



Stockton Unified School District

Management Review

March 4, 2009

Joel D. Montero
Chief Executive Officer



March 4, 2009

Mr. Anthony Amato
Stockton Unified School District
701 North Madison
Stockton, California 95202

Dear Superintendent Amato:

In September 2008, the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement for a management review with the Stockton Unified School District. The scope of this study was to review a selected number of standards in the areas identified by the district administration:

1. Community Relations
2. Research, Evaluation and Assessment
3. Categorical Funds/Pupil Achievement
4. Grant Development
5. Human Resources
6. Business Services (internal audit, budget, accounting, payroll)
7. Technology
8. Printing, Mail and Warehouse
9. Transportation
10. Child Nutrition/Food Services
11. Facilities and Planning (maintenance, custodial and grounds, facilities planning, and construction)

The attached final report contains the study team's findings with regard to the above areas of review. We appreciate the opportunity to serve you, and we extend our thanks to all the staff of the Stockton Unified School District.

Sincerely,

Joel D. Montero
Chief Executive Officer

FCMAT

Joel D. Montero, Chief Executive Officer

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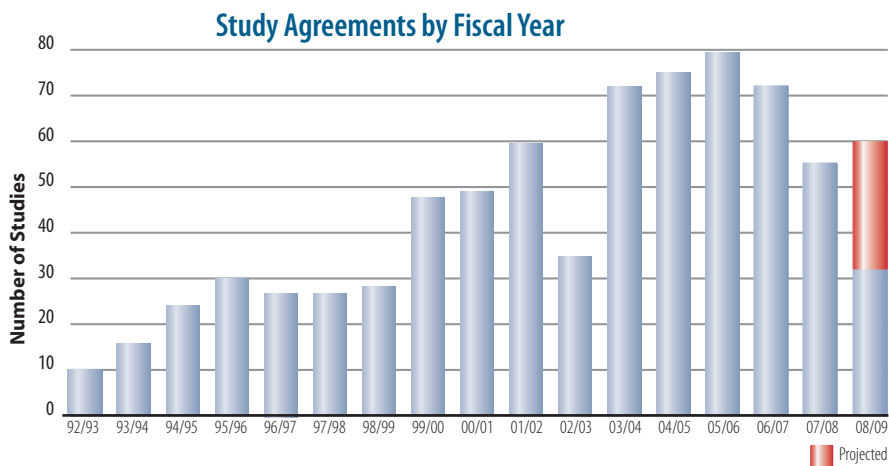
Foreword - FCMAT Background

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 (LEAs) in complying with fiscal accountability standards.

AB 1200 was established from a need to ensure that LEAs 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.

In January 2006, SB 430 (charter schools) and AB 1366 (community colleges) became law and expanded FCMAT's services to those types of LEAs.

Since 1992, FCMAT has been engaged to perform nearly 750 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..... 743

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

- Management Assistance..... 705 (94.886%)
- Fiscal Crisis/Emergency 38 (5.114%)

Note: Some districts had multiple studies.

- Districts (7) that have received emergency loans from the state.
(Rev. 1/22/09)

Introduction

The Stockton Unified School District serves a large urban area of approximately 55 square miles in San Joaquin County. It has 52 schools and an enrollment of more than 38,000 students.

In December 2008 the district offered the SAT Reasoning Test™ free of charge to all its high school senior students. That effort results in markedly higher test-taking rates than in previous years.

The district is governed by a seven-member Board of Trustees, who are elected by geographical area. Board meetings are held monthly on Tuesdays.

In June 2008, the Fiscal Crisis and Management Assistance Team (FCMAT) received a request from the district for a comprehensive review. FCMAT maintains a list of professional and legal standards by which local education agencies can be measured and benchmarked to help the district improve its performance and level of service. Based on the district's request for FCMAT to assess current practices in seven areas in the organization, FCMAT identified a subset of specific standards to be considered in each of the areas listed below. Each standard identified and reviewed is listed in the study agreement between FCMAT and the district.

Given the time and cost considerations, FCMAT and the district mutually agreed that not every standard included in the master list would be reviewed. The comprehensive list includes the following five specific component areas and related standards for each: Community Relations (51 standards), Personnel Management (95 standards), Pupil Achievement (64 standards), Facilities Management (97 standards), and Financial Management (109 standards).

The standards-based approach was created by FCMAT and is utilized in California for school districts in need of systemic improvements. The goal is to establish a baseline for performance levels in each component area. Once the benchmark has been established, the district can develop a strategy that will focus on the essential tasks to create an organizational blueprint for further improvement.

Study Guidelines

FCMAT visited the district on various dates in October, November and December 2008 to observe and evaluate the district's programs and operations. This report is the result of those activities and is divided into the following sections:

1. Community Relations
2. Pupil Achievement
3. Grant Development
4. Research, Evaluation and Assessment
5. Personnel Management
6. Financial Management/Position Control/Payroll
7. Technology Services
8. Printing, Mail and Warehouse Services
9. Transportation
10. Food Services
11. Facilities

Study Team

The FCMAT study team was composed of the following members:

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*As members of this study team, these consultants were not representing their respective employers, but were working solely as consultants for FCMAT.

Executive Summary

The Stockton Unified School District's recently hired Superintendent (July 2008) and Governing Board have committed to developing a baseline regarding the district's performance in several school district operational areas. The Superintendent and board have a common mission to move the district forward by improving the overall educational and operational delivery system. Consequently, FCMAT was contracted to conduct an assessment based review that would establish benchmarks and measure organizational performance levels in the following areas: Community Relations/Evaluation and Research, Facilities, Pupil Achievement, School Finance, Warehouse, Printing, Food Services, Human Resources, Payroll, Accounting, Technology and Transportation.

Each standard was evaluated on a scale of 0 (not implemented) to 10 (fully implemented and sustained) as to the degree of implementation. This rating provides a baseline of the district's status at a particular point in time with regard to those standards and recommendations. The district will have the opportunity at six months and 12 months to review the standards and determine the amount of improvement.

The selected standards are a subset of existing legal and professional standards applicable to all California school districts. FCMAT utilized independent and expert professional consultants from the public school systems to assist with the research, identification and categorization of the standards utilized in the Stockton USD study.

The standards selected provide a clear path to improvement when implemented in a manner that considers the nature of the current organization and endeavors to affect functions directly at the school site and central office levels. When the designated standards are implemented with this sort of depth and focus, improved financial practices, personnel procedures, community relations, and facilities management can be expected.

FCMAT assessment teams conducted on-site fieldwork in the district in October, November and December 2008. Discussions and interviews were held with staff and board members, and documentation was reviewed relative to the scope of study. An exit meeting was held once all fieldwork was complete.

Several operational areas that were reviewed and measured had an average scale score of 7 out of 10, or were partially implemented. Recommendations for improvement were offered for all operational areas in the report. However, one area that was of particular fiscal and program concern was the federal, state and local categorical program operations.

The FCMAT study team recognizes that categorical funds are an integral part of the budget process and should be integrated into the entire budget development process when the district is developing the overall budget for the fiscal year. While revenues and expenditures for categorical programs are reviewed and evaluated, they are not reviewed with the same scrutiny and

oversight as the general fund unrestricted revenues and expenditures. It was also found that categorical program development is not integrated with the district's goals or used to respond to district student needs that cannot be met by unrestricted expenditures. The Superintendent, Superintendent's cabinet and business office do not have established procedures to ensure that categorical funds are expended effectively to meet district academic and program goals. Also, it was found that prior year carryover funds and deferred revenue for categorical programs are not monitored and evaluated in the same manner as the general fund unrestricted budget.

Categorical fund budget development should be incorporated as part of the district's overall budget development process. The business office should monitor and evaluate the categorical fund budget.

The findings and recommendations presented in this report represent a snapshot of the district's performance levels for each component or operational area reviewed. FCMAT found the staff and board to be cooperative, professional and helpful in the course of this review.

The following chart summarizes the average scores for each operational area reviewed. A concentrated focus on improvement in each area will help the district to achieve the Superintendent's stated goal of reaching gold standards of performance. The gold standard concept of management is an integrated approach to implementing industry-based best practices throughout the organization that result in the achievement and maintenance of high performance levels.

Area of Review	No. of Standards Reviewed	Average Score
Community Relations	8	5.0
Pupil Achievement	6	6.0
Grant Development	4	7.0
Research, Evaluation and Assessment	4	3.75
Personnel Management	9	5.11
Financial Management/ Position Control/ Payroll	13	7.08
Technology Services	6	6.0
Printing, Mail and Warehouse Services	7	8.71
Transportation	4	2.25
Food Services	4	6.0
Facilities	13	7.92
Total Standards Reviewed	78	5.89

FCMAT's experience indicates that for school districts to be successful in achieving improved performance levels, the evaluation, design and implementation of improvement plans must be standards-driven. FCMAT has noted positive differences between an objective, standards-based approach versus a non-standards-based approach. When standards are clearly defined, reachable, and communicated, there is a greater likelihood that success can be measured and maintained.

Every standard reviewed by FCMAT was measured on a consistent rating format, and each standard was given a scaled score from zero to 10 as to its relative status of completeness. The purpose of the scaled score is to establish a baseline of information by which the district's future gains and achievements in each of the standards can be measured. The following is a definition of terms and scaled scores.

Not Implemented (Scaled Score of 0)

There is no significant evidence that the standard is implemented.

Partially Implemented (Scaled Score of 1 through 7)

A partially implemented standard lacks completeness, and it is met in a limited degree. The degree of completeness varies as defined:

1. Some design or research regarding the standard is in place that supports preliminary development. (Scaled Score of 1)
2. Implementation of the standard is well into the development stage. Appropriate staff is engaged and there is a plan for implementation. (Scaled Score of 2)
3. A plan to address the standard is fully developed, and the standard is in the beginning phase of implementation. (Scaled Score of 3)
4. Staff is engaged in the implementation of most elements of the standard. (Scaled Score of 4)
5. Staff is engaged in the implementation of the standard. All standard elements are developed and are in the implementation phase. (Scaled Score of 5)
6. Elements of the standard are implemented, monitored and becoming systematic. (Scaled Score of 6)
7. All elements of the standard are fully implemented, are being monitored, and appropriate adjustments are taking place. (Scaled Score of 7)

Fully Implemented (Scaled Score of 8-10)

A fully implemented standard is complete relative to the following criteria.

8. All elements of the standard are fully and substantially implemented and are sustainable. (Scaled Score of 8)
9. All elements of the standard are fully and substantially implemented and have been sustained for a full school year. (Scaled Score of 9)
10. All elements of the standard are fully implemented, are being sustained with high quality, are being refined, and have a process for ongoing evaluation. (Scaled Score of 10)

Fiscal Insight Reporting

As part of the study process FCMAT has included in the appendix section the revenue and expenditure trend results by extracting financial data directly from the district's Bi-Tech financial system into Fiscal Insight™ software. Utilizing a virtual private network (VPN) secure connection, this middleware has the ability to extract detail data at the fund, resource, object or detailed transaction level and provide diagnostic reporting. Regardless of the financial system's architecture, the software has the ability to format any district or county office's financial data into a common reporting format.

Working with Proxient Technologies, Inc. and representatives from the Stockton USD Technology Department, staff met to design an implementation plan for the installation of Fiscal Insight.

The following steps were employed to implement Fiscal Insight for Stockton:

1. A secure VPN connection to the district's network was set up using credentials provided by the district.
2. Oracle drivers were installed to make a direct database connection with Stockton USD's financial system, IFAS-Bi-Tech, using read-only credentials provided by the district.
3. Detailed financial budget, actuals and encumbrance transactions were imported from various applicable tables in IFAS for the current and prior three years.
4. The imported data was processed to adapt to Fiscal Insight requirements and presentation.
5. A Stockton USD profile and other necessary information was set up in Fiscal Insight.
6. Advanced diagnostic graphs and criteria and standards reporting were created.

