualized servers, however, there are a significant number of standalone servers being purchased that may best be delivered as part of virtualized services. The district has done a good job of adopting cloud services and this practice should continue. This can lead to reducing risk and serve as a component of the DR/BC long-term strategy.

## **TIER 2 RECOMMENDATION**

### **RECOMMENDATION 8-4:**

**Develop, implement, and test regularly a comprehensive disaster recovery and business continuity plan (DR/BC) and address critical infrastructure needs as a priority to reduce risk.**

Developing a DR plan that is specifically suited to LSD 4 is a necessary and vital component of IT operations. The disaster recovery plan begins with a complete understanding of the hardware and software assets of the district, the relative business priority of these assets, and how these assets relate to the service consumed by the user. In addition, the underpinning service level agreements (SLA) determine the extent to which the district can guarantee

recovery for each asset and how this impacts and defines the recovery time objectives (RTO). The DR must include a risk assessment (RA) and also consider the patterns of business activity (PBA); for example online testing periods may require a higher service level agreement that must be incorporated into the overall plan. Also consider E-Rate for support of UPS replacements/upgrades.

If the district does not have the internal capacity to implement this recommendation, LSD 4 should hire a consultant to take the district through the development of the DR/BC.

## IMPLEMENTATION PLAN

1. As part of the DR/BC plan, the district needs to address the data center. It is necessary to address the environmental issues identified, including appropriate physical security access, flooring, fire detection/prevention, and power that are not appropriate for a proper data center environment.
2. The district should consider the value of Infrastructure as a Service (IaaS) in lieu of the significant capital investment that may be required for the construction or renovation of the district data center environment.
3. The CIO will identify the costs for a “do it yourself” approach including understanding of the actual data center requirement (and costs to achieve this) as well as current and future capital investments in server hardware, virtualization technology, software, training, maintenance, and operational support. For critical network and infrastructure identified in the DR planning, invest in adding higher levels of reliability where needed. This includes UPSs in all data closets.
4. The CIO will consider the acquisition of the needed infrastructure services through current IaaS and cloud services and compare this with the build and operate model.
5. The CIO will evaluate IaaS vs. “do it yourself” approach to determine the lower total cost of ownership (TCO). In addition IaaS offers pre-defined service level agreements with 24x7x52 support, which is an area most school districts are struggling with providing.
6. Continue to minimize the data center footprint and migrate to IaaS if the strategy is adopted within the district.

## FISCAL IMPACT

If the district develops, implements, and tests a comprehensive DR/BC plan internally, it is estimated to take approximately two weeks. However, if a technology consultant is hired to conduct the work, it would cost the district approximately \$10,000 to support development of the plan over the course of two months. At a minimum the DR plan should address single points of failure in the network, inadequate UPSs at all data closets, increased reliance in the core switching, and clustered/increased service levels for the firewall.

Offset for data center investments and operating costs includes the estimated net savings of \$20,000 resulting from the reduced capital investments needed to address critical data center physical and environmental upgrades, as well as reduced server investment (\$20,000 per year

starting in Year 2) and reduced operating costs (\$10,000 per year starting in Year 2) reduction from staff, HVAC, electric, etc. as a result of IaaS adoption.

Equipment upgrades data center and IaaS include funds to immediately address (\$10,000 in Year 1) the critical data center, an estimated investment (\$20,000 in Year 2) representing the district's Category 2 E-rate share supporting the necessary infrastructure upgrades in support of the disaster recovery plan, and the new budget for the data center and IaaS (\$20,000 per year starting in Year 2) shifting to IaaS adoption over this period. Year 3 includes costs for continued investments in the network and supporting the disaster recovery plan.

<b>Recommendation</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Offset from data center investments and operating costs with a consultant	\$0	\$50,000	\$30,000	\$30,000	\$30,000
Equipment upgrades data center and IaaS	(\$10,000)	(\$40,000)	(\$20,000)	(\$20,000)	(\$20,000)
<b>TOTALS COST/SAVINGS</b>	<b>(\$10,000)</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>

#### **8.4 Hardware and Software**

##### **FINDING**

The challenge for many districts is choosing between legacy tools such as Microsoft Office, which come at great financial cost, and free applications found in the Google Apps for Education suite of tools. The district policy of supporting both suites of productivity tools allows students to maximize the use of their Chromebooks while leaving open the opportunity to work in Microsoft Office, which is the product of choice for many private sector companies.

While each suite of tools has its strengths, the district leadership has allowed for use to grow organically and has witnessed trends of use of tools to support productivity and collaboration among students, teachers, and staff. This dual application approach is highly recommended, but should be reevaluated on a yearly basis as products evolve and mature.

##### **COMMENDATION 8-C:**

**The district recognizes the value of providing Google Apps for Education and Microsoft Office applications.**

##### **FINDING**

Despite several difficult budget years, LSD 4 has dedicated funding and resources to pursue a 1:1 program in grades 9-12.

The process by which the district approached their 1:1 initiative was to provide new Chromebooks to incoming 9<sup>th</sup> grade students who would then keep these machines throughout their years as high school students. Procuring, distributing, and leveraging the economical Chromebook solution in this way is most certainly a best practice. During fiscally challenging times, LSD 4 pursued an option to outfit their students with an economical and useful platform to

support mobility and personalized learning. The Chromebook and Google management platform provides a low-cost and efficient solution, and excels in a 1:1 environment where there is limited technology staff to support technology initiatives.

**COMMENDATION 8-D:**

**The district is commended for its investment in a 1:1 computing strategy for grades 9-11 and in 2015-16 for grades 9-12.**

**FINDING**

Many computers throughout LSD 4 are aging and require replacement.

LSD 4 has a number of aging computers originally purchased with the Windows XP operating system. During the summer of 2014 previously, these devices were upgraded to Windows 7. Although this upgrade resolved support and security issues surrounding Windows XP, it has created some challenges in terms of computing speed and overall machine capability, which in many cases impedes student and teacher productivity. These issues include, but are not confined to, increased login times and sluggish multitasking performance. This was witnessed during site visits, and the survey results found in **Exhibit 8-1** highlight a general consensus across the district that the district’s technology equipment is often used past its useful lifespan.

**Exhibit 8-7** demonstrates that among all questions posed to district staff, this lifespan issue received the lowest marks from every member group.

**EXHIBIT 8-7  
TECHNOLOGY EQUIPMENT QUESTIONS  
LSD 4 SURVEY**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
The district's technology equipment is often used past its useful lifespan	2.59	2.57	2.46	3.00

Source: Tidwell & Associates, Inc. 2015.

**TIER 2 RECOMMENDATION**

**Recommendation 8-5:**

**Explore purchasing Chromeboxes to replace student Windows desktop computers.**

Since LSD 4 is heavily invested in the Google Apps for Education ecosystem, and has made a sizeable commitment toward using Chromebooks in grades 9-12, the need for many student designated desktop computers running a Microsoft Windows operating system is declining.

A Chromebox is a desktop version of the Chromebook and is a device no larger than a typical hardcover novel. Chromeboxes utilize the same browser-based operating system as Chromebooks, and would take advantage of the same administrative tools already deployed to manage the district’s Chromebooks. There would be no additional costs to manage

Chromeboxes, and as they update automatically and require little (if any) technical support once deployed, they would result in a savings regarding time spent managing these devices.

### IMPLEMENTATION PLAN

1. The technology department will identify desktop computers in need of replacement, and filter these results for desktops that could be replaced by Chromeboxes.
2. The CIO and instructional leaders will research the model Chromebox to be deployed.
3. The technology department will procure the desired model Chromebox.
4. The technology department will deploy Chromeboxes to replace designated Windows machines.
5. The systems administrator will add deployed Chromeboxes to Google Apps Admin utility for management.

### FISCAL IMPACT

Chromebox adoption will reduce overall cost to the district to refresh on a one-to-one basis. For each Chromebox used to refresh a Windows based desktop it is estimated the district will save a minimum of \$400 based on a \$600 desktop refresh. This estimate is based on the reuse of existing monitors, keyboards, and mice. Since the Chromebox technology is lower in cost, the district can obtain nearly three times the workstations for the same investment or lower its capital cost for refresh of desktop computers. In some cases a Chromebox may not suffice, therefore, the district should examine this on a case-by-case basis.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Refresh 200 desktops with Chromebox per year. Year 3 – 5 is reduced to reflect the need for monitors and keyboards.	\$80,000	\$80,000	\$60,000	\$60,000	\$60,000
<b>TOTAL SAVINGS</b>	<b>\$80,000</b>	<b>\$80,000</b>	<b>\$60,000</b>	<b>\$60,000</b>	<b>\$60,000</b>

### FINDING

Classrooms with dedicated mobile devices are not secured when not in use.

