

**SOUTH-WESTERN
CITY SCHOOLS**

**QUARTERLY
REPORT
TO THE
COMMUNITY**

FEBRUARY 2010

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The South-Western City School District Board of Education's Commitment Keeping the Promise

The South-Western City School District Board of Education is pleased to present its second quarterly report in fiscal year 2009-2010 to the community as promised. In February 2010, the Board renewed its charge to the District to make an aggressive effort to achieve four goals:

1. Become an Effective district as reported by the Ohio Department of Education Local Report Card by changing instructional practices;
2. Make the revenue generated by an operating levy passed in calendar year 2009 last through fiscal year 2013 by exploring other means for additional revenue growth;
3. Continue to implement reductions to improve operational efficiencies utilizing the results from the Performance Audit conducted by the Auditor of State's office and working with employee groups and the Community Advisory Group; and
4. Increase the regularity and frequency of communication with the community through the use of surveys, technology and community engagement meetings.

We welcome your comments and/or feedback.











43 Accomplishments and Best Practices noted in the Performance Audit

In July 2009, the South-Western City School District requested a performance audit be conducted of its fiscal and operations management by the Auditor of State. Performance audits provide objective analysis so that management and those charged with governance and oversight can use the information to improve program performance and operation, reduce costs, facilitate decision-making by the parties with the responsibility to oversee or initiate corrective action, and contribute to public accountability.

The Auditor of State cited **eight noteworthy accomplishments** worthy of replication in other districts and **35 best practices** in place by South-Western City Schools in the areas of financial systems, human resources, facilities, transportation, food service and technology.

The **eight (8) accomplishments** recognized in the audit include specialized instruction, workers' compensation premiums, enrollment projections, classroom inventory and building utilization, transportation plan, network infrastructure, software application integration, and technology inventory system.

The **35 best practices** documented by the audit include:

Financial Systems - financial management, purchasing policies, forecasting, budgeting processes, inventory controls, and *spending \$848 less than the state average per pupil*;

Human Resources - staffing levels comparable to peer districts, substitute teacher pay rates, spending on extracurricular activities per student, and providing information on the district's Web site;

Facilities - new employee shadowing, maximizing educational space, and having *utility costs 13% lower than the peer average and 8% lower than the industry benchmark*;

Transportation - controls to ensure the security of the district's bus fleet, equipment and supplies, preventative maintenance in line with leading practices, and *purchasing practices which are lower than both the peer average and industry benchmarks*;

Food Service - new employee training handbook, safety, health and security training, submitting reimbursement for the National School Lunch Program in a timely manner, price evaluation process, school lunch program participation that exceeds peer average, and *supply and material cost containment steps to minimize food costs*;

Technology - comprehensive technology plan, technology professional development for staff, utilization of off-peak hours to upgrade software and systems updates, uniform equipment standards, and the development of instructional software bundles.

28 Recommendations

Areas for Improvement

as noted in the Performance Audit

The performance audit outlines 28 recommendations. Some of the recommendations are related to future contract negotiations. Several of the recommendations have potential financial savings as determined by the Auditor of State's office. The district's response to each of the recommendations will be included in a detailed plan, which will be published in March. The plan will be grouped into five categories: Further Study, Rejected, Planning Stage, Implementation Stage and Completed.

The non-negotiated recommendations include:

- Develop a multi-year strategic plan
- Develop a popular annual financial report
- Develop a policy requiring timely payments to take advantage of vendor discounts
- Create an internal auditor position
- Develop a formal comprehensive staffing plan
- Develop policies and procedures to ensure accurately prepared and reconciled EMIS reporting data
- Develop a formal process to distribute an employee handbook, update job descriptions and solicit formal employee feedback
- Reduce maintenance and operations staff by 15.5 FTEs
- Discontinue the practice of hiring additional summer maintenance and custodial staff
- Develop a formal facilities master plan
- Use the current work order system for preventative maintenance
- Develop a formal handbook for custodial and maintenance staff
- Reconcile transportation forms with state forms
- Reduce nine buses and review bell schedules to maximize triple routing for actual riders
- Reduce costs associated with special needs transportation
- Include transportation personnel in IEP development
- Develop a formal bus replacement plan based on 12 years and 250,000 miles
- Develop a strategic plan for food service operations
- Allocate a portion of utility and trash removal costs to food service
- Reduce 45.5 labor hours from daily food service operations
- Ensure funding for a five-year technology replacement cycle
- Implement a student tech support program
- Develop a formal technology disaster recovery plan

The district has stated it will aggressively pursue the recommendations contained within its Performance Audit.

Fiscal Implications of the Performance Audit

In the areas of utilities, workers' compensation and staffing levels, the auditor documented more than \$2.5 million in savings per year that taxpayers of the district are already experiencing as compared to peer averages.

The Auditor of State's office reports the District will save approximately \$560,000 per year from the General Fund if all the non-negotiated recommendations are implemented including the recommendation to implement a five-year technology replacement schedule.

Recommendation	Auditor's Anticipated Savings	Cost to Implement
R3.5 <i>Implement further cost containment strategies to bring medical insurance premiums more in line with the SERB average.*</i>	\$1,400,000	
R3.5 <i>Implement cost containment strategies to bring dental insurance premiums and employee contribution rates more in line with SERB averages*</i>	\$588,000	
R4.1 Eliminate 15.5 FTE maintenance department staff positions	\$677,000	
R4.1 Eliminate the use of seasonal maintenance staff	\$84,000	
R5.2 Eliminate nine active buses from regular transportation operations	\$305,000	
R6.2 Allocate all appropriate costs to the Food Service Fund	\$194,000 Cost Shift	
R7.1 Fully fund the districts five-year replacement schedule for technology		\$700,000
TOTAL	\$3,248,000	\$700,000

**Implementation subject to negotiation.*

Some of the auditor's recommendations bring with them secondary considerations which impact South-Western's students and the community. The district is in the process of developing its response to the performance audit recommendations working with its stakeholder groups. The Response Plan will be made available to the community upon its completion in March of 2010.

The South-Western City School District Performance Audit is available in its entirety on the Auditor of State's Web site at www.auditor.state.oh.us and also the district Web site at www.swcs.us.

Continuous Improvement Plan

Academic Improvement and Achievement

The district is moving forward with the implementation of its new Continuous Improvement Plan (CIP). Originally adopted by the Board of Education in 1999, the Plan was reviewed and most recently revised in 2009 using the Ohio Improvement Process and Decision Framework to gather data and set goals.

As required by federal law, the focus areas of the CIP are reading, math and school climate, including community engagement. The district's main strategies include:

1. the creation of district-wide formative assessments;
2. creation and implementation of a tiered intervention process;
3. district-wide family and community engagement process;
4. improved employee relations; and
5. effective attendance and behavior interventions.

District professional development is focusing on these target areas to increase student achievement.

For more information on the Ohio Improvement Process, please visit the Ohio Department of Education's Web site at www.ode.state.oh.us and enter search words "Ohio Improvement Process."

For a complete copy of the South-Western City School District's Continuous Improvement Plan, go to www.swcs.us/administration/CIP2009-2013.pdf