Community Relations

CR 1.1 Communications

Professional Standard:

The district has developed and implemented a comprehensive plan for internal and external communications, including media relations.

Sources and Documentation:

1. Interview with Community Relations Officer
2. Interview with Principal representatives
3. Interview with a board member
4. Working draft of Communication Strategic Plan
5. Minutes of five meetings of Communication Strategic Plan Task Force

Findings:

1. There is no written comprehensive plan for internal and external communication, including media relations. The Community Relations Officer is developing a comprehensive plan through a task force that has already met several times. The plan is tentatively scheduled to be submitted to the school board in February 2009.
2. The draft Communications Strategic Plan includes a goals checklist, problem statement, vision statement, and goals for the community relations office, school communication, student communication, facilities planning, business services communication, special education, student support services and grant development.
3. The draft plan does not specifically include a separate media relations component that would be responsible for moderating communications between the district and various media outlets such as newspapers, radio stations and television stations. Such a component creates areas of responsibility for informing the media of district events.

Recommendations for Improvement:

1. The district should complete the development of a comprehensive communications plan for internal and external communications including a media relations component. The plan should encourage proactive communication with the media, parents, district staff, the community and other target audiences.
2. The comprehensive plan should specifically address the issue of strengthening the level of responsiveness and customer service among district staff.

3. The Superintendent and Community Relations Officer should monitor the implementation of strategies identified in the communications plan.
4. Teachers, parents, and classified employees should be included on the task force that is developing the comprehensive plan.

Standard Implemented: Partially

Rating: 1

CR 2.1 Parent/Community Relations

Professional Standard:

Annual parental notice of rights and responsibilities is provided at the beginning of the school year. This notice is provided in English and in languages other than English when 15% or more speak other languages (EC 48980, 48985).

Sources and Documentation:

1. Education Code Sections 48980, 48980.3, and 48981 through 48985
2. Parents rights document in English
3. Parents rights document in Spanish
4. Interview with Community Relations Officer
5. Interview with Principal representatives
6. District Administrative Regulation 5020, Parent Rights and Responsibilities (August 1999)
7. Student Conduct Code 2008

Findings:

1. The Parents Rights and Responsibilities document is mailed out annually as required.
2. The document is also sent out in Spanish. Language census data for the district and for individual schools was not submitted, so the study team could not verify that Spanish is the only other language exceeding 15% of students at all individual schools.
3. There was no evidence, based on interviews and documentation review, to indicate that the content of the Parents Rights and Responsibilities document is reviewed and updated annually.
4. No evidence was presented during interviews to indicate that laws are explained to parents in everyday language rather than legal language.
5. Review of documentation submitted indicated that requirements were not personalized to district circumstances.

Recommendations for Improvement:

1. The contents of the document should be thoroughly reviewed annually to ensure that all new laws are included and out-of-date laws are deleted.

2. The district should consider revising the notification to personalize at least some of the more relevant requirements to district circumstances.
3. The district should reconsider rewriting the notification as much as possible in everyday language to make it easier for parents to understand, particularly for the areas that are most relevant locally or most misunderstood by parents.
4. There should be a thorough annual review of district language census data to determine if any school has 15% or more of students who speak a primary language other than English or Spanish. The 15% requirement is for each individual school, not simply district-wide. Some schools could have three or more languages that exceed the 15% requirement.

Standard Implemented: Fully - Substantially

Rating: 8 (This rating assumes the language census data for each individual school does not exceed 15% in other languages and does not require parent notification in languages other than English and Spanish.)

CR 2.4 Parent/Community Relations

Professional Standard:

Parents and community members' complaints are addressed in a fair and timely manner.

Sources and Documentation:

1. Interview with Complaint Officer
2. Interview with Community Relations Officer
3. Review handouts of parental rights and due process rights
4. Board Policy 1312.3, Uniform Complaint Procedure (March 2006)
5. Administrative Regulation 1312.3, Uniform Complaint Procedure (March 2006)
6. Interviews with Principal representatives
7. Interview with a board member
8. Sample letters regarding complaint cases

Findings:

1. Handling of parent and community formal complaints and due process appear to be in accordance with board policy and law.
2. There is no data that documents the number, type and disposition of informal complaints, though resolution of complaints at the informal level is encouraged.
3. There is no thorough follow-up process relating to the complaint department's advice to schools or the complaint department's disposition of complaints. The complaint department frequently is not advised regarding how the school site resolved the complaint.
4. Complaints and disputes at the school level appear to be handled professionally, and in most cases resolved at the informal level.
5. Some of the principals stated it would be more effective if they were given the opportunity to provide input into district office decisions regarding resolution of formal complaints by students, staff or community at their school site.

Recommendations for Improvement:

1. The district should develop data regarding informal complaints to include number, type and disposition.
2. The follow-up process (after advice or disposition from the complaint department) needs to be improved so that the complaint department is advised of how the complaint was resolved at the site level.

3. The complaint department should consult with principals regarding formal complaints affecting their school sites. Input from the principals could help resolve complaints more cost effectively and more appropriately.

Standard Implemented: Partially

Rating: 7

CR 2.7 Parent/Community Relations

Professional Standard:

Volunteers receive appropriate training and play a meaningful role that contributes to the educational program.

Sources and Documentation:

1. Interview with Community Relations Officer
2. Agenda for Annual School Volunteer Reception honoring outstanding volunteers for their service
3. Interview with Principal representatives
4. Interview with Assistant Superintendent of Curriculum and Instruction
5. Interview with administrator who handles parent involvement in school programs
6. Administrative Regulation 1200 on School Advisory Committees (July 1991)
7. Administrative Regulation 6171 on Title I programs (April 2006)
8. Board Policy 6020, Parent Involvement, September 1998

Findings:

1. There is no evidence presented to document training of volunteers.
2. There is no board policy regarding the role or training of volunteers in the educational program.
3. There are workshops given in parenting skills, governance and school site council membership, but no training for classroom volunteers.
4. Board Policy 6020 and Administrative Regulations 1200 and 6171 are several years old and may need to be reviewed and updated.
5. Volunteers who are in a university program receive some classroom training, particularly in preschool education, but the district does not provide training.
6. There is no district-wide application process to become a parent volunteer. The only requirements are for fingerprinting and a TB test.

Recommendations for Improvement:

1. The district should develop a written plan for training volunteers.
2. There should be a board policy requiring the training of volunteers and explaining in outline form their role in the school programs.

3. An assessment regarding the types of training volunteers need would be helpful in meeting the educational needs of students. The assessment should incorporate suggestions from teachers.

Standard Implemented: Partially

Rating: 2

CR 2.9 Parent/Community Relations

Professional Standard:

Board members are actively involved in building community relations.

Sources and Documentation:

1. Interview with the Community Relations Officer
2. Interview with a board member
3. Interview with Principal representatives
4. Interview with Superintendent

Findings:

1. Board members are involved in building community relations, but do not have a system of visitations to school sites.
2. The board supports a number of different community and business relationships as explained in detail under Standard 3.1.
3. Boardsmanship is viewed by staff and community as sometimes contentious, which, in turn, negatively affects the district's public image.
4. Staff members want the board to have a positive image and want to help the board to be successful in implementing the mission and goals of the district.
5. Some board members question whether they are receiving all needed information from the Superintendent's Office and whether or not all board members are getting the same information.
6. The utilization of board subcommittees seems to be causing some question as to whether the board and staff mutually understand when subcommittees should be used and the nature of their roles.

Recommendations for Improvement:

1. There should be a system and schedule for board members to have regular school site visits at schools within their respective trustee areas.
2. The board should adopt a policy that encourages board member participation in the community.
3. A systematic plan is needed to provide training for new and continuing board members. This training must include boardsmanship, governance, the role and

responsibilities of the board and Superintendent and community relations. The board training should be ongoing, and the training for new board members should be more extensive and different from that of continuing board members.

4. The Superintendent and board should hold a workshop to discuss the issue of board/Superintendent communication and clarify the roles of the Superintendent and the board.
5. The formation, purpose and roles of subcommittees of the board should also be clarified in the board workshop, and the roles of the various subcommittees should be clearly communicated to the staff.

Standard Implemented: Partially

Rating: 5

CR 3.1 Community Collaboratives, District Advisory Committees, School Site Councils

Professional Standard:

The board and Superintendent support partnerships and collaboration with community groups, local agencies and businesses.

Sources and Documentation:

1. Interview with Community Relations Officer
2. Interview with Executive Assistant III to the Community Relations Officer
3. Interview with Board Member
4. Superintendent

Findings:

1. The Board and Superintendent provide excellent support for partnership, local agencies and businesses.
2. The district has developed recent positive relationships with the Chamber of Commerce, the Hispanic Chamber, the Coalition of Mexican American Organizations, the Asian Pacific Self Development and Residential Association, United Way, the Boys and Girls Club, Rotary and other service clubs, and several other organizations.
3. The relationship with the city is excellent. There are three by three meetings whereby three City Council members and three board members occasionally meet together. The City Manager and the Superintendent also attend. City Parks and Recreation utilizes school facilities and grounds. The city has been a major supporter of school bond measures.
4. One of the board members is the Executive Director of the Boys and Girls Club, which provides after-school recreation and tutoring programs.
5. The district has extensive partnerships with businesses through service clubs and through the district-operated Regional Occupational Program.
6. The Regional Occupational Program is primarily housed at the Weber Technology Institute. ROP programs include auto technology; environmental technology; finance and business; engineering; health and medical careers; arts, media and entertainment; marketing and other programs.
7. The Stockton San Joaquin Legal Secretaries Association has an adopt-a-school program at Washington Elementary.

8. The district Web site and some school Web sites include information about a variety of community activities, programs and partnerships in which the district is involved.
9. Existing Web sites are not always up to date, and some schools do not have Web sites.
10. The coordination of partnerships and collaboration with the community, businesses, the city and other agencies is shared between the Superintendent's Office and the Community Relations office.

Recommendations for Improvement:

1. The district Web site needs to be updated frequently to inform the community of the wide variety of meetings and activities.
2. Existing school Web sites also need to be kept up to date regarding community activities.
3. The district should assist schools without Web sites to establish them.

Standard Implemented: Fully - Substantially**Rating: 8**

CR 3.5 Community Collaboratives, District Advisory Committees, School Site Councils

Professional Standard:

Community collaboratives and district and school advisory councils effectively fulfill their responsibilities (e.g., researching issues, developing recommendations) and provide a meaningful role for all participants.

Sources and Documentation:

1. Interview of Community Relations Officer
2. Interview of Assistant Superintendent of Curriculum and Instruction
3. Interview of Principal representatives
4. Board Policy 1220, Citizen Advisory Committees (March 1998)
5. Minutes of the Student Services Department Wellness Advisory Committee meeting
6. Crisis Planning Advisory Committee agenda
7. Administrative Regulation 1210, School Advisory Committees (July 1991)
8. Administrative Regulation 0420, School Plans and Site Councils (June 1999)

Findings:

1. Board policies and administrative regulations regarding school advisory committees are quite old and may be in need of revision.
2. School site councils are in place, but parent attendance in most cases is not satisfactory. The norm is that the same few parents show up, but that some parents attend irregularly and some not at all.
3. For the most part advisory councils and site councils play a meaningful role and are fulfilling their responsibilities, but member attendance at meetings is inconsistent and lacking.

Recommendations for Improvement:

1. The board policies regarding advisory committees and site councils should be reviewed and updated as needed.
2. The district and schools should work on strategies and incentives to improve parent attendance at advisory committee and site council meetings to ensure proper representation of all constituents.