LSD 4 has committed considerable funding toward outfitting classrooms with mobile technology to aid student learning. These devices are unsecured when not in use and easily could be lost or stolen. In addition, these mobile devices could potentially be damaged due to lack of controls. Many classrooms have small numbers of dedicated devices that are kept on paper trays or ad-hoc solutions for charging and storage. Although paper trays can function as a charging and storage solution, they are inadequate when it comes to protecting the devices from accidental or intentional damage or theft.

When outfitting classrooms with any number of devices, planning for adequate secure storage is necessary to protect the district's investment and ensure that learning opportunities will not be lost due to damage or theft. There is great variety in mobile device storage that is reasonably priced and fits multiple classroom configurations.

As part of a classroom-based 1:1 program at O'Rourke Middle School (Burnt Hills, NY), the district procured vertical lockable charging stations that allowed for 15 devices to be stored in one unit while maintaining a small footprint. The form factor is such that the devices are stacked in self-contained bays and aligned vertically as opposed to horizontally. This design did not require rewiring for additional amperage to the outlet as the device power demand is below the amperage provided by a standard 15-amp outlet.

### **TIER 3 RECOMMENDATION**

#### **Recommendation 8-6:**

#### **Explore investing in lockable desktop charging stations for classrooms with small numbers of dedicated devices.**

Device security is not a problem until something goes missing, and in LSD 4, where theft has not been an issue, justifying the cost of lockable storage using shrinking budgets can be a challenge. Security solutions for small to medium numbers of mobile devices are generally within the range of what was paid for one or two devices thus making the expenditure worthwhile, as these storage units will remain sufficient to support numerous generations of mobile devices.

### **IMPLEMENTATION PLAN**

1. The building principals and the CIO will determine ideal classroom configuration model(s) to be supported for the next 5-7 years.
2. The building principals and the CIO will discuss mobile devices and storage/charging needs for ideal classroom model(s).
3. The technology department will explore and test numerous device manufacturers for a form factor suited to district needs.
4. The technology department will procure mobile storage and charging stations for about 25 classrooms per year.
5. The technology department will deploy mobile storage and charging stations.
6. The technology department will continue to fund and deploy storage and charging stations as part of future procurements throughout the district.

### **FISCAL IMPACT**

At present, classrooms with dedicated devices are in the range of 1-5 devices per room. At this number, the storage/charging options are numerous and reasonably priced and can range from \$250 per unit when purchased in volume, to no more than \$350 per unit when purchased

individually. At this price point, this is below the cost of one iPad (\$399) and within the range of popular Chromebook models that range from \$199 to \$350 per device.

Total return on investment (ROI) for lockable charging stations is difficult to determine, as it is not a straight monetary cost. There are hidden costs that include lost learning opportunities for students, teacher and technician time to procure and configure the device, and administrative time to pursue the lost device prior to acquiring a new one. In strictly financial terms, the district would need to lose 18 iPads per year to see a cost savings.

<b>Recommendation</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Procure 21 mobile lockable charging stations	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)

## **8.5 Administrative**

### **FINDING**

The district has no certified Google educator on faculty or staff.

The district is heavily invested in the Google Education ecosystem as evidenced by the 1:1 Chromebook program for all students grades 9-11 and, in the 2015-2016 school year, grades 9-12. For this school year, teachers and students have been using Google Classroom and Google Drive to communicate and collaborate with each other and maximize these learning tools.

Currently, there is one person in the district who has received training to become a Google Educator, which is the first step in becoming a Google Certified Teacher. However, no one has received certification. Without such training to leverage the Google platform there is a risk that the impact and benefits will not be realized due to underutilization of the platform. The large investment in Chromebooks for 1:1, adoption of the Google platform, and the WiFi investment must be supported with proper training, which will lead to deeper adoption and greater efficiencies.

As with any major technology initiative that impacts the learning process, schools need to invest in human capital through training and support activities designed to generate stakeholder buy-in, and complete the cultural shift from the previous education paradigm to the envisioned education paradigm. Failure to do so can stifle innovative teaching and learning strategies and produce inconsistencies in the educational experience for students, thereby leaving some students with less access to modern technology tools.

LSD 4 already possesses the staff to support the faculty in this endeavor, which by itself is a best practice. In the nearby Richland 2 school district, an approach is in place to ensure Google Certified Teachers and Trainers are part of the team to advance the use of its Chromebook and Google platform adoption. This has proven to be a successful model.

## TIER 2 RECOMMENDATION

### Recommendation 8-7:

#### Provide Google Educator training.

The training should be provided to the following staff:

- Technology integration coach;
- Academic coaches;
- Library media specialist; and
- Computer lab teachers.

## IMPLEMENTATION PLAN

1. The building principals will identify lead faculty and staff to be trained as Google Educators.
2. Working with the building principals, this group of faculty members will meet to determine training needs to become Google Educators.
3. The faculty team of aspiring Google Educators will develop an internal study group to prepare for required exams in: <ul style="list-style-type: none"><li>a. Gmail</li><li>b. Calendar</li><li>c. Sites</li><li>d. Docs and Drive</li></ul>
4. The Google Educator study group will determine what (if any) elective exams are applicable.
5. The study group will participate in Google hosted preparation courses for required and elective applications.
6. The staff will take Google Educator Exams.
7. The building principals and the Google Educators study group will meet to determine the need for select staff to become Google Certified Teachers and/or Trainers.

## FISCAL IMPACT

The district should determine how many technology coaches, academic coaches, library media specialists, and computer lab teachers it wants to train on a yearly basis. The cost would be dependent on the number of staff trained. The cost will be minimal because Google offers free training courses and materials for faculty and staff to become Google Educators. This material is found on the Google Education website and provides ample resources to prepare for the examinations. The exams are \$15 each, with a minimum of five exams (four mandatory and one elective) required to become a Google Educator.

Schools typically do not require outside training to successfully complete the Google Educator certification process, as early adopter and technology savvy staff have the required skill sets to

successfully complete the exams utilizing Google's resources. Release time will be necessary for the study group to convene and for the participants to take the required exams.

## **FINDING**

The district does not have a technology committee.

At present, the technology decision-making process is handled at the building level, driven by the building principal and including the CIO, who consults on compatibility with district technical infrastructure. No evidence was found in interviews or policy documentation of a committee of stakeholders tasked with planning for technology initiatives focused on aiding student learning.

Although efficiencies can be gained by driving technical initiatives from an administrative perspective, lack of stakeholder buy-in from teachers, students, and the community can stall even the most well-intentioned projects. All technology initiatives, particularly 1:1 initiatives, require high levels of funding that come at the expense of other areas of need, and should result in measurable change in the form of improved test scores, gains in efficiency, or an increase in student competency in media literacy. Many technology initiatives that impact the learning process bring with them a radical cultural shift, and without stakeholder buy-in prior to the initiative, there is a real risk of taxpayer-funded purchases being greatly underutilized.

An indicator that a cultural shift may have stalled was witnessed in site visits to 1:1 Chromebook classrooms where few devices were observed being utilized in the learning process. Although this was not an exhaustive review of classroom practices, it was an item to note for the purpose of this project, i.e. that in the third year of a 1:1 Chromebook initiative, many high school classrooms were not utilizing these devices in any observable way.

Many districts throughout the country engage their faculty when making technology related decisions. This engagement often takes the form of a curriculum and technology committee, with representation from across the district. Dorchester 2 School District is one such district that convenes a technology roundtable comprised of faculty representatives who provide feedback on technology initiatives and spread this information to their colleagues to generate feedback and to build stakeholder buy-in.

## **TIER 2 RECOMMENDATION**

### **Recommendation 8-8:**

**Develop a committee or roundtable composed of faculty, administrative, and technology team members and focused on the use of technology as a learning tool.**

The charge of this committee/roundtable is to refine and communicate major technology initiatives to be pursued by the district. The current process of technology initiatives originating at the district level or with building administration is sound, however, these should be filtered through this committee/roundtable for refinement and feedback. Once an initiative is decided upon, it would be the charge of this committee to participate in the activities below.

## IMPLEMENTATION PLAN

1. The superintendent will assemble a selection committee of district and building leaders along with the CIO to identify faculty members for inclusion on the technology roundtable.
2. The superintendent and selection committee will develop a vision for what this roundtable does, in accordance with district culture and expectations.
3. The superintendent and administration team will draft a vision and share it with the technology roundtable members.
4. The technology roundtable chair will draft quarterly agendas based upon the charge of the committee.

