



Holtville Unified School District

Maintenance, Operations, Transportation and Fiscal Review

March 4, 2008



March 4, 2008

Patricia Salcido, Superintendent
Holtville Unified School District
621 E. Sixth Street
Holtville, CA 92250

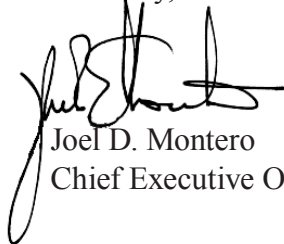
Dear Superintendent Salcido:

In September 2007 the Holtville Unified School District and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement to provide a review of the district's maintenance, grounds, transportation and custodial departments, and to prepare a fiscal analysis of the feasibility of continuing to operate Pine Elementary School versus using the site in other ways. Specifically, the agreement states that FCMAT will perform the following:

1. Conduct a review of the district's Maintenance, Grounds, and Custodial departments and provide recommendations for improvements in structural, operational, and fiscal efficiencies, as necessary, while maintaining appropriate services for school sites and centralized offices.
2. Conduct a review of the district's transportation program and provide recommendations on routing methodology, staffing, and cost containment, as necessary.
3. Prepare a fiscal analysis and comparison of continuing to operate the Pine Elementary School site or transitioning the staff and students to other district sites. Include in the analysis the operational and facility impacts and potential uses for an unused site.

The attached final report contains the study team's findings and recommendations. We appreciate the opportunity to serve you and we extend our thanks to all the staff of the Holtville Unified School District.

Sincerely,



Joel D. Montero
Chief Executive Officer

FCMAT

Joel D. Montero, Chief Executive Officer

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Foreword

FCMAT Background

The Fiscal Crisis and Management Assistance Team (FCMAT) was created by legislation in accordance with Assembly Bill 1200 in 1992 as a service to assist local educational agencies in complying with fiscal accountability standards.

AB 1200 was established from a need to ensure that local educational agencies throughout California were adequately prepared to meet and sustain their financial obligations. AB 1200 is also a statewide plan for county offices of education and school districts to work together on a local level to improve fiscal procedures and accountability standards. The legislation expanded the role of the county office in monitoring school districts under certain fiscal constraints to ensure these districts could meet their financial commitments on a multiyear basis. AB 2756 provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans. These include comprehensive assessments in five major operational areas and periodic reports that identify the district's progress on the improvement plans.

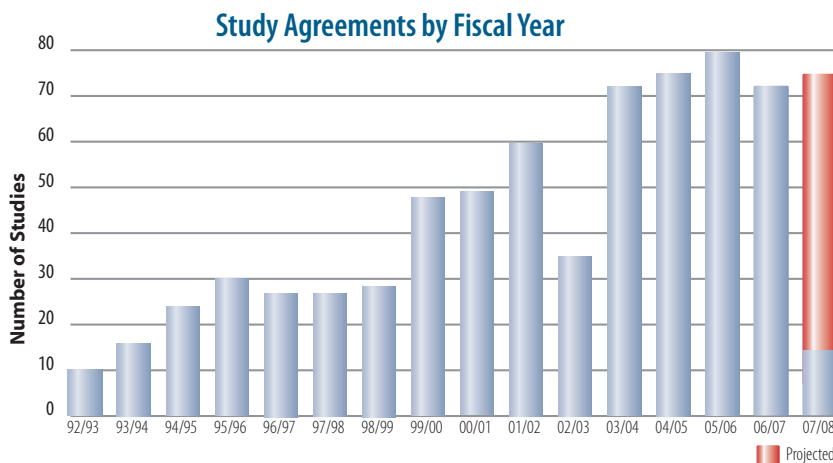
Since 1992, FCMAT has been engaged to perform more than 600 reviews for local educational agencies, including school districts, county offices of education, charter schools and community colleges. Services range from fiscal crisis intervention to management review and assistance. FCMAT also provides professional development training. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The agency is guided under the leadership of Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.

Total Number of Studies..... 667

Total Number of Districts in CA..... 982

Management Assistance..... 631 (94.6%)
Fiscal Crisis/Emergency 36 (5.4%)

Note: Some districts had multiple studies.
Seven Districts have received emergency loans from the state.
(Rev. 10/10/07)



Introduction

Background

The Holtville Unified School District is a rural district in the town of Holtville in Imperial County, approximately two hours east of San Diego and 15 miles north of Mexicali, Mexico. Holtville has a population of approximately 5,500 and the primary local industry is agriculture. The district serves approximately 1,781 students in two elementary schools, one middle school, a comprehensive high school and a continuation high school. The district also operates an adult education program.