Standard Implemented: Partially

Rating: 7

CR 4.4 Policy

Legal Standard

The board annually reviews its policies on intradistrict open enrollment and extracurricular/cocurricular activities. (Education Code 35160.5)

Sources and Documentation:

1. Administrative Regulation 5116.1, Intradistrict Open Enrollment (suspended 2006)
2. Interview with Community Relations Officer
3. Interview with Principal representatives
4. Interview with a board member
5. Board Policy 6145, Extracurricular and Co-curricular Activities (August 2004)

Findings:

1. The board policy regarding intradistrict open enrollment was suspended because the district underwent extensive K-8 boundary changes, and the policy for open enrollment could not be followed.
2. Many parents whose children were rezoned for other schools did not want to move children from their original schools.
3. The current operational policy is that student requests for intradistrict transfers are based on hardship.
4. There is no current adopted board policy that represents the current practice.
5. There did not appear to be any major problems or issues with extracurricular/cocurricular activities.

Recommendations for Improvement:

1. Administrative Regulation 5116.1 on intradistrict open enrollment needs to be updated and readopted to reflect current practice and so that a formal written policy exists.
2. The board policy also needs to clarify the specific in writing the specific criteria for hardship, so that parents know the rules and district decisions will be fair and consistent.
3. Board Policy 6145, Extracurricular and Co-curricular Activities, should be reviewed and updated as necessary.

Standard Implemented: Partially

Rating: 2

Pupil Achievement

PA 1.5 Planning Processes

Legal Standard:

Categorical and compensatory program funds supplement and do not supplant services and materials to be provided by the district.

Sources and Documentation:

1. Interviews with administrators in the Curriculum and Instruction Department and the Business Office
2. Fiscal Management of State and Federal Programs Binder (2008-09)
3. Spending Guidelines for Federal Funds handout
4. Planning Matrix - Uses and Funding Options (School Services of California)
5. State and Federal Programs Office Manual (2008-09)
6. Guide for Use of Categorical Funds
7. Title I Fiscal Decision-Making Flow Chart

Findings:

1. Categorical and compensatory program funds are only used for supplemental curriculum and services.

Recommendations for Improvement:

1. Continue to use categorical funds appropriately following state and federal guidelines.

Standard Implemented: Fully - Substantially

Rating: 8

PA 2.11 Curriculum

Professional Standard:

The district optimizes state and federal funding to install technology in its schools.

Sources and Documentation:

1. Interview with administrators in the Curriculum and Instruction department
2. Copy of Enhancing Education Through Technology (EETT) Formula Grant
3. Copies of budget for Resource 3010 IASA-Title I Basic Grants

Findings:

1. The district appears to be maximizing state and federal funding to install technology in schools.
2. The district provides support in instructional technology through the Professional Development Center under the Curriculum and Instruction Department. Professional development is focused on teachers' use of instructional technology in the classroom, library and labs.
3. Training is provided in basic computer use and use of district-adopted programs.
4. Teachers are identified at each site to support peers in the use of instructional technology.

Recommendations for Improvement:

1. The Instructional Technology department should work with the Curriculum and Instruction department to develop a board-adopted list of approved software.

Standard Implemented: Fully - Substantially

Rating: 8

PA 3.7 Instructional Strategies

Legal Standard:

Each school has a school site council or leadership team, comprised of teachers, parents, principal and students, that is actively engaged in school planning (EC 52010-52039).

Sources and Documentation:

1. Common Pages for each site, 2008-09
2. School Site Council (SSC) agendas and minutes
3. English Language Advisory Committee (ELAC) agendas and minutes

Findings:

1. All sites have either an SSC and/or ELAC committee.
2. There is an inconsistency in delivery systems; committees are implemented differently across the district. For example, the number of meetings range from one to eight times per academic year.
3. Several sites have combined their SSC and ELAC groups into one due to lack of parent participation.

Recommendations for Improvement:

1. Improve parent participation in the SSC and ELAC.
2. Ideally, ELAC and SSC should be separate committees.
3. Increase number of meetings per year.
4. Improve documentation of meetings; many sites had 10 meetings scheduled but only showed evidence of one or two meetings occurring each year.

Standard Implemented: Partially

Rating: 6

PA 4.3 Assessment and Accountability

Professional Standard:

The assessment tools are clear measures of what is being taught and provide information for the administration and staff to improve learning opportunities for all students.

Sources and Documentation:

1. Interview with Administrator of Research, Evaluation and Assessment
2. Sample curriculum pacing guides for elementary and secondary programs
3. “Do the Math” worksheet identifying CBEDS enrollment and California Standards Test (CST) English Language Arts scores
4. Spreadsheet identifying targeted students based on CST scores and subgroup membership

Findings:

1. The REA department has done a good job providing user-friendly CST information to sites to identify target students and improve academic performance.
2. Since the breakup of the State and Federal department there is some confusion about the role of the REA department in the district.
3. While considerable work has been done to evaluate CST scores, there is no process for evaluating site intervention programs. This is compounded by the fact that sites have individually purchased their own intervention curriculums and no one has monitored their implementation.

Recommendations for Improvement:

1. The REA department should be responsible for evaluating all state and federal programs and large grants.
2. The Curriculum department should work with REA to develop a list of three to five district-approved intervention programs. Those programs should be purchased for the sites, implementation training should be provided and REA should evaluate the results of the intervention programs.

Standard Implemented: Partially

Rating: 6

PA 4.10 Assessment and Accountability

Professional Standard:

The board and district understand the elements of state and federal accountability programs and communicate the availability of options and special services to parents and students.

Sources and Documentation:

1. No Child Left Behind (NCLB) Supplemental Educational Services/SES Free Tutoring packet and enrollment application
2. Board cover sheet dated 10-28-2008 detailing policy and approved list of providers
3. PI School Choice Parent Information Letter, English and Spanish (spring and fall versions)
4. List of non PI schools and School Choice Application
5. Families in Transition flier and brochure, McKinney-Vento affidavit of residence
6. 2008-09 Parent Resource Center Presentations and Workshops Schedule
7. Parent Notification Section of State and Federal Programs Office Manual

Findings:

1. The district has no method for evaluating the effectiveness of the Supplemental Education Services (SES) providers, but has been selected by CDE and WestEd to participate in a program evaluation of the providers.
2. Most of the personnel involved in accountability programs used to work for the Administrator of State and Federal Programs. The accountability programs are now dispersed to different departments.

Recommendations for Improvement:

1. The district should continue to work with CDE and WestEd to evaluate the effectiveness of the SES program providers.
2. Clarify the following for the accountability programs: their reporting structure, their role in the organization, and the long-term plan for state and federal programs.

Standard Implemented: Fully - Substantially**Rating: 8**

PA 5.6 Budget Development Process (Policy)*

*This standard also reviewed as Financial Management Standard 5.6.

Professional Standard:

Categorical funds are an integral part of the budget process and have been integrated into the entire budget development. The revenues and expenditures for categorical programs are reviewed and evaluated in the same manner as unrestricted general fund revenues and expenditures. Categorical program development is integrated with the district's goals and used to respond to district student needs that cannot be met by unrestricted expenditures. The superintendent, superintendent's cabinet and fiscal office have established procedures to ensure that categorical funds are expended effectively to meet district goals. Carryover and unearned income of categorical programs are monitored and evaluated in the same manner as general fund unrestricted expenditures.

Sources and Documentation:

1. March 2, 2006 Memo to principals from Administrator of State and Federal Programs
2. March 2006 School Planning Timeline
3. Instructions for Principals, 2006-07
4. State and Federal Programs Preliminary Budget, 2006-07
5. 2006-07 Common Pages Example
6. October 31, 2008 memo to principals from Superintendent Anthony Amato
7. 2007-08 Grant Awards detail
8. Interview with administrator of REA

Findings:

1. Before this fiscal year the Administrator of State and Federal Programs supervised all aspects (fiscal and programmatic) of categorical programs. The business office and Curriculum department were not directly involved in budget development.
2. In an effort to spend a carryover balance of \$56 million, the Administrator of State and Federal Programs overallocated categorical funds to the sites. This has resulted in a deficit of \$1.5 million in the Economic Impact Aid (EIA) account.
3. Principals, parents, bargaining units and board members do not appear to understand the difference between unrestricted and restricted budgets.
4. There is no procedure in place to review site categorical purchases to determine if they align with the LEA plan, meet the criteria for categorical purchases or support student achievement.

5. Site purchases with categorical funds have differed widely between sites and have not been aligned with the LEA plan.
6. There is no list of district-adopted intervention programs.
7. The district has recently started tracking four districtwide programs (Reach, Highpoint, Success for All and Voyager), but not all sites are using these programs.
8. There is a very comprehensive binder titled Management of State and Federal Programs. However, there apparently was limited communication between the Administrator of State and Federal Programs and the Curriculum Department about the budgeting process.
9. While districts in Program Improvement II are required to take 20% of categorical funds to use for parent choice and SES, the budget code for SES has not been used.

Recommendations for Improvement:

1. The business office should take a more proactive leadership role in budget development and monitoring for categorical programs.
2. Restrict all site allocations to 2007-08 levels because the 2008-09 distributions were overallocated and resulted in a \$1.5 million deficit in the EIA account.
3. Review newly hired categorical staff and determine if layoffs will be necessary.
4. Provide in-service training to all stakeholders on the difference between unrestricted and restricted budgets.
5. Set up regularly scheduled meetings between the Budget Director and the Assistant Superintendent for Curriculum and Instruction to monitor categorical budgets and expenditures.
6. The Budget Director and Assistant Superintendent for Curriculum and Instruction should hold a meeting with the principals to clearly communicate the guidelines for categorical spending. A protocol should be developed, and all purchases should be signed off accordingly.
7. All categorical purchases need to be aligned with the LEA plan and designed to improve student achievement.

8. The Assistant Superintendent for Curriculum and Instruction should review and approve all requests for categorical purchases.
9. The Assistant Superintendent for Curriculum and Instruction and the Budget Director should host an annual training for school site council members and principals to explain categorical budgets and the process for spending funds.
10. A spend-down plan should be implemented for the large carryover balance to ensure that funds are targeted to improve student achievement.
11. Considerable numbers of staff are funded out of categorical funds at the sites. The department of Curriculum and Instruction should consider working with the sites to develop job descriptions for categorical staff including reading and math specialists to ensure that their activities are designed to support student achievement.
12. Given the Governor's budget proposal for 2008-09 and 2009-10, review all categorical programs under the flexibility options for the current and subsequent fiscal years.

Standard Implemented: Not Implemented

Rating: 0

Grant Development

GD 1.1 Grant Opportunities

Professional Standard:

The district has processes in place to identify potential grant opportunities, including primary criteria, consideration of financial or in-kind contributions, financial reporting requirements, reporting student achievement data, short-term staffing, etc.

Sources and Documentation:

1. Interviews with staff of the Grant Development office and site and district level administrators
2. Grant Development Office Annual Report, 2007-08
3. Grant Development Protocol for School Grants, 2008-09
4. Grant Development Protocol for District-Level Directors and Administrators, 2008-09

Findings:

1. The district's Grant Development office has distributed "Grant Development Protocol for School Grants" and "Grant Development Protocol for District-Level Directors and Administrators" publications for the 2008-09 fiscal year. The publications provide guidelines, goals, procedures, activities and forms to assist site and district-level staff in their understanding of the district's grant development process.
2. Grant opportunities are e-mailed throughout the district monthly and are posted on the district's Web site.
3. Grant registers are continually scanned by office staff to identify grant opportunities.
4. The American Association of Grant Writing Professionals is opening a chapter office in northern California, and district Grant Development office staff will be integral in the operation and management of the chapter.
5. Grant writing workshops were previously provided by the office, but low participation resulted in their termination.
6. The Grant Development office's annual budget for non-staffing costs is less than \$10,000; the grant office is expected to fund itself via direct and/or indirect charges to successful grants.