## FISCAL IMPACT

This recommendation will not require the expenditure of funding for outside resources as current staff have the skills necessary to complete the activities listed above. The fiscal impact will be internal and come in the form of reassigned work hours to complete the activities needed to implement the recommendation.

## FINDING

Funding support for technology upgrades and telecommunications services will be impacted by the E-rate restructuring.

The E-rate is a program managed by the Federal Communications Commission (FCC) Schools and Libraries Division (SLD) and provides over \$2.3 billion in funding to schools and libraries for the support of telecommunications and other network related services. The E-rate program, starting with the funding year beginning July 1, 2015, will undergo significant changes that impact all applicants and recipients, including LSD 4. In addition to the Second E-rate Modernization Order, the FCC increased the cap for the E-rate program to \$3.9 billion in funding year 2015, indexed to inflation going forward.<sup>1</sup>

E-rate changes include elimination of the “priority 1” and “priority 2” categories. Instead, funding will be applied for and allocated through “Category 1” for broadband Internet access and “Category 2” for network-related services inside of the district school facilities. For LSD 4, the changes will impact the budget specifically targeting the reduced funding for cell phone and telephone/voice related services. At the same time, a new opportunity for support through E-rate has been added in Category 2. Category 2 will be formula-based and limited to \$150 per student before discounts over a five year funding period. This includes support in areas such as internal networks, including WiFi infrastructure.

The district has a history of filing for and receiving approximately \$70,000 of E-rate funding in support of Priority 1 telecommunications related services. This includes funding for services provided by companies including BellSouth, Verizon Wireless, PBT Telecom, and AT&T Mobility. Telecommunications, voice services, and cell phone related services are being eliminated for funding over the next five years. Some funding components are being reduced

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<sup>1</sup> <http://www.fcc.gov/guides/universal-service-program-schools-and-libraries> March 21, 2015

20 percent per year until eliminated. For LSD 4, the impact beginning in the budget year starting July 1, 2015 means the reduced funding support may be as much as \$35,000 per year. On the positive side, LSD 4 can apply for services, including WiFi enhancements, under the new Category 2. In the past, Lexington 4 has applied for funding for priority 2 support but has been denied due to demand or lack of funding in the program. Under the new program, it is expected the district has the opportunity to receive about 90 percent funding support under Category 2. This equates to support for about \$525,000 (90% = \$472,500 in support). The district will need to provide the balance of funds (about \$52,500) out of pocket.

The state of South Carolina provides 250 Mbps of Internet access and the wide area network connectivity for all LSD 4 schools. The services provided appear to meet the requirements, and the district is able to obtain increased levels of services if needed. For services delivered between July 2013 and June 2014, the district has applied and received approvals for \$73,569.64. However, as of this time, no funds have been disbursed.

The current WiFi network deployed in LSD 4 is based on a coverage model. Although this is adequate for light use, the district's decision to support 1:1 at the high school and increasing mobility requirements in other levels has put pressure on the existing WiFi infrastructure. The district plans to upgrade cabling in the Middle School and also upgrade the WiFi network to support 1:1 throughout the district.

## **TIER 1 RECOMMENDATION**

### **Recommendation 8-9:**

**Maximize E-rate and develop a strategy to reduce costs for telecommunications services that no longer have E-rate support.**

The district has maintained awareness of the E-rate changes and is planning to file under Category 2. The plan is for applying for all Category 2 funding within the first two years as funding is not guaranteed beyond Year 2. The district should ensure that plans to file for E-rate support under Category 2 for switching and increased WiFi support are carried through and ensure the WiFi network supports 802.11ac technology. The district needs to develop a strategy to address Category 1 changes in funding, particularly cell phone and voice services, and including the adoption of Session Initiation Service (SIP) services to support access to the Public Switched Telephone Network (PSTN).

The district should consider the cabling project in its budget that is to be funded under Governor Nikki R. Haley's K-12 Education Reform Initiative that is distributing over \$29M to South Carolina Schools. LSD 4 is slated to receive \$219,735. Since cabling projects are eligible under Category 2, we recommend delaying the cabling project into Year 2 and applying for E-rate funds to support this project, saving the district nearly \$45,000; those savings can be used for other priority technology purchases such as laptops and other priorities for network attached devices.

## **IMPLEMENTATION PLAN**

1. The business official monitors approvals for E-rate support under Category 2 for WiFi and cabling (filed for in early 2015).

2. The business official develops a short-term strategy to address the budget impact of E-rate Category 1 changes.
3. The CIO expands VoIP service with integration of SIP via IP connection with the goal to reduce telecommunications costs.
4. The CIO reviews Core Network Requirements for firewall upgrades, switching, and UPS identified in Recommendation 8-D and applies for support under Category 2 as needed.
5. The CIO deploys full 1:1 WiFi with support for 802.11ac.
6. The CIO updates the switching throughout the district.
7. The CIO deploys network upgrades.

## FISCAL IMPACT

E-rate funding is provided by the FCC based on a percentage discount on eligible products and services. The new rules take effect on July 1, 2015 and will provide formula based funding for Category 2 products and services such as cabling and WiFi networks in school facilities. The E-rate funding for Category 2 is limited to \$150 per student over a five-year period. Based on the district's student enrollment of approximately 3,600 students and an average discount percentage of 87 percent, LSD 4 is eligible under Category 2 for approximately \$470,000 in E-rate funding. Category 1 funding is based on usage and is being limited to discounts for Internet access services only, eliminating support for voice related services. Over the next four years the discounts will be reduced for voice services by 20 percent per year until eliminated. Category 1 reductions must be offset through careful strategic telecommunications adjustments during the same period.

District share of E-rate services is a 13 percent district portion for Category 1 and Category 2 services necessary to receive the E-rate 87percent portion shown as E-rate Funding Cat-1 and E-rate Funding Cat-2.

In Year 1, focus must be on an E-rate strategy to address Category 1 support reductions in voice and cell services. E-rate Cat-1 Reduction is the estimated loss of E-rate funding per year due to the recent changes in the program. E-rate strategy telecom reductions shows savings through policy changes for services such as cell phone and service optimizations of cell and voice services. E-rate consulting is for E-rate consulting services to support the significant changes in the program.

For the first two years where the district is applying for 100 percent of the Category 2 funding available, a strategy is needed to address significant Category 1 funding cuts. Currently the district is applying the E-rate funds to the implementation of new Switches, and increased WiFi capacity. The district should determine if the \$50,000 expense for cabling the middle school is eligible for E-rate Category 2 and defer this project until it can be funded under the E-rate program, resulting in approximately a \$40,000 savings.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
District Share of E-rate services	(\$25,000)	(\$25,000)			
E-rate Funding Cat-1	\$35,000	\$25,000	\$15,000	\$5,000	0

E-rate Funding Cat-2	\$250,000	\$220,000			
E-rate Cat-1 Reduction	(\$35,000)	(\$45,000)	(\$55,000)	(\$65,000)	(\$70,000)
E-rate strategy telecom reductions	\$10,000	\$20,000	\$30,000	\$40,000	\$40,000
E-rate consulting	(\$5,000)	(\$5,000)			
Total Cost	(\$65,000)	(\$75,000)	(\$55,000)	(\$65,000)	(\$70,000)
Total Saving	\$295,000	\$265,000	\$45,000	\$45,000	\$40,000
<b>TOTAL COST/SAVINGS</b>	<b>\$230,000</b>	<b>\$190,000</b>	<b>(\$10,000)</b>	<b>(\$20,000)</b>	<b>(\$30,000)</b>

## FINDING

The expectation for IT service delivery is not clear and is not monitored, measured, and reported.

It is not uncommon to find IT organizations in small organizations to be operating and providing service and support in an informal way. Key IT performance indicators are not clearly defined and measured. Based on feedback from stakeholders it is generally agreed that IT works hard and delivers good service, however, this is anecdotal and is based on unclear measures and subjective expectations. Through onsite visits it was observed that some computing devices provided and maintained by the IT department are unusable for even basic Internet browsing.

In addition, through interviews it was found that a common practice exists for users to directly contact IT staff for support, bypassing a formal process to capture and document incidents. This informal process (in addition to the lack of other measures) makes it difficult, if not impossible, to assess the IT performance regarding support and response being provided by the IT department. The district has multiple tools to monitor and track the status of IT support requests as well as ample tools to monitor the infrastructure. However, these are used exclusively by IT and are not visible to users. A review of the IT incident documentation provided indicates the average age for incidents entered into the system through closure takes longer than 43 days, and, as mentioned, this does not include incidents that do not get captured. The IT department has not adopted a service management program such as the Information Technology Infrastructure Library (ITIL).