The district's enrollment for the last six years indicates a net loss of 56 students, or 4.5%. The district's enrollment increase in 2006-07 was promising but short-lived. In the current year, the district could lose up to 130 students. Staff attribute this sharp downward trend to a one-time event because it is primarily the result of trailer park closures and a shortage of new housing within Holtville.

More than half of California school districts are declining in enrollment. Although the district's situation is not unique, enrollment has declined to the point that the district will need to evaluate all options, including the possible closure of one school and/or consolidation, to maintain quality educational programs and competitive compensation.

In August 2007, the Fiscal Crisis and Management Assistance Team (FCMAT) received a request from the district for management assistance. FCMAT and the district subsequently entered into a study agreement which specifies FCMAT will perform the following:

1. Conduct a review of the district's maintenance, grounds, and custodial departments and provide recommendations for improvements in structural, operational, and fiscal efficiencies, as necessary, while maintaining appropriate services for school sites and centralized offices.
2. Conduct a review of the district's transportation program and provide recommendations on routing methodology, staffing, and cost containment, as necessary.
3. Prepare a fiscal analysis and comparison of continuing to operate the Pine Elementary School site or transitioning the staff and students to other district sites. Include in the analysis the operational and facility impacts and potential uses for an unused site.

Study Guidelines

FCMAT visited the district on December 2 and 3, 2007 to conduct interviews, collect data, and review documents. This report is the result of those activities and is divided into the following sections:

- I. Executive Summary
- II. Maintenance, Grounds and Custodial Departments
- III. Transportation Department
- IV. Fiscal Analysis and Options for Pine Elementary School

Study Team

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Executive Summary

Maintenance, Grounds and Custodial Departments

The current organizational structure for the maintenance, grounds and custodial departments is not conducive to maximum efficiency; these departments have numerous overlapping functions and require a high level of coordination. These departments currently report to the Human Resources/Facilities Director; however, the nature of the tasks clearly places them under the business division. The departments should be combined into one under the general direction of the chief business official (CBO). The district should consider establishing the position of Maintenance, Operations and Transportation Director to provide direct supervision for these departments; this position would combine the maintenance supervisor and transportation supervisor positions.

The maintenance department staffing level is not sufficient and does not leave time for preventive maintenance or safety programs. These programs should be developed to maintain and support the district's facilities and employees.

The grounds staffing level is higher than the established formula prepared by CASBO; however, because grounds personnel also perform other tasks such as moving furniture and unloading food service trucks, staffing should remain at the current level. The district does not employ substitute grounds personnel and therefore incurs excessive overtime charges.

Community organizations use the Holtville High School and Finley Elementary School playing fields extensively but are not required to assist in maintaining the fields or sharing costs. The district should develop and use an updated facility use policy or memoranda of understanding with community organizations so that they provide maintenance or reimbursement.

A comparison of custodial staffing by school site shows that the CASBO formula recommends approximately 0.7 fewer FTE custodians than the district employs; however, FCMAT compared the district with districts of similar size and recommends that the district maintain its current custodial staffing level.

Transportation Department

The transportation director currently reports directly to the superintendent. The district should realign this department to be under the general supervision of the CBO and under the direct supervision of a maintenance, operations and transportation director.

The district has five daily home-to-school bus routes and only four bus drivers. The director of transportation and the mechanic operate the fifth route, losing approximately three hours of work time daily that could be devoted to the duties of their stated positions. There are no substitute drivers. This organizational deficiency prevents the department from achieving maximum efficiency.

The district operates eight large school buses and one wheelchair van. The current fleet is adequate and is in good working order.

Fiscal Analysis and Options for Pine Elementary School

At the beginning of the 2007-08 fiscal year the district lost 80 students and is expected to lose another 50.

The district provides class-size reduction (CSR) in grades K-3, with a student-to-teacher ratio of 20:1. If Pine Elementary School is closed, approximately 137 K-5 students would transfer to Finley Elementary School, and 70 students in grades 6-8 would relocate to Holtville Middle School. Both schools have sufficient room to accommodate these students.

The city recently approved a tract map for the development of approximately 110 homes within the district's boundaries. The development could be completed in two to five years and would provide growth for the district. If the approved development is completed and Pine Elementary School is converted to other uses, the district will need to provide additional classrooms for the new students.