7. The Grant Development office has been supervised by a variety of administrators in recent years, creating some lack of continuity for the office; changing the responsibility for supervision is again being considered.
8. Grant office staff have not been provided adequate opportunities to disseminate grant information through common channels such as the Superintendent's cabinet in prior years, so they distribute information to sites and departments via other channels of communication.
9. Administrators report varying degrees of familiarity and understanding of the district's grant development process.

Recommendations for Improvement:

1. Assign supervision for the Grant Development office to a district-level administrator whose primary function is to support instructional programs.
2. Provide a standing item on the Superintendent's cabinet agenda for grant office information dissemination.
3. Re-implement the staff training program for grant writing. Consider offering professional development credit for attending the training.

Standard Implemented: Partially

Rating: 7

GD 1.2 Grant Opportunities

Professional Standard:

The district seeks out and forms partnerships for securing and utilizing grants with state and federal agencies, the county office, consortiums, etc.

Sources and Documentation:

1. Interviews with staff of the Grant Development office and site- and district-level administrators
2. Grant Development Office Annual Report, 2007-08
3. Grant Development Protocol for School Grants, 2008-09
4. Grant Development Protocol for District-Level Directors and Administrators, 2008-09

Findings:

1. The Grant Development office 2007-08 annual report lists ten grants of over \$100,000 that were awarded throughout the district during the 2007-08 year from the California Department of Education and the U.S. Department of Education. Five of these grants exceeded \$1 million.
2. This same report lists 15 such grants were awarded throughout the district in the 2006-07 year, with six exceeding \$1 million.
3. The Grant Development office 2007-08 annual report lists 30 different public agencies and private entities that the office engaged during that year as collaborative partners in the development of successful grant proposals. These include the city of Stockton, San Joaquin County, San Joaquin Delta College, CSU Stanislaus, Greater Stockton Chamber of Commerce and the University of the Pacific.
4. Grant Development office staff participated in the development of the Stockton Education Partnership in 2003 with a variety of local educational agencies to promote student achievement in the community. The partnership is not currently operating but does reflect the commitment of the department to engage the community.

Recommendations for Improvement:

1. Continue to develop partnerships with community agencies and organizations.
2. Continue to monitor resources for new federal, state and local grant opportunities.

3. Support the district's efforts to increase community awareness of and participation in district programs to improve student academic performance by renewing existing partnerships and forging new ones.

Standard Implemented: Fully - Substantially

Rating: 8

GD 2.1 Internal Collaboration

Professional Standard:

The district engages in internal collaboration between departments and other involved entities and individuals in developing and implementing projects that utilize grant funds.

Sources and Documentation:

1. Interviews with staff of the Grant Development office and site- and district-level administrators
2. Grant Development Office Annual Report, 2007-08
3. Grant Development Protocol for School Grants, 2008-09
4. Grant Development Protocol for District-Level Directors and Administrators, 2008-09

Findings:

1. The Grant Development office prepares and distributes Grant Development Protocol publications that assist site- and district-level administrators in identifying grant opportunities and outline the procedures for acquiring grants.
2. Efforts to disseminate grant information via staff trainings and participation in cabinet meetings has not been supported in more recent years.
3. Grant Development office staff collaborate with site and department staff in identifying opportunities for grants and preparing grant applications.
4. Secondary administrators reported some frustration in acquiring assistance from the Grant Development office; some ultimately pursued certain grant opportunities without assistance.
5. Grant office staff conduct audits of a variety of grants and categorical programs, but the results of these audits are often ignored by the school site and district-level staff responsible for implementing the audit recommendations.

Recommendations for Improvement:

1. Continue efforts to reach out to all site and department staff regarding grant opportunities, with a particular focus on the needs of the district's secondary schools.
2. Grant office staff should attend cabinet as well as curriculum meetings for both elementary and secondary schools to continually ascertain the instructional and support program needs of the schools and tailor their support efforts accordingly.

3. Develop a working relationship between Business Services and the Grant Development office to ensure that the fiscal and audit functions of both offices are properly coordinated.
4. Staff responsible for administering grants and categorical programs should implement the recommendations of the audits conducted by the Grant Development office.

Standard Implemented: Partially

Rating: 6

GD 3.1 Project Closeout

Professional Standard:

When funding for a grant project ends or the district elects not to reapply for funding, appropriate measures are taken to close out the project and submit any required reports in a fiscally responsible and appropriate manner.

Sources and Documentation:

1. Interviews with staff of the Grant Development and Accounting offices
2. Grant Master List report for 2007-08

Findings:

1. Over 270 grant and categorical programs that are operated in the district require some form of periodic reporting.
2. Grant accounting staff reported that most grant expenditure/status reports are filed timely and accurately, but the site and department staff that prepare such reports require much assistance.
3. Lack of clarity exists regarding who is responsible for many grants and categorical programs, resulting in confusion as to who has authority over the funds.
4. Grant office staff prepare a quarterly risk assessment report regarding grant and categorical funds that are provided on an application/award basis, identifying where risks may exist as a result of compliance issues.
5. Grant office staff reported that audits of particular programs conducted by their office revealed significant compliance issues that may result in some exposure to funds recapture for the district. No reserve has been established to date for such recapture.

Recommendations for Improvement:

1. Provide training for staff that manage grant and categorical programs in the preparation of accurate and complete periodic grant reports.
2. Provide clear lines of authority and responsibility for each grant and categorical program and train staff regarding their responsibility for management of the program and its funds.
3. Review the quarterly risk assessment report and promptly address any findings.

4. Address and resolve all findings per the grant office audits and establish financial reserves for any reported exposures for recapture of grant or categorical funds.

Standard Implemented: Partially

Rating: 7

Research, Evaluation and Assessment

REA 1.1 Focus Areas

Professional Standard:

The district has processes for prioritizing focus areas during each fiscal year.

Sources and Documentation:

1. Local Education Agency Plan Addendum 2008-2011
2. Job descriptions
3. Agenda, minutes of intra-office meetings
4. Interview with Research and Evaluation department administration
5. Board member interview

Findings:

1. The department has developed excellent internal communication.
2. There are no written processes for establishing or prioritizing goals (focus areas).
3. The district has not developed actions plans based on focus groups to prioritize goals and objectives for the district.

Recommendations for Improvement:

1. Develop a task force to establish a process for prioritizing and identify goals for the Department of Research and Evaluation. School site personnel should be included in the task force, including but not limited to principals, teachers, district administration, parents, and advisory committee members.

Standard Implemented: Partially

Rating: 2

REA 2.1 Student Academic System

Professional Standard:

The district has processes for managing the student academic system and targeting educational programs for students in need of assistance.

Sources and Documentation:

1. Interview with the administrator
2. Interview with board member
3. Interview with Principal representatives
4. Interview with Assistant Superintendent of Curriculum and Instruction
5. K-8 assessment results review, October 14, 2008
6. DAIT District Summary Data Report, September 2008
7. District Assistance Survey from California Department of Education
8. Report of STAR results, spring 2008
9. Board Policy 6146.1, Graduation Requirements, December 2007
10. Administrative Regulation 5022, Student And Family Privacy Rights, July 2004
11. Board Policy 6162.5, Student Assessment, May 2001
12. Board Policy 0500, Accountability, November 1999
13. Board Policy 6162.51, Standardized Testing, May 2001
14. Proposal to Evaluate Stockton USD English Language Development Program, spring 2008
15. K-8 reconfiguration Parent Survey
16. 2007-08 STEP UP After School Program Student Survey Summary released August 12, 2008
17. California English Language Development Test, February 2008
18. District Budget, 2008-09
19. Dropout rate summary of the district, 2007-08

Findings:

1. There does not appear to be a system for training teachers in analysis, utilization, and application of testing data for improving achievement and test scores.
2. The 54% dropout rate is significantly higher than that of most California school districts.
3. The dropout rate reduces average daily attendance, which reduces revenue limit and categorical program revenues.
4. There is no written district action plan to address policy and regulations managing a district wide academic system to establish programs for students needing academic assistance.

Recommendations for Improvement:

1. There is a need to develop a system for training teachers in analyzing and utilizing test scores for future improvement in student achievement.
2. There is a need for more systematic focus on preventing dropouts. For example, test results should be analyzed and utilized to target specific areas of improvement and achievement for students who are at risk of dropping out.
3. The dropout rate should be a focus area and one of the highest district priorities.

Standard Implemented: Partially**Rating: 3**

REA 3.1 State and Federal Reporting and Evaluation

Professional Standard:

The district has processes for meeting specific state and federal reporting and evaluation requirements.

Sources and Documentation:

1. Guide for use of categorical funds
2. Title I decision-making flow chart
3. Board Policy 6171, Title I Programs, April 2006
4. Administrative Regulation 6174, Education for English Language Learners, May 1999
5. Board Policy 0420.1, School Based Coordination, October 2001
6. Board Policy 0420.3, School-Based Pupil Motivation and Maintenance Program, March 2001
7. Board Policy 6000, Concepts and Roles, September 1998
8. Board Policy 6190, Evaluation of the Instructional Program, April 1998
9. SUSD Plan for Student Achievement (Montezuma Elementary School December 2007 school site plan)
10. State/Federal Programs Common Page 2008-09
11. Academic Program Survey, Middle School Level Program, August 23, 2007
12. Interview with Research and Evaluation department administrator
13. Interview of board members
14. Interview of Principal representatives

Findings:

1. The Director of Federal and State Programs position is vacant at this time.
2. This position reports to the Assistant Superintendent of Curriculum and Instruction.
3. The Department of Research, Evaluation, and Assessment is not clear on its role and responsibilities in reporting this data because of a lack of direction from the Assistant Superintendent of Curriculum and Instruction.
4. There does not appear to be sufficient coordination between the Department of Research, Evaluation, and Assessment and the office of Assistant Superintendent of Curriculum regarding their respective data-reporting duties.
5. Several board policies need to be updated and current administrative regulations adopted.

Recommendations for Improvement:

1. Given that the position of Director of Federal and State programs may not be filled, clarification is needed as to which federal and state duties and responsibilities belong to the Department of Research, Evaluation and Assessment and which reside with the Office of the Assistant Superintendent for Curriculum and Instruction. It is imperative for sophisticated and detailed coordination to take place between these two departments.
2. Board policies regarding federal and state reporting requirements should be updated.

Standard Implemented: Partially**Rating: 5**

REA 4.1 Educational Assessment

Professional Standard:

The district provides opportunities for staff development and training so that staff remain current in educational assessment theory, research and practice.

Sources and Documentation:

1. Physical Fitness Testing Assessment Notes, April 2008
2. California English Language Development Test (CELDT) Assessment Notes, June 2008
3. Standardized Testing and Reporting (STAR) Assessment Notes, 2008
4. Academic Performance Index, April 2007
5. STAR Pre-Test Workshop, February 2008
6. 2008-09 CELDT Administration district training minutes
7. STAR 2008 training agenda and meeting notes
8. California High School Exit Exam (CAHSEE) training agenda and minutes
9. Minutes from Research, Assessment and Evaluation staff meeting, October 1, 2008
10. Agenda from High School Assessment meeting, February 2008
11. Formative Assessment Procedures, September 2006

Findings:

1. Some staff development and training on educational assessment is provided.
2. Training for classroom teachers in the use of assessment data is limited.
3. Assessment data for high school students who are at risk of dropping out of school is not sufficiently analyzed to prevent dropouts.
4. There is no needs assessment with staff input to determine what types of staff training programs are needed.
5. No list of professional development training classes or programs is offered to the school sites.
6. The department does a good job in training internal office staff and conducting regular meetings.
7. Some of the staff of the department of Research, Evaluation, and Assessment have limited understanding of the instructional strategies of effective teaching.
8. No formal written staff development plan is on file.

Recommendations for Improvement:

1. Additional training should be provided to staff in the analysis and utilization of test data for future improvement in student achievement.
2. The district should place more emphasis on analyzing the test scores of at-risk high school students to potentially lower the high school dropout rate.
3. A needs assessment should be conducted, with input from staff and parents.