## TIER 2 RECOMMENDATION

### Recommendation 8-10:

**Adopt the Information Technology Infrastructure Library (ITIL) service management model as one of the industry accepted and a best practice for the delivery of IT as a service.**

Dependence on IT in the education environment is now comparable to the need for electricity and water. IT has grown rapidly and the response to this growth has been a challenge for most districts, particularly small districts such as LSD 4. In order to progress and improve it will be necessary for the district to develop increased visibility and understanding of the services offered and supported by IT and how these are being delivered. The district should adopt a service-oriented model based on industry accepted and adopted best practices such as that provided through the Information Technology Infrastructure Library (ITIL). The transformation of the organization provides a new focus on service delivery and transparency of service delivery built around continuous service improvement. Through adoption of a service management

program, the district will obtain clarity and information leading to better decision making and overall improvement with the confidence necessary to support the investments and operating costs for technology. The depth and breadth of ITIL can be overwhelming and adoption of the processes is a long-term commitment which in the end has proven beneficial to IT organizations both small and large.

## IMPLEMENTATION PLAN

1. The technology department adopts the Information Technology Infrastructure Library (ITIL) Service Management as the basis for how the IT organization will operate.
2. The CIO will hire a consultant to provide a full day retreat with an introductory overview of ITIL for the entire IT organization and establish short-term goals for adoption.
3. The CIO will update processes to assure support requests are captured and managed against a goal for response. Determine the Service Desk tool that will be used by IT, assure this is compliant with the service management program adopted (or at a minimum that the district has adopted the basic frameworks for incident, problem, and request management).
4. The CIO will develop and publish the district Service Catalog.
5. The CIO will establish service delivery measures (Service Level Agreement i.e. SLA) and a dashboard providing transparency for performance expectations linked to services in the service catalog. Ensure all performance expectations SLAs are published and the actual performance is visible to stakeholders. Ensure the end user device service is measured and visible (performance) and several other key services including incident support (i.e. open to close time), request fulfillment, and Internet access (availability and performance) are measured and visible.
6. The CIO will expand the ITIL program and providing training for all IT staff in the ITIL v.3 foundations. Consider requiring ITIL certification.
7. The technology department will develop a comprehensive Configuration Management Data Base (CMDB) that includes expanded and improved asset management.
8. The technology department will continue investment in adoption of ITIL.

## FISCAL IMPACT

In Year 1, the district will need to provide time for the necessary people to obtain the training to become ITIL literate and recommend a consultant be engaged to introduce and develop the ITIL adoption strategy. In Year 2, the district should invest in providing ITIL training and certification (four people @ \$3,000 per person) and expand on the adoption with deeper understanding throughout the organization. The district has the tools needed to support this recommendation and may be able to consolidate, which results in some cost savings (i.e. determine if What's Up Gold are needed). In Year 3, continue to invest and adopt ITIL.

<b>Recommendation</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Consultant	(\$5,000)				
ITIL certifications		(\$12,000)			
Ongoing ITIL training			(\$10,000)		
Consolidate network monitoring tools		\$5,000	\$5,000	\$5,000	\$5,000
<b>TOTAL SAVINGS/COST</b>	<b>(\$5,000)</b>	<b>(\$7,000)</b>	<b>(\$5,000)</b>	<b>\$5,000</b>	<b>\$5,000</b>

## **FINDING**

The district does not utilize students in the maintenance or support of IT equipment.

The number of devices serviced by the technology team at LSD 4 continues to grow year by year. As the district 1:1 initiative moves forward and plans are finalized at the elementary and middle levels, IT staffing will be stretched in terms of maintaining and supporting mobile devices.

With funding for increasing professional staff always a challenge, the development of a student technology helper program can address gaps in entry level IT staffing needs.

As a means for the district technology staff to manage upwards of 15,000 Chromebooks, Richland 2 School District utilizes students at a High School Tech Bar. Here, students occupy a designated space where they provide assistance that ranges from managing related support tickets, to reimaging machines and in some cases, providing hardware support. This has proven to be a successful cost saving measure and a point of pride for many tech savvy students who have a real ability to assist fellow students and faculty in solving technology related needs. This program has become quite popular and is looking to expand to at least one middle school in the future.

## **TIER 3 RECOMMENDATION**

### **Recommendation 8-11:**

#### **Establish a student technician team to assist with Chromebook hardware maintenance.**

By utilizing student helpers to assist with the support and maintenance of technology equipment, schools can limit the impact of increased staffing costs, while providing real-world experience to students who may wish to pursue a career in computer technology. Such programs have measurable impact on staffing budgets, and can, in many cases, provide the on-the-job training necessary for students to gain entry-level employment upon their graduation from high school.

## **IMPLEMENTATION PLAN**

- |   |
|---|
| 1. The CIO will develop guidelines and activities to govern the responsibilities and skill set required of student technology helpers.  |
| 2. Building principals and the CIO will identify 1-3 students per school from student body to act as student technology helpers. Provide training to student technology team as needed. |

- |  |
|--|
| 3. Building principals will identify and set aside a space for student technology helpers to work. |
| 4. The CIO and building principals will continue to develop the program and expand as needed.      |

**FISCAL IMPACT**

Implementing a program for students to assist in the maintenance and support of devices would come at minimal cost to the district, and could result in a cost savings since these student helpers could negate the need to add additional staff at a building as technology use grows. The CIO and other technicians have the technical skills required to provide training to student participants. Typically, the technician assigned to the building can manage the day-to-day operations of these student helpers. Models exist where student helpers are paid a wage similar to that of state minimum wages, or work at no cost to the district in the case where this activity is part of a class or club. The fiscal impact below is based on two students at eight hours per week to start in the first year and consider a wage of approximately \$8/hour over a 25 week period. In Year 2, expand to additional hours if the program is successful. Overall, implementation of this recommendation over a five-year period will save the district \$39,000.

<b>Recommendation</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Student wages	(\$3,200)	(\$6,000)	(\$10,000)	(\$10,000)	(\$10,000)
Offset for staff savings.	\$0	\$15,000	\$20,000	\$20,000	\$20,000
<b>TOTAL COST/SAVINGS</b>	<b>(\$3,200)</b>	<b>\$9,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>

**FINDING**

The district does not have a strategy in place for archiving and digital document management. There is a backlog of paper records in the district.

The human resources personnel files are one area where maintenance of paper documents has become time consuming and inefficient. The long term archiving of the district’s documents is currently maintained in hard copy and file cabinets with manual processes to manage and support them. This can be significantly improved through the adoption and implementation of an electronic document management solution. In addition to the benefits obtained from easy access and searchable content from the digital storage and retrieval system, significant efficiencies in workflow and improved security of confidential information reducing risk can be achieved. In addition, electronic document management solutions offer streamlined process improvement to efficiently maintain compliance with FERPA and also provide a means to increased protection of information that may or may not be regulated.

**TIER 2 RECOMMENDATION**

**Recommendation 8-12:**

**Implement a document management solution and scan the backlog of paper, beginning with the human resources department.**

Review the current processes for the management and archiving of documents. Quantify the number and type of documents being stored across the district. Include an assessment of the

requirement for retention as well as sensitivity of the information within the documents. In addition, define who may need access and appropriate security controls.

### IMPLEMENTATION PLAN

1. District department leaders will conduct an assessment of the district's current backlog of paper documents. They will prioritize the scanning based on access and efficiency improvements
2. The CIO will review solutions for electronic document management and consider the existing copier vendor/contract to determine if this is an efficient means to obtain this functionality. Consider efficiencies in workflow through process improvements aided by electronic document management
3. The CIO will obtain an electronic document management solution
4. District department leaders will back scan based paper documents based on priority and state-mandated retention policies

### FISCAL IMPACT

Electronic Document Management indicates the estimated cost to obtain the licensing (\$10,000) and the ongoing expense for SaaS/Cloud storage (\$10,000/year). Cost avoidance and reduction including clerical filing and retrieval shows the estimated reduction of a part-time resource needed to administer and support document requests that can be better maintained through efficiency in work flow, storage and retrieval as well as reduced paper and printing costs.