Pine Elementary School is located approximately seven miles outside of Holtville in a rural agricultural area and lacks technology infrastructure, so there is little possibility of renting or leasing the property. In addition, the district has invested a considerable amount of local bond and state modernization funds to improve Pine Elementary School. The district should give serious consideration to the ramifications of closing this site and should explore other educational opportunities for the facility, including establishing a magnet school for arts, music or technology, or starting a charter school.

Other options for Pine Elementary School include moving the adult education, alternative education, or maintenance and transportation departments to the site, or reconfiguring grade levels so that fewer grades are served at the site. The district could also sell the property and deposit the proceeds in the capital facilities fund for future needs.

Findings and Recommendations

Maintenance, Grounds and Custodial Departments

Maintenance

The district's current organizational chart identifies seven administrative positions that report directly to the superintendent, including chief business official (CBO), human resources/facilities director, principals, special education director, administrative assistant, and director of transportation.

The most effective method of organization groups related functions together to facilitate coordination, communications and support for the educational programs. In most California school districts, the transportation, maintenance, grounds and custodial departments are placed under the general direction of the CBO and are directly supervised by a maintenance, operations and transportation director position.

Under the district's current organizational structure, the transportation director reports directly to the superintendent; maintenance, grounds and custodial support staff report directly to the human resources/facility director, who is also the principal of Sam Webb High School and oversees the Even Start Program. This places considerable responsibility on the human resources/facilities director and reduces the ability to adequately meet the needs of all personnel and ensure quality service to the school sites and other departments.

These support departments have numerous overlapping functions that require coordination to provide maximum efficiency and effectiveness. For example, preparation for a sporting event at the high school requires the maintenance crews to ensure that the facility is in good working order, the custodial team to provide adequate supplies and clean facilities, grounds personnel to have properly maintained the property, and perhaps transportation services for students to and from events. Having these departments reporting to different managers could cause delays, miscommunication and a lack of coordination.

The maintenance supervisor manages one operations maintenance II position and three grounds personnel and is responsible for ordering paper products and cleaning supplies for all school sites. However, this supervisor is not responsible for the custodial staff; instead, they report to the human resources/facilities director even though the maintenance supervisor's job description states, "this position is directly responsible to the District Business Manager."

The district has a computerized work order system and receives approximately 500 work orders per year. A review of these work orders indicates that they are of a routine nature. The district does not provide substitutes for either the maintenance supervisor or the operations maintenance II positions, and there are no provisions for covering these key personnel when they are on leave.

A review of school districts of similar size indicates that the district's maintenance department staffing level may be low. Because of this limited staffing, preventive maintenance and safety training is not being addressed. The maintenance department's first priority is responding to emergencies, followed by responses to requests for support. Work orders are addressed whenever there is time. The district needs to develop a program to adequately address appropriate service levels that include time for preventative maintenance and safety training.

The California Association of School Business Officials (CASBO) has established a formula for determining maintenance staffing requirements. The formula is based on adequate staffing levels throughout California. Table 1 provides a comparison of the district's current maintenance department staffing with the recommended staffing indicated by the CASBO formula.

Table 1: Current district maintenance staffing compared to CASBO formula recommendations

Position	Current District Maintenance Staffing	CASBO Formula Recommendation
Director	1	1
Supervisor	1	1
Maintenance Worker	1	3

The maintenance department staffing level is not sufficient and does not leave time for preventive maintenance or safety programs. These programs should be developed to maintain and support the district's facilities and employees.

The maintenance and operations program uses eight vehicles that are model year 2000 or newer, but the remaining six vehicles are aging. Two vehicles are more than thirty years old and in such poor condition that employee safety could be compromised. The district needs to replace these vehicles and establish a maintenance vehicle replacement program.

The district's maintenance facility is more than 50 years old. The district will need to hire a licensed architect or engineer to evaluate whether the facility can be rehabilitated or whether it should be replaced.

Grounds

The grounds division has three groundsmen II positions that report directly to the maintenance supervisor/utility worker. One position is assigned to Finley Elementary School and Holtville Middle School; one is assigned to Holtville High School, Pine Elementary School and Sam Webb High School; and one is responsible for all sports activities at Holtville High School and for other sites as needed.

The CASBO formula for grounds staffing is one full time equivalent (FTE) position for every 40 acres. Table 2 compares the district's current staffing levels with the CASBO formula staffing recommendation and provides FCMAT's recommended staffing levels.