Standard Implemented: Partially**Rating: 5**

Personnel Management

PM 1.2 Organization and Planning

Professional Standard:

The district has clearly defined and clarified roles for board and administration relative to recruitment, hiring, evaluation and dismissal of employees.

Sources and Documentation:

1. Stockton Unified School District Board Policies:
 - a. Board Policy 4211, Recruitment and Selection, dated July 24, 1990
 - b. Board Policy 4213, Assignment/Classification, dated August 28, 1990
 - c. Board Policy 4213.1, Classified Personnel Work Year, Hours and Overtime, dated August 28, 1990
 - d. Board Policy and Administrative Regulation 4213.2, Reclassification, dated July 24, 1990
 - e. Board Policy 4213.3, Classified Promotion, Demotion and Transfer, dated August 28, 1990
 - f. Administration Regulation 4112, Pre-Employment Drug and Alcohol Testing, dated January 10, 1995
 - g. Board Policy 4112.8, Employment of Relatives, dated April 26, 1994
2. CSBA Sample Board Policies
3. Collective bargaining agreements
4. Stockton USD District Administrator Selection Process
5. HR Department Procedures for Certificated Employee Recruitment Plan for fiscal year 2008-09
6. Interviews with department administrators and staff
7. On-site observation during regular work hours

Findings:

1. Board policies and administrative regulations exist, as noted above, regarding the roles of the board and administration relative to recruiting and hiring classified personnel. No board policies or administrative regulations for certificated employees were found.
2. The Certificated Employee Recruitment Plan is current and provides a comprehensive plan for teacher recruitment.
3. Collective bargaining agreements are the primary source for clarifying roles in terms of hiring, evaluation and dismissal of employees.
4. The Analyst's desk procedures contain specific processes that are followed for recruitment and hiring.

5. HR Administrators articulate clear roles in all disciplinary or dismissal action for employees.

Recommendations for Improvement:

1. Develop current board policies and administrative regulations for clearly defining and clarifying roles for board and administration relative to recruitment, hiring, evaluation and dismissal of all employees utilizing CSBA sample policies. Consider contracting with a retired administrator to accomplish this recommendation.
2. Review and update current board policies and administrative regulations regarding recruitment and hiring.
3. Continue to maintain and utilize the Certificated Employee Recruitment Plan.
4. Continue to maintain collective bargaining agreement articles relative to recruitment, hiring, evaluation and dismissal of employees.

Standard Implemented: Partially**Rating: 4**

PM 1.5 Organization and Planning

Professional Standard:

The Human Resources department has a monthly activities calendar and accompanying lists of ongoing personnel activities to be reviewed by staff at planning meetings.

Sources and Documentation:

1. Interviews with department administrators and staff
2. On-site observation during regular work hours
3. HR Reference Guide, dated July 2004, pg. 2

Findings:

1. No formal calendar is utilized for the department. Individual calendars containing due dates and time lines are utilized by Human Resources units such as Labor Relations, Assistant Superintendent, and Credentialing.
2. Staff meetings are not held regularly, but individual units meet as needed.
3. The Executive Assistant III uses an e-mail address list to communicate deadlines, timeliness, and ongoing activities to all staff members.

Recommendations for Improvement:

1. Combine individual unit calendars and develop a monthly activities calendar and accompanying lists of ongoing personnel activities for use by the entire department.
2. Conduct regularly scheduled staff meetings, and encourage all staff members to suggest items for a written agenda.
3. Consider utilizing the e-mail system for instant notification of department activities between different units of the department.

Standard Implemented: Partially

Rating: 3

PM 2.2 Communications: Internal/External

Professional Standard:

The Human Resources and Business Services* departments have developed and distributed a menu of services that includes the activities performed, the individual responsible, and the telephone numbers where they may be contacted.

Sources and Documentation:

1. HR Reference Guide, dated July 2004, pg. 1, “Who Ya Gonna Call?”
2. Interviews with department administrators and staff

Findings:

1. The Human Resources department developed a comprehensive reference guide, revised in July 2004, which includes a menu of services containing the activities performed, the individual responsible, and the telephone numbers where they may be contacted.
2. The Human Resources department has clearly delineated job duties among the Technicians and Analysts.

Recommendations for Improvement:

1. Update the menu of services contained in the comprehensive reference guide to be distributed to all sites as a separate document, and place the HR menu of services on the district Web site.

* The Business Services department was not reviewed.

Standard Implemented: Partially

Rating: 4

PM 3.4 Employee Recruitment/Selection

Professional Standard:

The Human Resources department has a recruitment plan that contains recruitment goals, including the targeting of hard-to-fill positions such as those in the areas of math, science, special education and bilingual education. The district has established an adequate recruitment budget that includes funds for travel, advertising, staff training, promotional materials and the printing of a year-end report, and that effectively implements the provisions of the district recruitment plan.

Sources and Documentation:

1. Certificated Employee Recruitment Plan for fiscal year 2008-09
2. HR department budget, dated November 7, 2008
3. Recruitment CD
4. Magnet Schools 2008-09 Program Information and Application Form
5. Interviews with department administrators and staff
6. Letter of Reference from San Joaquin County Office of Education for Assistant Superintendent, HR, dated October 27, 2008

Findings:

1. A formal recruitment plan addresses areas of critical need for Special Education teachers including Language/Speech/Hearing Specialists, teachers who have or qualify for Math/Science credentials, teachers who have or qualify for Language Arts certification, and other areas identified by the district.
2. Human Resources Analysts regularly attend local recruitment fairs.
3. The Assistant Superintendent of Human Resources served as a founding member of a steering committee in conjunction with San Joaquin County Office of Education to develop a number of recruitment and training programs for teachers and administrators.
4. Insufficient funding is available for recruitment, advertising and travel in the HR budget.
5. The district utilizes EdJoin for recruitment.
6. The district is a member of the Cooperative Organization for the Development of Employee Selection Procedures (CODESP), but employees have not attended CODESP trainings.

Recommendations for Improvement:

1. Continue to prepare, update and expand the formal recruitment plan to address areas of critical needs for Special Education teachers including Language/Speech/Hearing Specialists, teachers who have or qualify for Math/Science credentials, teachers who have or qualify for Language Arts certification, and other areas identified by the district.
2. Establish a recruitment fair to be sponsored by the district at a desirable location, to address recruitment efforts for critical needs.
3. Increase the budget to provide adequate funds for travel, advertising, staff training, promotional materials and the printing of a year-end report, and to effectively implement the provisions of the district recruitment plan.

Standard Implemented: Partially**Rating: 5**

PM 3.13 Employee Recruitment/Selection

Legal Standard:

The district appropriately monitors teacher assignments and reports as required under EC 44258.9.

Sources and Documentation:

1. Credential and Assignment Report (integration of Bi-Tech and SASI systems)
2. Interviews with department administrators and staff
3. Administrators' Assignment Manual, dated September 2007
4. Beginning Teacher Support and Assessment (BTSA) brochure and induction program
5. EC 44258.9: The Legislature finds that continued monitoring of teacher assignments by county superintendents of schools will ensure that the rate of teacher misassignments remains low
6. Letter from San Joaquin County Office of Education credentials office regarding teacher misassignments, dated July 3, 2008

Findings:

1. Staff regularly monitors teacher assignments to ensure that the rate of teacher misassignments remains low.
2. The district is monitored on four-year cycle by the San Joaquin County Office of Education credentials department, per EC 44258.9. The review for 2007-08 revealed only eight misassignments, six for EL certification and two for English.

Recommendations for Improvement:

1. Continue to monitor teacher assignments to ensure that the rate of teacher misassignments remains low.
2. Continue to work with the San Joaquin County Office of Education to ensure that the rate of teacher misassignments remains low.

Standard Implemented: Fully – Substantially

Rating: 9

PM 4.1 Employee Induction and Orientation

Professional Standard:

Initial orientation is provided for all new staff, and orientation handbooks are provided for new employees in all classifications: substitutes, teachers and classified employees.

Sources and Documentation:

1. Interviews with department administrators and staff
2. Certificated employee new teacher in-service agenda, dated July 9, 2008
3. New employee payroll packet
4. Collective bargaining agreements for all units

Findings:

1. Annual five-day new employee orientations are held for new teachers before the start of school each year. New teachers are paid for in-service training and each department has an opportunity to present information and staff development.
2. New employee orientations for classified employees are held as needed by classification type. HR Analysts meet one-on-one with all new employees to review the payroll packet.
3. There is no site orientation document for site administrators to review with new employees.
4. Collective bargaining agreements are provided to all new employees.

Recommendations for Improvement:

1. Continue annual five-day new employee orientation for new teachers.
2. Conduct regularly scheduled new employee orientations for new classified employees.
3. Prepare a site orientation document for site administrators to review with new employees.

Standard Implemented: Partially

Rating: 5

PM 5.8 Operational Procedures

Professional Standard:

Personnel staff members attend training sessions/workshops to keep abreast of the most current acceptable practices and requirements facing personnel administrators.

Sources and Documentation:

1. Interviews with department administrators and staff
2. CSBA board policy samples for professional development and BTSA
3. Stockton Board Policy 4131.6, Professional Development Plan, dated September 11, 2001
4. Collective bargaining agreements regarding professional development

Findings:

1. A small number of staff members regularly attend training sessions and workshops to keep abreast of current acceptable practices and requirements.
2. Labor relations personnel attend regular trainings in legal aspects, and Analysts who work directly with certificated employees attend trainings on No Child Left Behind (NCLB) and Ed-Join. Most staff members have attended computer workshops presented at the Professional Development Center.

Recommendations for Improvement:

1. Expand staff attendance at training sessions and workshops that will allow all staff to keep abreast of current acceptable practices and requirements.
2. Ensure that staff in supervisory and managerial roles are given adequate training in supervision and management skills.
3. Establish a leadership climate that encourages staff to attend professional development even though the workload is heavy.

Standard Implemented: Partially

Rating: 2

PM 6.5 State and Federal Compliance

Legal Standard:

All certificated employees hold one or more valid certificates, credentials or life diplomas that allow the holder to engage in school services designated in the document (EC 44006).

Sources and Documentation:

1. Interviews with department administrators and staff
2. EC 44006: Certificated persons hold one or more documents such as a certificate, credential, or life diploma which singly or in combination license the holder to engage in the school service designated in the document/s
3. Credential and Assignment Report (integration of Bi-Tech and SASI systems)
4. Administrators' Assignment Manual, dated September 2007
5. BTSA brochure and induction program
6. California Subject Examinations for Teachers (CSET) exam schedules
7. CSET Reimbursement Instructions for 08-09 Introductory Subject Matter Authorization Worksheet

Findings:

1. The NCLB Analyst meets one-on-one with every noncompliant teacher to produce a plan to acquire compliance.
2. The compliance rate has improved steadily over past four years.
3. The district subsidizes teachers in preparing for and taking CSET exams, in private tutoring sessions, and in attending workshops to become subject matter competent.

Recommendations for Improvement:

1. Continue to meet one-on-one with every non-compliant teacher to produce a plan to acquire compliance.
2. Continue to work toward 100% NCLB compliance.
3. Continue to subsidize teachers in preparing for and taking CSET exams, in private tutoring sessions, and in attending workshops to become subject matter competent.

Standard Implemented: Fully - Substantially

Rating: 8

PM 6.6 State and Federal Compliance

Legal Standard:

Duties to be performed by all persons in the classified service and other positions not requiring certification are fixed and prescribed by the Governing Board (EC 45109).