Recommendation	Year 1	Year 2	Year 3	Year 4	Year 5
Electronic document management	(\$20,000)	(\$10,000)	(\$10,000)	(\$10,000)	(\$10,000)
Cost avoidance and reductions including clerical filing and retrieval	\$0	\$20,000	\$20,000	\$20,000	\$20,000
<b>TOTAL COST/SAVINGS</b>	<b>(\$20,000)</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>



**Lexington School District Four**

*Ensuring Student Performance at the Highest Level*

## **Appendix 1: School Efficiency and Effectiveness Staff Survey**

**This report was prepared by Kassandra A. Alia, M.A., Tidwell and Associates, Inc. in collaboration with JoAnn Cox, Ed.D., and the South Carolina Education Oversight Committee**

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## Overview

The purpose of this report is to present findings from the Lexington School District Four (LSD 4) operations' efficiency and effectiveness survey. The survey was administered to teachers and school and district administrators during February and March of 2015. The response rate for the survey by staff role are listed below:

**Total Responses for All Respondents: 208/245 (84.9%)**  
**Total Responses for District Administrators: 6/6 (100%)**  
**Total Responses for School Administrators: 13/14 (92.9%)**  
**Total Responses for Teachers: 187/225 (83.1%)**

A return rate of 70% is considered representative of the population surveyed. In the case of LSD 4, the response rates for all staff categories were greater than 70%, indicating that results are representative of the staff population in LSD 4.

## Evaluation Methodology

An anonymous electronic survey was sent to teachers, school administrators, and district administrators. The survey was comprised of 86 items.

In the first section (79 items), respondents were asked to indicate their level of agreement with statements pertaining to the following categories: district and office management (13 items); human resources (11 items); financial management (10 items); facilities use and management (14 items); food services (8 items); technology (12 items); and transportation (11 items). All items were rated on a 5-pt likert scale with 1=strongly disagree, 2=disagree, 3=neither agree nor disagree, 4=agree and 5=strongly agree.

In the second section (1 item) respondents were asked to indicate their opinion of the operations of 19 school district functions. Each of the 19 functions were rated on a 4-pt scale, with 1=needs major improvement, 2=needs some improvement, 3=adequate, and 4=outstanding.

In the third section, respondents were asked to rate their perception of the overall operation of the school district on a 4-pt scale (1= less efficient than most other school districts, 2=average in efficiency, 3=above average in efficiency, 4=highly efficient). Additionally, respondents were asked to mark suggestions for how the operational efficiency could be improved.

Finally, classroom teachers were asked to respond to three open-ended items: 1) please summarize your greatest needs in the classroom; 2) please summarize areas in which you believe the district is maximizing its use of operational resources; and 3) please summarize areas in which you believe the district could improve in the efficiency and effectiveness of school district operations.

## Data Analysis

Quantitative, likert-scale items were analyzed using descriptive statistics. Average scores for the total sample and by role type (teacher, school administrator, district administrator) were generated for each item. Qualitative, open-ended items were analyzed for common themes.

## **Survey Results**

A total of 208 surveys were completed, with 187 (89.9%) teachers, 13 (6.3%) school administrators, and 6 (2.9%) district administrators. Two (1%) respondents did not list their role affiliation. The number of responses reflects a sample that is representative of 84.9% of all staff in Lexington School District Four, with a response rate of 83.1% of teachers, 92.9% of school administrators, and 100% of district administrators responding to the survey.

Results from the survey are organized into the four sections listed in the above evaluation methodology section.

### ***Section 1***

Items in this section are rated on a 5-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of “4” or greater are considered areas where the district is especially effective and efficient. Items with an average score less than “3” are considered areas for improvement. Highlights from survey results are described below. Complete results can be found in the tables at the end of this document.

#### **District Organization and Management**

Complete results for this section can be found in Table 1. Highlights include:

- Items in this section were generally rated high, with 6 (46.15%) of the items having an average  $\geq 4$  for the total sample. This suggests that, overall, there is agreement that district and organization management is efficient and effective.
- There was general agreement across respondents for this category.

#### **Human Resources**

Complete results for this section can be found in Table 2. Highlights include:

- All respondents agreed that district employees receive annual personal evaluations, with all ratings  $> 4$ .
- Across the board, respondents did not agree that the district has an adequate number of staff to carry out its operations, with ratings  $< 3$  for teachers, school administrators and district administrators.
- School administrators (M=4.64) have, on average, a more positive perception that the district has a fair and timely grievance process in comparison to teachers (M=3.83) and district administrators (M=4.20).
- School administrators (M=4.62) also rated the district’s recruitment of high quality staff to fill vacant positions higher than teachers (M=3.93) and district administrators (M=3.67).

#### **Financial Management**

Complete results for this section can be found in Table 3. Highlights include:

- Items in this section were generally rated highly; none of the items were noted as areas for improvement, with all ratings  $\geq 3$ .

- School administrators (M=4.85) more strongly agreed that tax dollars are being well spent by the district in comparison to teachers (M=3.83) and district administrators (M=4.00).
- School administrators (M=4.77) also more positively rated that the district wisely manages its revenues and expenditures in comparison with teachers (M=3.95) and district administrators (M=4.00)
- Both school (M=4.55) and district administrators (M=4.40) rated the district's transparency in how it spends money than teachers more positively than teachers (M=3.71).
- District administrators (M=3.00) had lower ratings than school administrators (M=4.54) and teachers (3.96) on the item, "I complete an annual inventory of the equipment in my work area."
- Teachers (M=4.10) and school administrators (M=4.15) had more positive ratings in comparison to district administrators (M=3.20) on whether school administrators are well trained in the fiscal management of their schools.

### **Facilities Use and Management**

Complete results for this section can be found in Table 4. Highlights include:

- All respondents agreed that they know what to do during a crisis or an emergency (M=4.45).
- District administrators (M=4.75) reported greater agreement that the district has a process for involving administrators, teachers, and support staff in planning new facilities in comparison with school administrators (M=4.38) and teachers (M=3.44).

### **Food Services**

Complete results for this section can be found in Table 5. Highlights include:

- Both teachers (M=2.73) and school administrators (M=2.92) had more disagreement that the cafeteria meals are appealing and appetizing in comparison with district administrators (M=3.40), suggesting that this is an area for improvement.
- All respondents strongly agreed that the school breakfast program is available to all children, with an average rating of M=4.81 in total.
- School administrators (M=4.77) indicated higher agreement that students have enough time to eat in comparison with teachers (M=3.88) and district administrators (4.20).

### **Technology**

Complete results for this section can be found in Table 6. Highlights include:

- All respondents generally agreed that they understand how to use technology as it relates to their job functions, with an overall average of 4.39.
- School administrators (M=4.54) and district administrators (M=4.33) had greater agreement that they have adequate equipment and computer support to conduct their work in comparison with teachers (M=3.77).
- Both teachers (M=2.57) and school administrators (M=2.46) felt that the district's technology is used past its lifespan, indicating that this is an area for improvement.

## **Transportation**

Complete results for this section can be found in Table 7. Highlights include:

- District administrators (M=2.75) felt more strongly that discipline on buses is a problem in comparison to teachers (M=3.90) and school administrators (M=3.62).
- Both teachers (M=2.19) and school administrators (M=2.25) felt that student ride times on school buses are too long, suggesting that this is an area for improvement.
- Overall, respondents had lower agreement that buses seldom break down (M=2.46) suggesting that this may be an area for improvement.
- Respondents, overall, also felt that discipline on buses is a problem (M=2.17).
- Both school (M=2.75) and district administrators (M=2.40) had overall lower agreement that there are enough buses to meet the needs of the district as compared to teachers (M=3.29); this may be an area for improvement as well.

## ***Section 2***

Items in this section are rated on a 4-pt scale, with higher values representing a more positive opinion with the district functioning on that particular item. Items with an average score greater than “3” are considered areas where the district is especially effective and efficient. Items with an average score less than “2” are considered areas for improvement. Highlights from survey results are described below. Complete results can be found in Table 8 at the end of this document.

Highlights include:

- No items were rated <2, suggesting overall satisfaction with the functioning of district operations.
- School administrators (M=3.83) were especially satisfied with district budgeting in comparison with teachers (2.84) and district administrators (M=3.40).
- School administrators (M=3.85) were also especially satisfied with financial management as compared to teachers (M=3.01) and district administrators (M=3.20).

## ***Section 3***

Respondents were asked to rate the overall operation of the school district on a 4-pt scale. Ratings were similar across respondents, with slightly higher ratings among school administrators (M=3.15) as compared to teachers (M=2.53) and district administrators (M=2.50). In general, these ratings indicate that respondents perceive the overall operation of the school district as being efficient.