Table 2: Grounds staffing

School Site	Acreage	Current Staffing	Formula Recommendation	Recommended Staffing
Finley Elementary	14.5		.3625	
Pine Elementary	8.3		.2075	
Holtville Middle School	20.4		.51	
Holtville High School	26.0		.65	
Sam Webb High School	1.0		.025	
Total	70.2	3.0	1.76	3.0

Formulas do not always reflect the individual differences among districts. In addition to analyzing the quantitative data from CASBO, FCMAT took into consideration the fact that the playing fields are used heavily by the community without any outside assistance for grounds maintenance. A comparison of districts of similar size indicates that three full time grounds personnel are needed to provide an adequate level of service.

The district currently incurs excessive overtime for grounds personnel because they respond to requests to move furniture and unload food service trucks. The district needs to consider creating a substitute employee pool to more effectively meet these needs without incurring overtime costs.

District grounds staff report that there is continued vandalism of sprinkler heads, time clocks and controls. All the existing irrigation systems are controlled manually, which adds to the workload of the grounds staff. The district should consider replacing the current above-ground irrigation heads with underground systems that are controlled from a central location using programmable timers to maximize efficiency.

As previously noted, community groups use the district's playing fields extensively but have no responsibility for maintenance. Many California school districts require community organizations to provide maintenance or reimburse the district for the costs to maintain the facilities in good order. The district needs to update its facility use agreement or enter into a memorandum of understanding with community groups for the upkeep of these facilities.

Custodial

The district operates a central custodial department that is under the director of human resources/facilities and is supervised directly by the maintenance supervisor/utility worker, who is also responsible for ordering paper products and cleaning supplies for

all schools. Reassigning the ordering of paper products and cleaning supplies to the lead custodian would free the maintenance supervisor/utility worker to spend more time supervising and performing other duties of this position.

There is at least one custodian at each school. The lead custodian position is located at the middle school and is responsible for both a regular cleaning shift and for the lead duties, which include overseeing the care and sanitation at the district's five school sites. The job description for the lead custodian position lists fourteen different responsibilities; the excessive number of duties makes it difficult to effectively fulfill the duties of a lead position.

At Pine Elementary, Finley Elementary and Holtville High schools, the custodial position is a combination custodian and grounds position. Although this gives the district flexibility to assign grounds duties to the custodial staff without working out of class, the custodians at Finley Elementary and Holtville High schools are not performing grounds duties. In addition, there is no custodial support for the district office or the transportation and maintenance departments.

Table 3 indicates the district's current custodial coverage.

Table 3: Current custodial coverage

School Site	Total Assigned Hours
Finley Elementary	
Custodial	16.0
Custodial/Grounds	8.0
Pine Elementary	
Custodial	7.0
Holtville Middle	
Lead Custodian	8.0
Substitute Custodian	8.0
Holtville High	
Custodial	20.0
Custodial/Grounds	8.0
Sam Webb High	
Custodial	4.0
District Office, Maintenance and Transportation	
No custodial support	0

The CASBO custodial staffing formula is as follows: 1.0 FTE for every 13 teachers, plus 1.0 FTE for every 325 students, plus 1.0 FTE for every 15 rooms, plus 1.0 FTE for every 18,000 square feet of building space. The sum of the FTEs for all of the factors is then divided by the four factors to calculate the recommended staffing level.

The CASBO formula and its constituent factors are summarized in Table 4.

Table 4: CASBO staffing formula calculation and factors

Factor	Number of Custodians	Divisor
Teacher Factor	1.0	13 teachers
Pupil Factor	1.0	325 students
Room Factor	1.0	15 rooms
Square Footage Factor	1.0	18,000 square feet of building space
The final step is to divide the total number of custodians by four.		

Table 5 provides an analysis of the adequacy of the district's custodial staffing compared to the CASBO staffing formula recommendations.

Table 5: Current District custodial staffing compared to CASBO formula

School Site	Teacher Factor	Pupil Factor	Room Factor	Square Footage Factor	Total of Factors	CASBO Formula: Total /4	Current District Staffing
Finley Elementary	2.61	1.94	3.93	3.37	11.85	2.96	3.00
Pine Elementary	0.85	0.63	1.60	0.87	3.95	0.99	1.00
Holtville Middle	1.46	1.05	2.20	1.86	6.57	1.64	2.00
Holtville High	2.46	1.79	4.20	4.71	13.16	3.29	3.50
Sam Webb High	0.46	0.02	0.67	0.41	1.56	0.39	0.50
Total						9.27	10.00

A comparison by school site shows that the formula recommends 9.27 FTE and the district currently has 10.0 custodians. FCMAT compared this data with other districts of similar size and recommends that the district maintain the current staffing level of 10.0 FTE.