Sources and Documentation:

1. Interviews with department administrators and staff
2. EC 45109: Governing boards shall fix and prescribe the duties to be performed by all persons in the classified service and other positions not requiring certification
3. Board Policy and Administrative Regulation 4213.2, Reclassification, dated July 24, 1990
4. Collective bargaining agreements
5. Copies of selected Stockton USD job description samples

Findings:

1. Most classified job descriptions are professionally prepared and contain the essential elements of a legally defensible document. All classified job descriptions are posted on Stockton USD HR Web pages.
2. Job description updates are varied. Some job descriptions in the supervisory unit have not been updated in 12-13 years; others have been updated within three years.
3. A process exists to develop new job descriptions that are approved by the board.

Recommendations for Improvement:

1. Continue to update classified job descriptions through a professional process to ensure inclusion of the essential elements of legally defensible documents.
2. Update job descriptions in the supervisory unit to include essential functions.
3. Continue the process for developing new job descriptions.

Standard Implemented: Partially

Rating: 6

Financial Management
Position Control
Payroll

FIM 1.1 Internal Control Environment

Professional Standard:

Integrity and ethical behavior are the product of the district's ethical and behavioral standards, how they are communicated, and how they are reinforced in practice. All management-level personnel exhibit high integrity and ethical values in carrying out their responsibilities and directing the work of others. [State Audit Standards (SAS) 55, 78]

Sources and Documentation:

1. Interviews of staff from the payroll, budget, accounting and business offices
2. Board Policy and Administrative Regulations 4119.21, 4219.21, and 4319.21
3. Bylaws of the Board – BB 9271

Findings:

1. All personnel interviewed described a culture of integrity and ethical behavior that is expected and demonstrated under current district administration.
2. Some staff commented regarding concerns and observations that some expense claims filed by administrators in past years may have been fraudulent. No specific examples or documentation were provided to FCMAT.
3. Board policy regarding ethical behavior has not been updated since 1994. However, the policy is thorough and is consistent with the commitment of the administration to demonstrate and conduct ethical behavior throughout the district.

Recommendations for Improvement:

1. Communicate with district employees regarding expectations that all staff will maintain the highest ethical standards, follow district policies and regulations and abide by state and federal laws. Administrators should take advantage of every opportunity to demonstrate this expectation by sending real and symbolic messages that are consistent with a philosophy of ethical management.
2. Modify the district's staff performance evaluation tools to emphasize these values.
3. Ensure that a process is in place for employees to report suspected fraud without fear of retaliation.

Standard Implemented: Partially

Rating: 7

FIM 1.7 Internal Control Environment

Professional Standard:

All employees are evaluated on performance at least annually by a management-level employee knowledgeable about their work product. The evaluation criteria are clearly communicated and, to the extent possible, measurable. The evaluation includes a follow-up on prior performance issues and establishes goals to improve future performance.

Sources and Documentation:

1. Evaluation forms and instructions for classified staff
2. Evaluation forms and instructions for classified management staff
3. Interviews of staff from the payroll, budget, accounting and business offices

Findings:

1. Staff indicated the Human Resources department is available and helpful to managers to support the preparation and management of staff performance appraisals.
2. The Human Resources department distributes evaluation forms and instructions to department and site managers in the spring of each year for all classified staff. Some department managers indicated that evaluation forms are not always distributed to the more experienced managers, reflecting an assumption that these managers already understand the process.
3. The district does not maintain or utilize an evaluation handbook for managers to follow when preparing and delivering evaluations or to assist with appropriate procedures when addressing employee performance issues.
4. The district ensures that only management-level supervisors that are knowledgeable about the work product prepare the evaluations of individual employees. This is accomplished by assigning evaluation responsibility to those supervisors for only those employees they directly supervise.

Recommendations for Improvement:

1. Continue to annually evaluate all classified and classified management staff.
2. Distribute evaluation forms and instructions to all management staff responsible for such evaluations, regardless of their experience level.
3. Implement an evaluation manual that will assist managers in the proper procedures of evaluation preparation, delivery and monitoring. Consider utilizing the FRISK (Facts, Rule, Impact, Suggestions, Knowledge) manual for this purpose.

4. Periodically review employee evaluation tools to ensure that they reflect the current policies and procedures of the district.

Standard Implemented: Partially

Rating: 7

FIM 2.1 Inter- and Intradepartmental Communications

Professional Standard:

The business and operational departments communicate regularly with internal staff and all user departments on their responsibilities for accounting procedures and internal controls. The communications are written whenever possible, particularly when they (1) affect many staff or user groups, (2) are issues of high importance, or (3) reflect a change in procedures. Procedures manuals are necessary to the communication of responsibilities. The departments also are responsive to user department needs, thus encouraging a free exchange of information between the two (excluding items of a confidential nature).

Sources and Documentation:

1. Interviews of staff from the payroll, budget, accounting and business offices
2. Beginning of the School Year Training for Administrators manual
3. Sample of recurring meetings schedule for various administrators and their respective departments
4. Samples of interoffice communications to departments, sites and business office staff regarding trainings, various functional procedures, calendars, budget information, organizational structure changes, etc.
5. Sample of current Business Office Administrative Site Guide
6. Copy of published 2008-09 Adopted Budget
7. Budget Procedures Manual
8. Human Resources Manual for SunGard Bi-Tech software program
9. Working binder of departmental budget requests
10. Monthly payroll update letter on district Web site

Findings:

1. The business office provides timely and accurate information within the business office and to other departments and sites.
2. The business office provides material for the new weekly report that is distributed by the communications department to staff, the school board and other interested parties.
3. The business office holds regularly scheduled biweekly meetings to update staff on changes to policies, procedures and practices.
4. Procedure desk manuals for business office staff are informal and may not address all topics required for employees to complete their assignments effectively.

5. Staff advised that some of the documents noted above were posted on the district's Web site for access by any interested party. When FCMAT attempted to access these documents on the district Web site, the links did not work correctly and navigation to the business department page was not possible.
6. Problem resolution between departments is not always conducted efficiently, sometimes leaving issues unresolved longer than what would otherwise occur.

Recommendations for Improvement:

1. The business department should continue to provide timely communications to update sites and other departments, including regular articles for the new weekly report.
2. The business department should continue to hold regularly scheduled meetings to keep staff updated on policies, procedures and/or practices changes.
3. Detailed procedure desk manuals should be developed for all business department positions. The San Diego County Office of Education Business Services Guide, which is available on the FCMAT Web site at <http://www.fcmat.org/bsg>, can be readily adapted to the particular procedures and processes of the district.
4. The district should periodically check its Web site to determine if it is functioning properly and access to all posted information is possible.
5. Formal dispute resolution procedures for interdepartmental issues should be adopted and implemented to ensure that problems are resolved on a timely basis.

Standard Implemented: Partially

Rating: 7

FIM 3.1 Staff Professional Development

Professional Standard:

The district has developed and uses a professional development plan for training business staff. The plan includes the input of business office supervisors and managers, and, at a minimum, identifies appropriate programs office-wide. At best, each individual staff and management employee has a plan designed to meet their individual professional development needs.

Sources and Documentation:

1. Interviews of staff from the payroll, budget, accounting and business offices
2. Sample interoffice memo regarding on-site seminars for professional development

Findings:

1. The district and the business office appear to be committed to the professional development of their staff.
2. A specific plan for business office staff development was not observed, although needs of individual staff members are identified through the performance evaluation process and particular needs met through professional development opportunities for both in-service and outside workshops and conferences. Further, employees are encouraged to attend workshops presented by outside agencies on any topic that relates to their position.
3. The district has a Professional Development Center where employees can take classes to develop their skills in the use of office-related software, such as Microsoft Excel, Microsoft Word, etc.
4. Additional training for staff is needed on the Bi-Tech software system. The system is complex and powerful, yet flexible, and thus demands continual training to be used effectively by all staff. The design of the system anticipates continual updates and modifications that staff must be trained to use to maximize their productivity.

Recommendations for Improvement:

1. The district should establish regular training sessions on the Bi-Tech software system. These sessions should be developed by module and open to all employees who may benefit from the training.
2. The district should continue to offer professional development opportunities that will support staff development and improve productivity.

3. A plan for business office staff should be developed that incorporates all of the key components of a comprehensive staff development program, including orientation of new staff or staff new to their positions, identification of changes to the school business environment and the specific skills development needed to keep pace with such changes, opportunities to obtain such training, funding sources and cross-training needs.

Standard Implemented: Partially

Rating: 7

FIM 5.1 Budget Development Process (Policy)

Professional Standard:

The budget development process requires a policy-oriented focus by the Governing Board to develop an expenditure plan that fulfills the district's goals and objectives. The Governing Board focuses on expenditure standards and formulas that meet the district goals. The Governing Board avoids specific line-item focus, but directs staff to design an entire expenditure plan focusing on student and district needs.

Sources and Documentation:

1. Interviews of staff from the budget and business offices
2. Board budget study session materials for April 25, 2008
3. Board/community budget development binder for the 2008-09 budget
4. Budget Study Committee binder
5. Staffing and supply allocations by formula for the 2008-09 budget
6. Board policies and administrative regulations regarding budget: BP3100, AR3100, AR3120

Findings:

1. The Governing Board conducts periodic budget study sessions to provide direction to staff regarding budget development policy, assumptions and parameters. Resource allocation plans are developed utilizing specific formulas and procedures for staffing and other allocations. The board's focus is on student, parent and community needs.
2. The district maintains a budget advisory committee to provide feedback and disseminate budget information to the organization and the community.
3. The Governing Board delegates responsibility for detailed line-item budget management to the appropriate district-level staff.

Recommendations for Improvement:

1. Continue to conduct periodic budget study sessions that provide clear direction to staff regarding budget development.
2. Continue to operate the budget advisory committee as a forum for dissemination of district fiscal priorities and challenges.
3. Review standards for staffing and other allocations to determine if they reflect limitations brought about by recent developments in the fiscal climate for public school districts in California. Ensure that these allocations are evaluated for both the current and subsequent two fiscal years.

4. Implement any planned adjustments to budget allocations in a timely manner to allow the district to take advantage of statutorily provided time lines for staffing adjustments. Provide schools and departments the appropriate lead time to implement changes and adjust their respective programs accordingly.

Standard Implemented: Fully - Substantially

Rating: 8

FIM 5.6 Budget Development Process (Policy)*

*This standard also reviewed as Pupil Achievement Standard 5.6.

Professional Standard:

Categorical funds are an integral part of the budget process and have been integrated into the entire budget development. The revenues and expenditures for categorical programs are reviewed and evaluated in the same manner as unrestricted general fund revenues and expenditures. Categorical program development is integrated with the district's goals and used to respond to district student needs that cannot be met by unrestricted expenditures. The superintendent, superintendent's cabinet and fiscal office have established procedures to ensure that categorical funds are expended effectively to meet district goals. Carryover and unearned income of categorical programs are monitored and evaluated in the same manner as general fund unrestricted expenditures.

Sources and Documentation:

1. Interviews of budget/business office staff, district and school site administrators
2. Binder of grant awards
3. SACS Form CAT worksheet for 2007-08
4. Board budget study session materials for April 25, 2008
5. Board/community budget development binder for the 2008-09 budget
6. Budget Study Committee binder
7. Staffing and supply allocations by formula for the 2008-09 budget
8. Board policies and administrative regulations regarding budget: BP3100, AR3100, AR3120

Findings:

1. The Federal and State Programs office has managed categorical programs and the related funding in recent years. Categorical program development is integrated with all other programs; restricted categorical funds are allocated to meet specific needs not otherwise provided by unrestricted funds.
2. Schools receive categorical program allocations on a per-eligible-pupil basis.
3. Schools manage their categorical program funding on the district's IFAS financial system. School budget managers can view line-item position budgets and related year-to-date actual costs but cannot modify those budgets and capture any unused allocations without approval from the Federal and State Programs office. All other budget line items are managed by the school-level manager.
4. Site- and district-level budget managers reported that interpretations of acceptable use by the Federal and State Programs office sometimes appear capricious, concerned with minutiae and frequently change, creating a burden for managing

and utilizing such funds. They further reported that expenditures are so tightly controlled by the Federal and State Programs office that such funds were simply allowed to be recaptured as unused year after year.