When asked to indicate how the operational efficiency of the school could be improved, respondents identified the following areas:

- 156 (75%) identified increasing the number of teachers
- 38 (18%) identified increasing the number of administrators
- 25 (12%) identified improving energy management operations
- 17 (8%) identified outsourcing some functions
- 5 (2%) identified reducing the number of administrators
- 4 (2%) identified rezoning schools
- 4 (2%) identified reducing the number of facilities
- 1 (.04%) identified reducing the number of teachers

## **Section 4**

### **Greatest Needs in the Classroom**

Teachers reported a number of needs in the classroom. The most common response was the need for smaller class sizes. Teachers reported “smaller class sizes are critical to student success” and were dissatisfied with the size of their classrooms. One teacher noted, “My class size is huge, 26 students in a small room for a Montessori teacher is too much.” Another teacher stated that, “The teacher to student ratio is difficult to manage with 28 students who have a range of needs and abilities.” Along with smaller class sizes, teachers requested more space for their students.

Teachers also requested more technology for their students. In particular, teachers requested more access to computers/lpads/etc. for students and requested equal technology to other districts. As one teacher suggested, “I feel it would be beneficial for the students to have one-to-one Chromebooks. This could help keep them more organized and allow them to use them for many different subjects throughout the day.” Other technology requests included improved internet service, access to on-line textbooks, more technology training, better computers, and working smart boards.

A number of teachers stated that they need more planning time. For example, one teacher requested, “I need more time to develop and plan new lessons that utilize new technologies that are available for the classroom. I need more time to develop and plan lessons for project based learning.” Teachers also requested more training and professional development. One teacher stated, “I need sufficient training for the programs we put in place.”

The need for more funding for supplies and field trips was noted by several teachers. Teachers requested access to classroom supplies, “from paper and pencils to whiteboard markers, sharpies and tape.” A few teachers also indicated the need for resources to take students on field trips. One teacher stated, “The greatest need in the classroom is for an opportunity to take students on field trips. Due to many students coming from a low socioeconomic status home, students do not have the opportunity to visit places of significance.” Funds were also requested for new textbooks and desks.

Additionally, a number of teachers indicated that they need more support in the classroom. This includes more support for working with struggling and special needs students and more support for dealing with behavioral issues. In particular, teachers requested more support from the administration in handling behavior issues. For example, one teacher expressed, “I need to know that the administration will help me with student discipline.” Teachers requested more teachers (to help decrease class size) as well as teacher aides in the classroom. Teacher aides were noted as especially important for individualizing lesson plans and working with struggling/special needs students.

Cleanliness of the school was noted as a need as well. Examples include maintenance and painting of the walls; mold repair; regular air filter change; and cleanliness of bathrooms, among other things. One teacher commented, “Our students eat meals in the room and the floors are rarely adequately cleaned for this, custodial staff never address large dust balls under teacher tables, bathrooms in classrooms and hallways are never wiped down, just sprayed.”

## **Use of District Resources**

Teachers reported that the district was doing a great job on managing the schools with limited funds. As noted by one teacher, "I believe we maximize our finances. The district makes smart purchases and allots the expenditure of money in appropriate areas." Teachers felt that the district is responsive to their needs, despite low funds. For example, one teacher stated, "I think the district uses money wisely and works well with the budget. Our district does not have as much funding as some others in the area, but we are supplied with everything we need to teach effectively."

Teachers also commented that staff were being maximized. This included both administrators and teachers. Several teachers indicated that staff play multiple roles. For example, one respondent noted that, "teachers and instructional coaches are used to their maximum capacity and ability often doing administrative jobs (without the pay of course)." Another teacher stated, "Teachers, administrators, and classified staff all go above and beyond each day to ensure that school operations are taken care of."

Early childhood education was indicated as a strength within the district. Several teachers felt that the Early Childhood Center was a place where operational resources were maximized; one teacher stated that the ECC is a "fine facility". Others commented on the district "serving the youngest students it can reach." One teacher in particular noted, "Providing an education for all 3K and 4K students is unheard of and a great accomplishment for our district."

Teachers felt that resources were maximized on professional development. For example, one teacher acknowledged resources used to send "varying groups of teachers to out-of-district conferences and providing research materials on current teaching trends."

A number of teachers indicated that technology is an area where resources are maximized. In one example, a teacher stated that, "I think the use of technology exceeds that of many districts. I also think that the technology support is fast and efficient." In comparison, another teacher commented, "In technology, we are using all of our resources, the demand on these resources has become greater as more inquiry and problem based research needs to be done by students. More resources are needed to complete this."

## **Suggestions for Improvement**

Buses and transportation were indicated as an area for improvement. Suggestions included the need for more and newer buses and the timeliness of transportation. For example, one teacher indicated that, "Buses need to leave and arrive on time each morning." Another stated that, "Buses are dilapidated and I feel that with us serving little ones an aid on each bus is a great idea. Bus drivers should focus on driving, not on correcting behavior."

There were also requests to improve facilities and school grounds. One teacher noted that they felt the district could do a better job of "improving sports facilities...specifically the high school locker rooms and the track-softball-baseball facilities." Improvements were indicated for custodial and maintenance management. This included increased oversight over custodial staff and a need to move away from temporary repairs of buildings and facilities towards "solving a problem the first time."

Teachers indicated a need for improved communication between teachers and administrators. Several teachers indicated a need for teachers to "have a voice" and that "communications are

poor between school level administrators and teachers.” One teacher commented, “I think everyone in the district needs to sit down and talk about the concerns they have on a daily basis.”

Additional suggestions included the need for smaller classroom sizes, more teachers, and more support staff. Furthermore, teachers requested more autonomy and time for professional development. One commented, “I believe our district can become more efficient and effective if principals focused less on trying to be pedagogy masters and focused more on becoming master administrators... Teachers are professionals licensed, certified, and hired to teach. Let them do their job. Some administrators have very limited classroom experience/success, but could still be great administrators if they weren’t focused on trying to change or fix the teaching styles of their staff. This has negatively affected teacher morale and therefore the overall school climate.”

Another request was for more options for students, both in elementary and upper-school levels. One teacher suggested that, “Schools should have more opportunities for students at the younger levels... primary and elementary aged children should be learning a second language.” Another indicated, “Needs for more courses to offer students in the 9-12 grade levels. More languages, mathematics, and elective courses.”

**Table 1. District and Organization Management**

VARIABLE	TOTAL	TEACHER	SCHOOL ADMINISTRATOR	DISTRICT ADMINISTRATOR
District has a long range strategic plan that guides the decision-making process	4.30	4.25	4.92	4.60
Most administrative practices in this school district are highly effective and efficient	4.05	4.03	4.46	4.00
The district effectively communicates with parents and community members	4.14	4.12	4.54	4.00
Major bottlenecks exist in many administrative processes which cause unnecessary delays <sup>a</sup>	3.61	3.54	4.38	3.83
District office administrators provide quality services to schools	4.08	4.04	4.62	4.00
The district office effectively communications with school-level staff	3.99	3.94	4.62	4.17
The district effectively uses volunteers to assist with meeting district goals	3.14	3.10	3.55	3.20
The district effectively uses business partners to assist with meeting district goals	3.80	3.75	4.33	3.60
School board members understand their role as policymakers and stay out of the day-to-day management of the district	3.85	3.88	3.62	3.80
The superintendent is accessible to district staff	4.03	3.95	4.69	4.67
I understand the district’s budgetary process	3.01	2.86	4.08	4.60
The morale of the district office administration staff is good	4.10	4.07	4.25	4.40
The morale of teachers is good	3.77	3.74	4.23	3.67

Note: Items in this section are rated on a 5-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of “4” or greater are considered areas where the district is especially effective and efficient. Items with an average score less than “3” are considered areas for improvement. <sup>a</sup>Items reverse scored so that higher values reflect greater perceptions of efficiency and effectiveness

**Table 2. Human Resources**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
I have an accurate job description	4.33	4.32	4.58	4.00
District salaries for the type position I am in are competitive with similar positions in the job market	3.14	3.11	3.46	3.67
I feel that my work is appreciated by my supervisors	4.21	4.18	4.77	4.33
I receive adequate training and support to perform my job functions	4.27	4.25	4.69	4.17
The district has a good program for orienting new employees	3.83	3.82	4.08	3.67
The district has an adequate number of staff to carry out its operations	2.84	2.91	2.38	2.17
The district actively recruits high quality staff to fill vacant positions	3.97	3.93	4.62	3.67
There is adequate high quality professional development for the principals and teachers	4.08	4.05	4.54	4.00
District employees receive annual personal evaluations	4.14	4.07	4.58	4.83
Employees receive their personal evaluations each year well in advance of the end of the school year	3.88	3.82	4.54	4.20
The district has a fair and timely grievance process	3.95	3.83	4.64	4.20

Note: Items in this section are rated on a 5-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of "4" or greater are considered areas where the district is especially effective and efficient. Items with an average score less than "3" are considered areas for improvement.