FCMAT reviewed the cleaning routes for each site and the cleaning standards. The district's custodial staff have maintained the facilities in excellent condition.

Recommendations

The district should:

1. Realign the transportation, maintenance, grounds and custodial departments under the general direction of the CBO, with direct supervision provided by a newly created position of maintenance, operations and transportation director. This position would combine the maintenance supervisor and the transportation supervisor positions.
2. Update the job descriptions to ensure that they accurately reflect responsibilities and clearly identify who supervises each position.
3. Develop a maintenance program that adequately addresses appropriate service levels for routine work orders and includes sufficient time for preventive maintenance and safety training.
4. Evaluate staffing levels for each school site, including time for the needs of other district departments.
5. Consider replacing two of the older maintenance vehicles, and establish a maintenance vehicle replacement program.
6. Hire a licensed architect or engineer to evaluate whether the maintenance facility can be rehabilitated or needs to be replaced.
7. Consider providing a substitute custodial pool to more effectively meet cleaning needs without incurring overtime costs.
8. Consider replacing above-ground irrigation heads with an automated underground system that is controlled from a central location to maximize efficiency.
9. Update the existing facility use agreement, or enter into memoranda of understanding, to ensure that community groups help maintain or provide reimbursement for the upkeep of playing fields.
10. Shift the responsibility for ordering paper products and cleaning supplies from the maintenance supervisor to the lead custodian at each school site.
11. Re-evaluate the job duties and responsibilities of the lead custodian position to ensure that there is adequate time to perform lead functions.
12. Assign custodial coverage for the district office, maintenance and transportation departments.

Transportation Department

The transportation director currently reports directly to the superintendent. Placing the transportation department under the general supervision of the CBO and providing direct supervision through a maintenance, operations and transportation director would be more efficient.

The district operates five daily home-to-school bus routes but has only four bus drivers and no substitute bus drivers on call. The shortage of one bus driver is critical because all available licensed employees have daily routes and there are no substitutes available in case existing employees are absent.

The director of transportation and the mechanic operate the fifth bus route, which takes up approximately three hours of work time daily. Although this is common in small school districts, it is not a productive use of time for the job classifications and description. This is especially true in the case of the mechanic position because the district has only one vehicle maintenance mechanic position to service and support the school bus fleet and the district’s vans. Filling the vacant bus driver position and establishing a list of qualified substitute drivers would help resolve these issues.

The district’s bell schedule is not staggered to allow for the most efficient use of the school bus fleet and available drivers. As a result, the program runs a late transportation schedule for Finley Elementary School that is approximately 35 to 45 minutes late at least four days per week. Table 6 shows the current bell schedule by site.

Table 6: Current district bell schedules

School Site	Bell Schedule
Holtville High School	8:05 a.m. to 3:10 p.m.
Holtville Middle	8:09 a.m. to 3:10 p.m.
Finley Elementary	8:05 a.m. to 2:30 p.m.
Pine Elementary	8:00 a.m. to 2:25 p.m.

Adjusting the Pine Elementary bell schedule to 7:50 a.m. to 2:15 p.m. and the Finley Elementary bell schedule to 8:20 a.m. to 2:45 p.m. would reduce the wait time for students and provide timely home-to-school transportation service. Altering the elementary school schedules in this manner would also allow the district to maintain the current bell schedules at Holtville Middle and Holtville High schools.

The district operates eight large school buses and one wheelchair van. All the school buses were manufactured in 1990 or later, and all but three have less than 100,000 total miles. The current fleet is adequate to meet the district’s needs and allows the district to provide backup vehicles in case of repair, routine preventive maintenance, or activity trips.

A review of the vehicle inspection program indicates that the school bus and student passenger van fleet is in good working order. Inspections found the buses to be clean and in good operating condition in accordance with required certifications.

Although the district's bus and van fleet is in good condition, as noted earlier, many of the district's maintenance and operations vehicles need replacing.