5. Categorical carryover of unspent funds was approximately \$24.7 million at the close of the 2007-08 fiscal year, or approximately 19.5% of all restricted funds received by the district for that year.
6. Carryover of unspent categorical program funds historically has not been re-allocated to the school sites that generated such carryover but rather designated for allocation by the Federal and State Programs office.
7. Per-pupil allocations were doubled over previous year amounts by the Federal and State Programs office in the 2008-09 fiscal year adopted budget, requiring reliance on 2007-08 carryover amounts to fund the 2008-09 budget allocations. Upon closing of the 2007-08 books the actual carryover amounts were determined to be significantly less than estimated in the adopted budget, which will require some form of adjustment during the current or following fiscal year.

Recommendations for Improvement:

1. Categorical program funds should be utilized for the education of students in the same year they are received. Funds should be integrated into instructional programs to supplement activities funded with unrestricted dollars. Utilization of categorical funding should be comprehensively reviewed district-wide to determine why significant unspent balances have accumulated in recent years.
2. In the meantime, carryover allocation plans should be revisited to maximize use of such funds in the current year and minimize any future carryover, while addressing the per-pupil overallocation issue.
3. Careful consideration should be given to the possibility that categorical program funding flexibility may be provided by the state in the 2008-09 fiscal year as an offset to anticipated mid-year state budget reductions for public education.
4. Carryover funds should be allocated to the schools that generate the carryover within the limitations established by law.
5. District office departments responsible for managing categorical programs should provide schools and school site councils with clear guidelines and training regarding the appropriate planning and use of such funds. Implementation of such expenditure plans should be supported by the district office utilizing reasonable interpretations of acceptable use that will meet the needs of students without placing the funds at risk of recapture by the grantor agency.

Standard Implemented: Partially

Rating: 4

FIM 12.3 Accounting, Purchasing and Warehousing

Professional Standard:

The district forecasts its revenues and expenditures and verifies those projections on a monthly basis in order to adequately manage its cash. In addition, the district reconciles its cash to bank statements and reports from the county treasurer reports on a monthly basis. Standard accounting practice dictates that to ensure that all cash receipts are deposited timely and recorded properly, cash is reconciled to bank statements monthly.

Sources and Documentation:

1. Interview of staff from the accounting and business offices
2. Sample monthly cash reconciliation dated 9-30-08
3. Sample monthly budget report by fund to Governing Board for September 2008
4. Monthly closing procedures
5. Written procedures for cash receipts, cash disbursements, journal entries and fixed assets processes

Findings:

1. The district has very detailed procedures regarding cash reconciliations and the recording of transactions that affect cash.
2. The district reconciles its cash accounts monthly and resolves outstanding items.
3. Management-level staff is responsible for preparation of the reconciliations.
4. The district regularly updates its annual cash flow analysis.
5. The district has not required Tax and Revenue Anticipation Notes (TRANs) in recent years.

Recommendations for Improvement:

1. Continue to utilize current cash reconciliation and cash flow procedures.
2. Given the state's current economic and fiscal environment and related negative impact on cash flow for public agencies, the district may want to reconsider issuing a TRAN to meet any identified cash flow needs for the current or following fiscal years.

Standard Implemented: Fully - Substantially

Rating: 9

FIM 12.8 Accounting, Purchasing and Warehousing

Legal Standard:

The district complies with the bidding requirements of Public Contract Code Section 20111. Standard accounting practice dictates that the district have adequate purchasing and warehousing procedures to ensure that only properly authorized purchases are made, that authorized purchases are made consistent with district policies and management direction, that inventories are safeguarded, and that purchases and inventories are timely and accurately recorded.

*This standard is covered under Purchasing, Mail and Warehouse Standard 5.1:
“Competitive bidding procedures follow legal requirements and bids are awarded appropriately.”*

FIM 16.1 Impact of Collective Bargaining

Professional Standard:

The district has developed parameters and guidelines for collective bargaining that ensure that the collective bargaining agreement is not an impediment to efficiency of district operations. At least annually, collective bargaining agreements are analyzed by management to identify those characteristics that are impediments to effective delivery of district operations. The district identifies those issues for consideration by the Governing Board. The Governing Board, in the development of its guidelines for collective bargaining, considers the impact on district operations of current collective bargaining language, and proposes amendments to district language as appropriate to ensure effective and efficient district delivery. Governing Board parameters are provided in a confidential environment, reflective of the obligations of a closed executive board session.

Sources and Documentation:

1. Interview of staff from the payroll, budget and business offices

Findings:

1. Communication with the business department regarding development of collective bargaining proposals, cost analysis and tentative agreements has not always occurred at key intervals in the collective bargaining process in recent years.
2. The business office has not participated in direct negotiations with the bargaining units, with its role largely to provide specific information updates as requested.
3. Technical impacts on payroll and other processes are not always discussed before reaching tentative agreements with the bargaining units.
4. The impact of negotiated settlements has not been appropriately discussed with or reviewed by business department staff until after the agreements have been approved by the Governing Board.
5. Some Governing Board members conduct conversations with the leadership of the various bargaining units outside the collective bargaining process.

Recommendations for Improvement:

1. The business office should be consulted in advance regarding the development of all collective bargaining proposals, cost analysis and tentative agreements. No commitments of either human or financial resources, or to change business

procedures and practices, should be made before consulting with the district's Chief Business Official. These consultations should be incorporated into the standard operating practices of the district's collective bargaining process.

2. The district should develop parameters and guidelines for collective bargaining that ensure the collective bargaining agreement does not impede efficient district operations.
3. At least annually, collective bargaining agreements should be analyzed by management to identify those characteristics that impede effective delivery of district operations.
4. Governing Board members should refrain from conducting side conversations or making commitments with the individual bargaining units outside the collective bargaining process.

Standard Implemented: Partially

Rating: 4

FIM 17.2 Management Information Systems

Professional Standard:

Automated systems are used to improve accuracy, timeliness, and efficiency of financial and reporting systems. Needs assessments are performed to determine what systems are candidates for automation, whether standard hardware and software systems are available to meet the need, and whether or not the district would benefit. Automated financial systems provide accurate, timely, relevant information and conform to all accounting standards. The systems are designed to serve all of the various users inside and outside the district. Employees receive appropriate training and supervision in the operation of the systems. Appropriate internal controls are instituted and reviewed periodically.

Sources and Documentation:

1. Interviews of payroll, budget, accounting and business office staff
2. Samples of site budget reports from Bi-Tech system
3. Sample of Staff Position Listing by Worksite from Bi-Tech system

Findings:

1. The district uses the SunGard Bi-Tech financial management software system most commonly referred to as IFAS, and is working with Bi-Tech on an upgrade to their newest version.
2. Although the district operates as an application service provider under Bi-Tech, four Information Technology Department employees are assigned and dedicated to supporting the various modules of the system.
3. There are periodic “common user” group meetings between IT and the business departments to address issues as they are identified.
4. The district offers training by functional area (purchasing, budget, accounting, etc.). Some staff need additional training on the full capabilities of the IFAS system.
5. The district is working with Bi-Tech to identify best practices for managing the various Human Resources system screens. This process has revealed some issues regarding retirement system verifications and step and column placements for new employees.
6. The budget transfer process is automated, allowing sites and departments to enter transfer requests online for final review and approval at the business office.
7. Internal controls over system security are monitored and appear to be functioning appropriately.

Recommendations for Improvement:

1. The district should continue working with Bi-Tech to upgrade to the new software version in a timely manner.
2. The “common user” group meetings should be regularly scheduled rather than occurring as needed. Staff should be provided training to ensure that they utilize the full potential of the IFAS system to maximize their productivity.
3. The district should ensure that employees responsible for input of data affecting salary and retirement have been adequately trained so that they understand the effects of inaccurate information on employees and other district departments.
4. The district should continue ongoing training in functional areas such as purchase requisitions and budget transfers for site and department personnel.

Standard Implemented: Partially**Rating: 7**

PR 1.1 Position Control

Professional Standard:

The district utilizes an integrated position control system for use by both the human resources and business services departments to maintain salary and benefit information for each position.

Sources and Documentation:

1. Interviews with various personnel from budget and Payroll departments
2. Copies of Personnel Authorization Forms
3. Administrative Site Guide
4. Communications to sites and departments

Findings:

1. The budget staff creates positions in the IFAS system and is responsible for updating changes to positions, such as calendar codes, etc.
2. Once the position is established, Human Resources advertises the job and enters all data regarding the employee hired for the position, including the retirement system in which the employee is enrolled. This information is not always correct, resulting in additional work and follow-up for the payroll staff and incorrect paychecks and retirement system data for employees.

Recommendations for Improvement:

1. Continue the process being used for position authorization, as it is necessary to ensure control of the number of positions that are created and budgeted. It is also appropriate for the budget department to update any data that affects a position.
2. Conduct regularly scheduled meetings between the Human Resources and Payroll departments to review and resolve specific errors in retirement information.
3. Staff development is key to understanding the retirement systems and the consequences of incorrect information. Both STRS and PERS have annual workshops, and both entities will send representatives to Stockton Unified for on-site training on request.

Standard Implemented: Fully - Substantially

Rating: 8

PR 2.1 Payroll Processing

Professional Standard:

The district has efficient and effective procedures for processing employee time sheets and absence reports, and updating employee deductions and employer statutory costs (STRS, PERS, OASDI, UI, workers' compensation, etc.) before running payroll to minimize post-production corrections.

Sources and Documentation:

1. Interviews with various payroll and budget staff
2. Review of written procedures regarding time sheets, absences and employee and employer deductions
3. Samples of time sheets
4. Samples of IFAS edit and other reports
5. Samples of correspondence to sites, departments and employees regarding appropriate time sheet preparation and processing

Findings:

1. The payroll staff has developed detailed procedures, both in IFAS and on spreadsheets, to successfully process time sheets. However, an inordinate amount of manual work surrounds the processing, much of which is due to incomplete and/or incorrect information on the time sheets.
2. Although absence tracking is performed in the Human Resources department, the Payroll department is notified of information regarding leaves of absences and docking situations such that employees' pay warrants can be adjusted in a timely manner.
3. The payroll staff has developed many checks and balances to ensure that employee deductions and employer statutory benefits are correct and balanced.

Recommendations for Improvement:

1. Consider implementing a module in the IFAS system that will provide for online timecards. Newer versions of IFAS provide this module, which is being used successfully in other school districts.
2. Consider an online absence tracking system that would work in conjunction with the online time card system. These systems can be programmed to upload into the Payroll module, thus eliminating manual input.

3. Provide annual, mandatory training on time sheet preparation and processing to all principals, site secretaries, department heads and their staff members. The training should emphasize the need for correct and complete information and the consequences when errors occur.
4. Continue with current procedures for ensuring that deductions and contributions are correct.
5. Continue with current processes for absence/leave and payroll dock tracking.

Standard Implemented: Partially

Rating: 6

PR 3.1 Account Reconciliation

Professional Standard:

The district conducts regularly scheduled processes to reconcile salary, benefit, and retirement system general ledger clearing accounts in a timely and accurate manner.

Sources and Documentation:

1. Interviews with Payroll and Accounting department staff
2. Review of procedures for reconciling deduction and contribution general ledger accounts
3. Samples of correspondence to San Joaquin COE, County Auditor and vendors regarding payments and cash transfers
4. Samples of audit reports for benefit contributions and payroll deductions

Findings:

1. The district has detailed procedures for ensuring that vendor payments from payroll are correct and made in a timely manner.
2. Staff members also verify that all payroll expenses have been posted to correct accounts and cross-check these amounts to the total payroll each time a payroll is run.