**Table 3. Financial Management**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
Tax dollars are being well spent by the district	3.93	3.83	4.85	4.00
The district actively applies for competitive state and federal grants.	4.19	4.13	4.77	4.00
The district's financial reports are readily available to the community.	4.12	4.04	4.50	4.60
The district spends an appropriate percentage of its budget on academic programs.	4.14	4.05	4.85	4.50
The district is transparent in how it spends money, including posting the budget on the district website.	3.83	3.71	4.55	4.40
I complete an annual inventory of the equipment in my work area.	3.97	3.96	4.54	3.00
The district wisely manages its revenues and expenditures.	4.04	3.95	4.77	4.00
Financial resources are allocated fairly and equitably to the district's schools.	3.55	3.39	4.54	4.17
School administrators are well trained in the fiscal management of their schools	4.07	4.10	4.15	3.20
Purchasing processes are not cumbersome for the requestor	3.99	4.00	4.00	3.60

Note: Items in this section are rated on a 5-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of "4" or greater are considered areas where the district is especially effective and efficient. Items with an average score less than "3" are considered areas for improvement.

**Table 4. Facilities and Use Management**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
The district has a long-range plan to address facility needs.	3.98	3.93	4.42	4.50
The district has too many portable buildings. <sup>a</sup>	3.99	3.97	4.15	4.33
The district's facilities are well-maintained	3.61	3.61	3.85	3.67
Our schools have sufficient space and facilities to support the instructional program	3.43	3.41	3.69	3.83
Repairs are made in a timely manner	3.59	3.59	3.69	4.00
The construction managers are selected objectively	3.97	3.81	4.45	4.40
The district's facilities are kept clean	3.76	3.76	4.00	3.67
The district has an energy management program in place to minimize energy consumption	3.80	3.76	4.09	3.80
There are facility and/or equipment concerns throughout the schools. <sup>a</sup>	2.84	2.81	3.15	3.33
The district's facilities are secure from unwanted visitors	3.88	3.87	4.23	3.83
I know what to do during a crisis or an emergency	4.45	4.43	4.69	4.50
Safety hazards do not exist on school grounds	3.75	3.71	4.31	4.00
There is a process in place for community use of a facility space and it is applied equally to all users	4.05	3.95	4.54	4.60
The district has a process for involving administrators, teachers and support staff in planning new facilities	3.60	3.44	4.38	4.75

Note: Items in this section are rated on a 5-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of “4” or greater are considered areas where the district is especially effective and efficient. Items with an average score less than “3” are considered areas for improvement. <sup>a</sup>Items reverse scored so that higher values reflect greater perceptions of efficiency and effectiveness

**Table 5. Food Services**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
The cafeteria facilities and equipment are sanitary and neat	4.14	4.11	4.54	4.17
I find the cafeteria meals appealing and appetizing	2.76	2.73	2.92	3.40
The school breakfast program is available to all children	4.81	4.81	4.85	5.00
Students have enough time to eat	3.95	3.88	4.77	4.20
<i>Students wait in food lines longer than 10 minutes<sup>a</sup></i>	3.58	3.53	4.00	4.00
Cafeteria staff is helpful and friendly	4.20	4.16	4.69	4.20
Weekend provisions for food is made for needy students	3.70	3.72	4.00	3.00
The district has a summer program for feeding students	4.25	4.19	4.54	4.40

Note: Items in this section are rated on a 5-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of “4” or greater are considered areas where the district is especially effective and efficient. Items with an average score less than “3” are considered areas for improvement. <sup>a</sup>Items reverse scored so that higher values reflect greater perceptions of efficiency and effectiveness

**Table 6. Technology**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
I understand how to use technology as it relates to my job functions	4.39	4.36	4.69	4.50
District wide, the district is up-to-date technologically	3.57	3.55	3.92	3.67
The district has adequate technology to support its operations	3.46	3.49	3.23	3.40
When necessary, the district's technology equipment is quickly repaired or serviced	3.60	3.58	3.92	3.67
The district has effective technology support when computers' malfunction	3.46	3.67	3.58	3.60
I have adequate equipment and computer support to conduct my work	3.83	3.77	4.54	4.33
The district's technology equipment is often used past its useful lifespan <sup>a</sup>	2.59	2.57	2.46	3.00
The district website is a useful tool for staff, parents, and students	3.95	3.92	4.31	4.00
Students have regular access to computer equipment and software in the classroom	4.01	4.01	4.15	3.83
District staff have easy access to internet	4.39	4.39	4.69	4.17
The district has adequate bandwidth to ensure maximum use of the internet	3.70	3.71	3.85	3.50
Overall, teachers are effectively utilizing technology as part of instruction	4.05	4.04	4.23	4.00

Note: Items in this section are rated on a 5-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of "4" or greater are considered areas where the district is especially effective and efficient. Items with an average score less than "3" are considered areas for improvement. <sup>a</sup>Items reverse scored so that higher values reflect greater perceptions of efficiency and effectiveness

**Table 7. Transportation**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
Buses arrive and depart on time each day	3.55	3.57	3.62	3.40
There are enough working buses to meet the needs of the district	3.20	3.29	2.75	2.40
Student ride times on school buses are too long <sup>a</sup>	2.22	2.19	2.25	3.00
The drop off zones at the schools are safe	4.28	4.26	4.45	4.50
The district has a user-friendly process to request buses for special events	3.83	3.76	4.08	4.20
Adding or modifying a route for a student is easy to accomplish	3.86	3.80	4.17	3.80
Buses arrive early enough for students to eat a school breakfast	4.02	4.03	4.00	3.75
Bus drivers are well trained	3.74	3.83	3.42	3.25
Discipline on buses is a problem <sup>a</sup>	2.17	2.10	2.39	2.75
Buses seldom break down	2.46	2.51	2.18	2.60
The district has alternate bus drivers on call when drivers are unavailable due to health or emergency concerns	3.52	3.44	3.89	3.50

Note: Items in this section are rated on a 5-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of “4” or greater are considered areas where the district is especially effective and efficient. Items with an average score less than “3” are considered areas for improvement. <sup>a</sup>Items reverse scored so that higher values reflect greater perceptions of efficiency and effectiveness

**Table 8. District Function Operations**

<b>VARIABLE</b>	<b>TOTAL</b>	<b>TEACHER</b>	<b>SCHOOL ADMINISTRATOR</b>	<b>DISTRICT ADMINISTRATOR</b>
Budgeting	2.97	2.84	3.83	3.40
Strategic Planning	3.20	3.15	3.77	3.20
Purchasing	3.08	3.02	3.54	3.20
Warehouse	3.17	3.12	3.57	3.33
School Board	3.08	3.08	3.08	3.00
Financial Management	3.11	3.01	3.85	3.20
Grant Development	3.00	3.00	3.33	3.20
Community Relations	2.86	2.84	3.15	2.80
Program Evaluation, Research	3.08	3.02	3.58	3.20
Instructional Technology	2.88	2.88	2.85	3.00
Administrative Technology	3.09	3.07	3.38	3.00
Human Resources	3.32	3.31	3.69	3.00
Staff Development	3.22	3.21	3.54	3.00
Facilities Planning	3.02	2.96	3.50	3.20
Plant Management	3.13	3.05	3.64	3.25
Custodial	2.91	2.93	2.77	2.67
Energy Management	2.96	2.95	3.20	2.67
Food Services	2.82	2.80	3.00	2.83
Transportation	2.69	2.69	2.77	2.50

Note: Items in this section are rated on a 4-pt scale, with higher values representing greater agreement with the presented statement. Items with an average score of “3” or greater are considered areas where the district is especially effective and efficient. Items with an average score less than “2” are considered areas for improvement.



**Lexington School District Four**

*Ensuring Student Performance at the Highest Level*

## **Appendix 2: Dimensions of the Superintendent Evaluation**

# dimensions

## of the superintendent



### educational leadership

The superintendent provides leadership and direction for an educational system that is based on desired student achievement.



**Performance expectation:** the superintendent will provide leadership to the school board in implementing the district's vision, mission and goals.

#### Superintendent indicators

1. Collaborates with the board to prepare long- and short-term operational and instructional goals.
2. Assists the board in developing and adopting district goals with data and leadership.
3. Develops for each goal an action plan outlining performance expectations.
4. Administers or evaluates action plans personally or through delegation of staff.
5. Oversees the planning and evaluation of curriculum and instruction programs.
6. Reports to the board on implementation status of the goals and instructional program effectiveness.