Recommendations

The district should:

1. Consider realigning the transportation department under the general supervision of the CBO and under the direct supervision of a maintenance, operations and transportation director.
2. Consider filling the vacant bus driver position and establishing a list of qualified substitute bus drivers.
3. Consider staggering school bell schedules to provide more efficient and timely transportation service to students.

Fiscal Analysis and Options for Pine Elementary School

The district has two elementary schools, one middle school, one high school and one continuation school. In 2006-2007, the district experienced its first enrollment growth in nearly five years, with an increase of 32 students. Unfortunately this increase did not continue; at the beginning of the 2007-2008 school year the district lost 80 students. In addition, it is expecting to lose another 50 students because of the eviction of numerous trailer park residents by Imperial County as a result of health and safety violations. Because the city of Holtville lacks new housing growth and affordable rental units, many of these families have moved to neighboring towns outside of the district's boundaries.

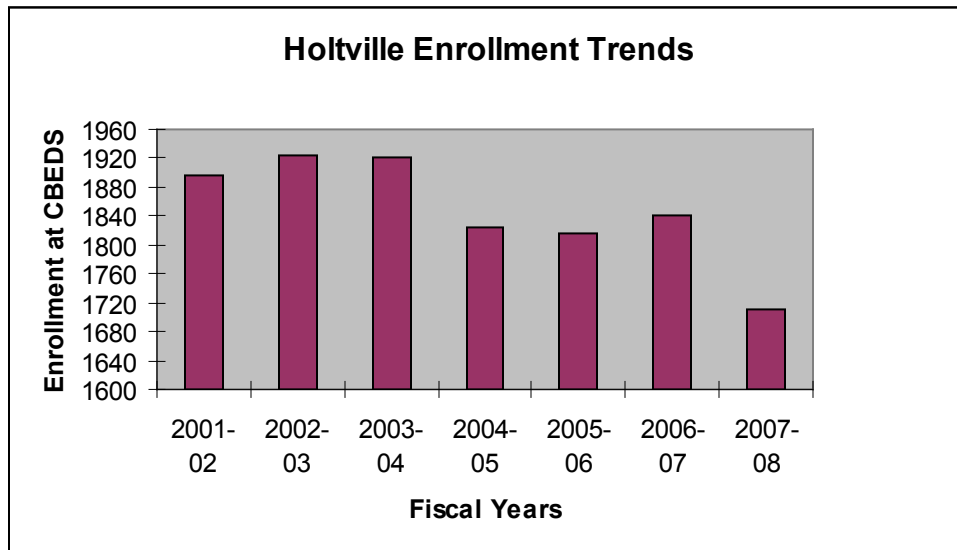
Because of these events, FCMAT was asked to prepare a fiscal analysis and compare the feasibility of continuing to operate Pine Elementary School versus transitioning the school's students and staff to other district sites. The potential closure of a school is a serious matter that should involve many steps before any final recommendation is presented to the board. A committee that gathers input from staff, parents and the community could be a helpful part of this process.

The first step is to look at the tangible data coupled with projections that use the best information available at the time. FCMAT's analysis included enrollment trends, housing starts, class-size reduction, availability of classroom space on other sites, and use of local bond and state modernization funds. Also included in this analysis are the operational and facility impacts and potential uses for an unused site.

Enrollment Trends

More than half of the California school districts are experiencing declining enrollment. The district's enrollment for the last six years indicates a net loss of 56 students, or 4.5%. The district's enrollment increase in 2006-07 was promising but short-lived. In the current year, the district could lose up to 130 students. Staff attribute this sharp downward trend to a one-time event because it is primarily the result of the trailer park closures and a lack of new housing growth in Holtville.

Table 7 illustrates the actual enrollment over the last six fiscal years along with estimated enrollment for the current year.

Table 7: Holtville Unified School District Enrollment History

Housing Starts

The City of Holtville is a small rural community. The city had a master plan to improve the downtown area. The design centered around Holt Park, with businesses facing the park and forming a town square. However, a series of fires destroyed a large section of the business district in the 1980s and the master plan was never implemented.

The city has seen very few residential developments over the past five years and housing is limited. As a result, the population has remained relatively unchanged.

The city recently approved a tract map for a developer to build approximately 110 homes within the district's boundaries. The developer, Rancho Mira Mesa, plans to build on a phased schedule. This development could be completed in two to five years and could provide growth for the district, including bringing some of the displaced families back to Holtville. Because of the instability of the real estate market and the tightening of credit requirements by lenders, this development could take longer than the projected timeline.

If the housing development is completed and Pine Elementary School is converted to other uses, the district will need to provide additional classrooms for the new students.

Class Size Reduction and Classroom Space

The district currently provides class size reduction (CSR) for kindergarten through grade three, maintaining a student-to-teacher ratio of 20:1. Pine Elementary School has only one class per grade, so filling the fourth grade class, which does not have CSR, requires the addition of students from other schools. If Pine Elementary School is closed, approximately 207 students will transfer to other district schools. Approximately 137 students in grades K-5 would transfer to Finley Elementary School, and the remaining 70 students in grades 6-8 would relocate to Holtville Middle School.

Finley Elementary School has identified eight classrooms that could be used to house 137 students from Pine Elementary School. This would require moving some existing programs and relocating support staff to accommodate the number of classrooms required. Holtville Middle School has sufficient room for 70 students from Pine Elementary without moving any programs or support staff.

If the district relocates Pine Elementary students and later needs additional classroom space, it can reconsider its option to continue class size reduction (CSR). The district has approximately 535 students in grades K-3, so eliminating class-size reduction and changing the student-to-teacher ratio from 20:1 to 25:1 would free up five additional classrooms. The district would need to consider the loss of CSR funding of approximately \$1,071 annually per full day student versus the possible savings in teacher salaries and benefits.

Use of Local Bond and State Modernization Funds

Over the past few years, the district has invested more than \$1 million from local bond and state modernization funds at Pine Elementary School to rehabilitate existing classrooms with new electrical systems, dropped ceilings, windows, carpeting, fire alarm systems, restrooms, roofing and HVAC units.

The school site has been well maintained and the useful life of the school has been greatly increased. The parents and staff are proud of their school and are appreciative of the district's efforts to refurbish and modernize the school.

The district should strongly consider the practical and community ramifications of closing Pine Elementary School.

Other Potential Uses for the Pine Elementary Site

Because of Pine Elementary School's location approximately seven miles outside of Holtville in a rural agricultural area, there is little possibility of renting or leasing the property. In addition, the school has no technology infrastructure, making it even less desirable for many businesses.

The location also has an irrigation system that is more than 50 years old and costs approximately \$9,000 per year to maintain. This further decreases the possibility that the district can rent or lease the property. The cost of a new system is estimated to be \$300,000.

Other options to consider include exploring other educational opportunities for the site. The district could establish a magnet school for arts, music or technology, or create an in-district charter school.

FCMAT explored the possibility of moving the district's adult education, alternative education, and/or maintenance and transportation departments to the Pine Elementary School site. However, this option is not feasible because it would locate the adult school

at a distance from town and the district's primary service departments several miles from the district office and other school sites. In addition, savings from reduced pupil transportation costs would be minimal and the district would still incur the cost of the existing irrigation system at the site. Finally, it would make the site unavailable in case of future growth as a result of the approved housing development.

Another option is to reconfigure grade levels so that fewer grades are served at Pine Elementary School and some grades are moved to the city schools. This could provide some teaching staff cost savings by increasing class sizes at the other schools.

A last option is for the district to sell the property and deposit the proceeds in the capital facilities fund for future needs. This would require the formation of a district advisory committee and adherence to the process outlined in the Education Code sections 17387 through 17538.

Recommendations

The district should:

1. Form an advisory committee that gathers input from staff, parents and the community regarding the potential closure of, and alternative options for, Pine Elementary School.
2. Give serious consideration to the ramifications of closing the Pine Elementary School site.
3. Explore and give serious consideration to all available options for the use of Pine Elementary School, including using the site for other educational opportunities such as:
 - a. establishing a magnet school for arts, music or technology, or
 - b. starting a charter school, or
 - c. reconfiguring grade levels to reduce the number of grades served at the school and relocating these students at other existing school sites.

The district should take into account the impact to the district and the community when considering any course of action.

4. Have an advisory committee evaluate the option for the district to sell or lease the property under the process outlined in Education Code Sections 17387 through 17538.

Appendix A

Study Agreement

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
September 4, 2007

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Holtville Unified School District, hereinafter referred to as the District, mutually agree as follows:

1. BASIS OF AGREEMENT

The Team provides a variety of services to school districts and county offices of education upon request. The District has requested that the Team provide for the assignment of professionals to study specific aspects of the Holtville Unified School District operations. These professionals may include staff of the Team, County Offices of Education, the California State Department of Education, school districts, or private contractors. All work shall be performed in accordance with the terms and conditions of this Agreement.