#### Board indicators

1. Communicates a clear vision.



**Performance expectation:** the superintendent will assist the board in the continuous improvement of the district.

#### Superintendent indicators

1. Assists new board members to meet state training requirements.
2. Informs the board of current trends and developments in education.
3. Prepares reports on:
  - a. progress and revisions of action plans to accomplish the district's vision/philosophy/goals
  - b. district strengths and areas for improvements

- c. compelling or anticipated challenges and emerging issues, trends or opportunities
4. Participates in professional activities to enhance knowledge and skills.
  5. Assists and encourages board members to engage in continuous board training.

#### Board indicators

1. Conducts professional meetings.
2. Avoids micromanaging district staff or operations.
3. Supports the superintendent and administrative staff.
4. Participates in training activities.



**Performance expectation:** the superintendent, as chief executive officer to the school board, will provide leadership in personnel management.

#### Superintendent indicators

1. Communicates the board's vision, mission and goals to all personnel.
2. Provides leadership as chief executive officer and acts as general supervisor of all personnel.
3. Recommends to the board appropriate personnel actions, including employment, assignments and dismissals.
4. Implements a fair and equitable evaluation process for all personnel.
5. Reviews and/or recommends job descriptions for all personnel and maintains adopted job descriptions.
6. Organizes the recruitment of personnel.

### district management

The superintendent demonstrates effective planning and management of district administration, finances, operations and personnel.



**Performance expectation:** the superintendent will assist the board to implement the district's organizational structure.

**Superintendent indicators**

1. Administers district affairs through board policies.
2. Posts notices of all board meetings in accordance with the state’s Freedom of Information Act (FOIA).
3. Follows board policies to plan and conduct board meetings, including types of meetings, agenda development, superintendent recommendations, public input and recorded minutes.
4. Provides written reports on actions plans, status of district goals and achievements, information on agenda items where needed, and written recommendation(s) on action items.
5. Maintains the official board records and other records required by FOIA.



**Performance expectation:** the superintendent will provide leadership to the board in policy development and policy implementation.

**Superintendent indicators:**

1. Informs the board of any changes to state and federal laws, rules and regulations.
2. Maintains and distributes board policies.
3. Provides recommendations, usually in writing, on all new or revised policies presented to the board for consideration.
4. Seeks out staff and public opinion on proposed policies and shares the information with the board.
5. Implements and explains board policies and actions.



**Performance expectation:** the superintendent will provide sound fiscal management to assist the board in financial management.

**Superintendent indicators:**

1. Coordinates with the board to develop the proposed budget.
2. Develops the proposed budget following the approved budget development process and timeline to meet state and local requirements.

3. Implements and administers the approved budget through sound business and fiscal practices as per board policy.
4. Administers the budget within board established spending levels and recommends budget amendments when necessary.
5. Prepares monthly financial updates.
6. Maintains the district’s financial records and cooperates with auditors in the conduct of the annual audit.

**board and community relations**

The superintendent maintains a positive and productive working relationship with the board and the community.



**Performance expectation:** the superintendent will provide leadership in board, staff and community relationships.

**Superintendent indicators:**

1. Demonstrates respect and cooperation in professional relationships with the board and individual board members, staff and community.
2. Recognizes and protects the chain of command concept.
3. Works with the board to develop and implement a process that encourages and seeks the input of staff at all levels in decision making when appropriate.
4. Adheres to adopted board policies on media communications.

**School board indicators**

1. Serves as an advocate for children and public education.
2. Understands and responds to the needs of the district students and staff.

**Other guiding principles**

1. Think about areas of strengths.
2. Think about areas in need of improvement.
3. Think about specific, board-identified areas in need of improvement.





# Lexington School District Four

*Ensuring Student Performance at the Highest Level*

## **Appendix 3: Additional Future Considerations**

**APPENDIX 3: ADDITIONAL FUTURE CONSIDERATIONS**

**FINDING**

The administration and board did not increase millage to the cap allowed by ACT 388. ACT 388 limits increases in operating millage to fund school operating expenses to the increase in the percentage of population growth of the district and to the percentage increase in the consumer price index. Accordingly, revenue of \$149,914.99 for FY 14-15 was foregone (see **Exhibit A3-1**). *If a governing body does not impose an allowed increase, State law does permit a millage increase that was "...not previously imposed, for the three property years preceding..."* If a governing body does not impose an increase the impact of this decision is to forego revenue of \$149,914.99 for FY 14-15, but to also forego a total of some \$750,000 through FY 18-19.

**EXHIBIT A3-1  
FOREGONE MILLAGE INCREASE CHART  
LEXINGTON SCHOOL DISTRICT 4**

<b>PROPOSED MILLAGE 14-15</b>	<b>CURRENT MILLAGE</b>	<b>% INCREASE</b>	<b>MAX INCREASE</b>	<b>PROPOSED MILLAGE</b>	
Operating	306.2	0.0262	8.022	314.22244	
Millage Revenue generated					
Assessed	\$31,826,090.00				
Less 4% property	\$12,154,530.00		CPI increase 1.46%		
	\$19,671,560.00		Growth is 1.16%		
Collection rate	0.95				
	18,687,982.00				
	0.001		Total increase	2.62%	
Value of mill	18,687.98				
Maximum Millage increase	8.022				
Estimated Revenue Generated	149,914.99				
				Est Fund Balance 6/30/2014	
Current Millage				\$ 5,196,000.00	
306.2					
	Estimated Revenue	Estimated Trans From Fund Balance	Total Mills to Levy	Estimated Fund Bal 6/30/14	%
8.022	149,914.99	-	314.22	5,196,000.00	0.22031
7	130,815.87	-	313.2	5,196,000.00	0.22031
5	93,439.91		311.2	5,196,000.00	0.22031

PROPOSED MILLAGE 14-15	CURRENT MILLAGE	% INCREASE	MAX INCREASE	PROPOSED MILLAGE	
0	0	-	306.2	5,196,000.00	0.22031
Budgeted expenditures		Minimum Requirement			
\$ 23,584,924.68	0.15	\$ 3,537,738.70			

Lexington 4 administration recommends no millage increase for FY 14-15.  
Source: LSD 4 Business Office, FY 14-15 Budget Presentation.

**The district does not request the maximum revenue annually permitted by state law.** The additional funding would, among other things, help to pay for some of our recommendations that require costs. For example, they could be used to add staffing where needed (Chapter 2), increase insurance amounts (Chapter 3), and enhance technology tools for use in the classroom as well as for administration, and update/modernize facilities (Chapter 8).

As noted above, based on FY 14-15, foregone revenue was \$149,914.99. If the school board does not subsequently impose a millage increase, then over a five-year period the foregone revenue total is \$749,574.95.

**FINDING**

The state constitution allows school districts to borrow up to 8 percent of the assessed property value without a referendum by the voters. LSD 4 currently has an authorized 8% debt ceiling of \$2,645,741. The current 8% authorized debt issued is \$2,440,000 leaving untapped revenue of \$205,741. In March of 2016, however, a principal payment of \$825,000 will be made raising the untapped revenue total to \$1,030,741.

LSD 4 does not annually address its capital funding needs by issuing 8 percent debt to fund these needs. As such, preventative maintenance expenditures are not systematically addressed annually.

**The district should consider preparing annually each spring an 8 percent capital funding request for consideration by the board to tap this one million for capital projects.**

Implementing this recommendation would help LSD 4 systematically prioritize capital needs. As the retired debt is replaced with a new issuance annually, there is no noticeable increase in debt service millage.

**FINDING**

LSD 4 has been very fiscally conservative as attested to by positive increases in the fund balance for each of the prior three years. As can be seen in **Exhibit A3-2**, the fund balance over the prior three years has increased and exceeded this 15% threshold set by the board. An opportunity exists that is not being taken advantage of for the board to maximize the opportunity presented by available capital funding.

**EXHIBIT A3-2  
FUND BALANCE CHART  
LEXINGTON SCHOOL DISTRICT 4  
FISCAL YEARS 2012-14**

<b>Year</b>	<b>Amount</b>	<b>% of Operating Budget</b>
FY 11-12	\$4,061,893	20%
FY 12-13	\$5,196,262	25%
FY 13-14	\$6,642,169	33%

Source: LSD 4 Financial Audit Reports, FY 2011-14.

**The district should consider identifying potential one-time, non-recurring capital expenditures for funding consideration by the Board utilizing available funds above the 15 percent fund balance threshold.**

This should enable LSD4 to address capital needs in a more timely fashion and improve the learning environment for students, faculty, and staff by providing additional instructional technology tools for the classroom.

Available funds in excess of the 15 percent threshold as of 6/30/14 totaled \$3,623,001.