2. SCOPE OF THE WORK

A. Scope and Objectives of the Study

The scope and objectives of this study are to:

- 1) Conduct a review of the District's maintenance, grounds, and custodial departments and provide recommendations for improvements in structural, operational, and fiscal efficiencies, as necessary, while maintaining appropriate services for school sites and centralized offices.
- 2) Conduct a review of the District's transportation program and provide recommendations on routing methodology, staffing, and cost containment, as necessary.
- 3) Prepare a fiscal analysis and comparison of continuing to operate the Pine Elementary School site or transitioning the staff and students to other District sites. Include in the analysis the operational and facility impacts and potential uses for an unused site.

B. Services and Products to be Provided

- 1) Orientation Meeting - The Team will conduct an orientation session at the District to brief District management and supervisory personnel on the procedures of the Team and on the purpose and schedule of the study.

- 2) On-site Review - The Team will conduct an on-site review at the District office and at school sites if necessary.
- 3) Progress Reports - The Team will hold an exit meeting at the conclusion of the on-site review to inform the District of significant findings and recommendations to that point.
- 4) Exit Letter - The Team will issue an exit letter approximately 10 days after the exit meeting detailing significant findings and recommendations to date and memorializing the topics discussed in the exit meeting.
- 5) Draft Reports - Sufficient copies of a preliminary draft report will be delivered to the District administration for review and comment.
- 6) Final Report - Sufficient copies of the final study report will be delivered to the District following completion of the review.
- 7) Follow-Up Support – Six months after the completion of the study, FCMAT will return to the District, if requested, to confirm the District's progress in implementing the recommendations included in the report, at no cost. Status of the recommendations will be documented to the District in a FCMAT Management Letter.

3. PROJECT PERSONNEL

The study team will be supervised by Anthony L. Bridges, Deputy Executive Officer, Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

- A. FCMAT Fiscal Intervention Specialist
- B. FCMAT M&O Consultant
- C. FCMAT Transportation Consultant
- D. FCMAT Fiscal Consultant

Other equally qualified consultants will be substituted in the event one of the above noted individuals is unable to participate in the study.

4. PROJECT COSTS

The cost for studies requested pursuant to E.C. 42127.8(d)(1) shall be:

- A. \$500.00 per day for each Team Member while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings.
- B. All out-of-pocket expenses, including travel, meals, lodging, etc. Based on the elements noted in section 2 A, and in consideration of the District's remote location, FCMAT will agree to cap the cost at \$6,000. The District will be invoiced 50% of the cost following the completion of the on-site review and the remaining amount due upon acceptance of the final report by the District

C. Any change to the scope will affect the estimate of total cost.

Payments for FCMAT services are payable to Kern County Superintendent of Schools-Administrative Agent.

5. RESPONSIBILITIES OF THE DISTRICT

- A. The District will provide office and conference room space while on-site reviews are in progress.
- B. The District will provide the following (if requested):
 - 1) A map of the local area
 - 2) Existing policies, regulations and prior reports addressing the study request
 - 3) Current organizational charts
 - 4) Current and four (4) prior year's audit reports
 - 5) Any documents requested on a supplemental listing
- C. The District Administration will review a preliminary draft copy of the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the Team prior to completion of the final report.

Pursuant to EC 45125.1(c), representatives of FCMAT will have limited contact with District pupils. The District shall take appropriate steps to comply with EC 45125.1(c).

6. PROJECT SCHEDULE

The following schedule outlines the planned completion dates for key study milestones:

Orientation:	Estimated October, 2007
Staff Interviews:	To be determined
Exit Interviews:	To be determined
Preliminary Report Submitted:	To be determined
Final Report Submitted:	To be determined
Board Presentation:	To be determined
Follow-Up Support:	If requested

7. CONTACT PERSON

Please print name of contact person:

Celso Ruiz, Director of Human Resources

Telephone 760 356-2974

FAX

Internet Address celso@holtville.k12.ca.us

Pat Salcido

Pat Salcido, Superintendent
Holtville Unified School District

9-21-07

Date

Barbara Dean

Barbara Dean, Deputy Administrative Officer
Fiscal Crisis and Management Assistance Team

Sept 4, 2007

Date

In keeping with the provisions of AB1200, the County Superintendent will be notified of this agreement between the District and FCMAT and will receive a copy of the final report.