Recommendations for Improvement:

1. Continue with the current procedures for deduction and contribution reconciliation, posting verification, auditing of benefits and deductions and processing of vendor payments.

Standard Implemented: Fully - Substantially

Rating: 9

PR 4.1 Retirement System Reporting

Professional Standard:

The district has a system for reporting the name and ID number, the compensation paid, the employee deduction and the employer contribution on behalf of each employee to the State Teachers Retirement System (STRS), Public Employees Retirement System (PERS), and alternative retirement system providers in a timely and accurate manner.

Sources and Documentation:

1. Interviews with Payroll and Human Resources department staff
2. Review of procedures and documents used in reporting and balancing STRS, PERS and alternative retirement systems

Findings:

1. As with most districts, Stockton Unified reports STRS and PERS data to the respective agency through the San Joaquin COE. Pre-edit reports from IFAS are utilized such that payroll staff can make any corrections before the report is submitted to the county office. The county office also performs edit checks before the final reports are sent to STRS and PERS, and if necessary can act as a liaison with the retirement systems for problem resolution.
2. The district utilizes reports developed in IFAS to identify employees who do not qualify for the STRS or PERS systems and places them in the correct alternative retirement system.
3. Processing of information to the alternative retirement systems is conducted monthly with the corresponding vendor warrant.

Recommendations for Improvement:

1. Continue the current procedures in place to ensure that employee payroll information is properly reported to STRS, PERS or an alternative retirement system.
2. Review edit report criteria on an annual basis and modify as necessary to reflect any changes implemented by the STRS and PERS systems.

Standard Implemented: Fully - Substantially

Rating: 9

Technology Services

TS 1.1 State and Federal Funding

Professional Standard:

The district optimizes available state and federal funding to install technology in its schools:

- E-Rate, Enhancing Education through Technology (EETT), grants, voucher and categorical funds for technology are maximized.
- An employee and a consultant are dedicated to the E-Rate program.
- Established processes ensure that accurate free and reduced lunch counts are used for E-Rate.
- The district has a grant writer or a documented grant writing procedure.

Sources and Documentation:

1. Interview with Chief Technology Officer
2. Interview with the Interim Director of Curriculum
3. Interview with Director of Budget
4. Report: Technology Grants
5. Report: E-Rate Applications
6. Requisitions for E-Rate Years 8 through 11

Findings:

1. The district utilizes the federal E-Rate program to fund a variety of technology initiatives. The program appears to be maximized as of this last year with the addition of consulting support, and with moving oversight of the program from Facilities to Information Services, which better aligns opportunities with the district's technology initiatives.
2. The district uses its EETT formula funding (Title IId) to cover certain instructional technology support costs, including some costs for the program specialists who support the school sites. This funding is coordinated through the office of the Interim Director of Curriculum.
3. The district uses some categorical dollars (particularly Title I) to fund technology purchases at the sites. Oversight and coordination of these expenditures to optimize cost savings and protect against poorly planned expenditures does not appear to be performed by one individual. Previous expenditures for the district's Refresh program were originated out of the Superintendent's office (previous Superintendent) and those plans were never fully explained or well communicated to those responsible for technology.
4. Microsoft K12 voucher dollars are available to many of the district's schools. The district also has an allocation available for the government settlement, which may be used district wide. However, these expenditures have been put on hold. These

programs are centrally managed and controlled on behalf of the sites, but the funds are being held as a possible source for replacement of the district's student information system (SIS). The voucher programs are managed by both the district CTO and the Interim Director of Curriculum.

5. The district has a staff grant writer, but the study team was not presented with any documentation suggesting a strong focus on technology-specific grant writing or an emphasis on integration of technology in other grants.

Recommendations for Improvement:

1. The division of the district's technology efforts between the Curriculum and Information Services departments creates some challenges to maximizing efficiency with available technology dollars. Technology initiatives could be coordinated and funded in the most efficient and cost-effective manner by consolidating these efforts into one unit. Adding certificated support to the Information Services department (Educational Technology Lead Teacher, Curriculum Coordinator, or other similar types) would help to appropriately identify and prioritize instructional needs.
2. The district does not have any general obligation or other bond funding dedicated for technology purposes. Given the size of the district and the difficulty in obtaining sufficient funds for its large-scale infrastructure needs, an allocation specific to technology infrastructure costs should be considered if and when any future bonds are planned. Additional careful planning for use of modernization dollars to meet the schools' building technology infrastructure needs should be considered as well.
3. Consideration should be given to working more collaboratively with the school sites on decision-making related to K12 voucher funding. The funding is intended to address technology needs for eligible school sites, and cannot be used for non-eligible sites. However, though the proposal to expend these dollars to buy a student information system may be possible, it will not cover the cost for non-eligible schools unless the government settlement portion is used.
4. The district should further investigate additional grant writing or pursuit of bond or other funding sources for district wide technology initiatives.

Standard Implemented: Partially

Rating: 7

TS 2.1: Position Control

Professional Standard:

The district successfully uses an integrated position control system in the Human Resources and Business Services departments to maintain salary and benefit information for each position. The systems for budget, position control, and payroll are all integrated. Position control drives payroll. A liaison position or processes exist for coordinating efforts (personnel action forms).

Sources and Documentation:

1. Interview with Chief Technology Officer
2. Interview with Database Applications Supervisor
3. Interview with Director of Budgets

Findings:

1. The district's financial system, SunGard's Bi-Tech system, has allowed it to fully implement position control. While the software fully supports and is set up to drive payroll from position control, at times there still remain some challenges relating to violations of proper process when new hires are entered.
2. There appears to be generally good coordination between the budget, payroll and information systems team members responsible for ensuring proper operations in this area.
3. The sub-finder system presents some problems with the position control process in that, on occasion, substitute job offerings exist without associated position control records because the two systems are not linked.

Recommendations for Improvement:

1. The district should work with the sub-finder vendor and SunGard-Bi-Tech to link the two systems.
2. The district should continue to emphasize the following of established procedures so that the technology can work and exceptions due to time constraints are minimized.

Standard Implemented: Fully - Substantially

Rating: 8

TS 3.1: Academic Data

Professional Standard:

The district has appropriate processes and systems in place for managing student academic data that include the following components:

- Documented access rights procedure (for accessing technology systems).
- Password security policy.
- Employee acceptable use policy (AUP) that requires sign-off by employees.
- Systems update process for new software versions.
- Documented attendance/grade process.
- Training plan and training for users and technicians of its student system.
- Response to security incidents.

Sources and Documentation:

1. Interview with Chief Technology Officer
2. Interview with Interim Director of Curriculum
3. District SASIxp Security Level Authorization form
4. Enrollment, Attendance, SASI Manual
5. Authorization forms by group

Findings:

1. The district uses one of the leading assessment data management systems, Data Director, for tracking and reporting on assessment data. There were no reports of any current major challenges with accessing and using the data in this system.
2. The district is not yet taking advantage of electronic methods of efficiently and accurately collecting and reporting on attendance and grade book data, chiefly because of the current limitations on technology access in the classrooms. Current scan sheet methods meet the standard.
3. Access to student data maintained in the district's student information system (SASIxp) is appropriately managed via application forms and approval processes.
4. The district has policies and guidelines relating to appropriate practices for securing confidential student data.

Recommendations for Improvement:

1. As a part of the district's overall technology planning, the eventual completion of the goal of getting a current, network-connected computer in front of every district teacher for instruction and administration is a significant undertaking, but

is extremely important for the future. This will allow all teachers to efficiently manage, maintain and share student academic data online as needed.

2. The future SIS acquisition should incorporate options for linking to a parent web portal solution. This will allow attendance and academic data to be easily and consistently shared with parents, both of which are strongly associated in research with improvements in school performance.
3. School sites should be required to consistently send their change forms to Information Systems when staff become inactive or change sites.
4. Though the initial challenge of getting academic data available to employees is an important success, additional training should be offered in the effective use of that data to inform instruction.

Standard Implemented: Fully - Substantially

Rating: 8

TS 4.1 Financial Systems - Automation

Professional Standard:

The district uses automated systems to improve accuracy, timeliness, and efficiency of financial reporting systems. Needs assessments are performed to determine what systems are candidates for automation, whether standard hardware and software systems are available to meet the needs, and whether or not the district would benefit from converting to other systems in the future.

Sources and Documentation:

1. Interview with Chief Technology Officer
2. Interview with Director of Budgets
3. Interview with Database Applications Supervisor (Fiscal Team)

Findings:

1. The district uses an older version of SunGard's Bi-Tech financial system that does not offer the desired level of functionality.
2. Basic financial reporting is available online to each of the school sites using this system.
3. The district does not report any major deficiencies in reporting available under its current systems.
4. The district utilizes the online purchase requisition/order system of Bi-Tech.
5. Every administrator and secretary has direct access to Bi-Tech.
6. The district does not have a plan for replacing obsolete computers and other technology. While 1,500 computers were recently replaced, it was the result of new intervention software being deployed, not necessarily the goal of keeping equipment up to a minimum standard. Both the Chief Technology Officer and the Interim Director of Curriculum (charged with instructional technology oversight) were out of the decision-making loop for the intervention project.
7. The district does not have an automated inventory system for tracking computers. Windows software is used (Active Directory) to count Windows computers, but it does not count Apple computers or older Windows computers.

Recommendations for Improvement:

1. Though many good financial reporting practices are in place, more efficiencies could be attained by eventually migrating to the newest, online version of the system. These would include better streamlining and automating workflow processes within and across Business Services departments.
2. The district would benefit from establishing an automated inventory control system for its technology assets. This in turn would assist the district in determining what would be eligible for a replacement program.
3. The district should establish a formal replacement program and look to possible future bond initiatives for funding, or establish a sinking fund to sustain the program.

Standard Implemented: Partially**Rating: 6**

TS 4.2: Financial Systems – Operation

Professional Standard:

Automated financial systems provide accurate, timely, relevant information and conform to all accounting standards. Systems are designed to serve all of the various users inside and outside the district. Employees receive appropriate training and supervision in the operation of the systems. Appropriate internal controls are instituted and reviewed periodically.

Sources and Documentation:

1. Interview with Chief Technology Officer
2. Interview with Supervisor of Databases

Findings:

1. The district utilizes an application service provider (ASP) to maintain its Bi-Tech software system.
2. The ASP provider regularly tests its disaster recovery system.
3. Information Systems regularly tests its backup and restoration processes.
4. Student information system users are required to fill out an access form and obtain authorization signatures to obtain the type of access needed for their work. However, Bi-Tech users can obtain authorization via e-mail.
5. Bi-Tech users are never required to change their passwords. Some passwords have not been changed for four years.
6. The district has changed all Social Security numbers on reports to employee ID numbers.
7. The district keeps an Excel spreadsheet with Bi-Tech logons and passwords on one of its file servers. This is used when Information Services needs to look up a password. This is a serious security shortcoming, leaving the district's system vulnerable to breach in a variety of ways.
8. The district has not conducted a security audit of its IT systems.

Recommendations for Improvement:

1. Bi-Tech users should be required to utilize the same access form as SIS users. Some modification to the form will be required.

2. Bi-Tech users should change their passwords regularly. The district should purchase software to make this process easier so that it can be done regularly.
3. The district should immediately remove the Excel file containing logons and passwords once the new password change software is implemented. A good system design allows the users to maintain their own passwords without sharing that with anyone, including IT staff. IT staff practices can and should be modified to work either with the employee present and logged in, or logging in under IT-level accounts when appropriate. An upgrade to the latest versions of Bi-Tech should allow for these improvements in security practices.
4. The district should have an independent security audit conducted of its IT systems.

Standard Implemented: Partially

Rating: 4

TS 5.0 Utility Cost Tracking System

Professional Standard:

The district uses and maintains an automated system to track utility costs and consumption. The district utilizes an energy management system (EMS) and has staff to manage, maintain and monitor the system. A document energy management program is in place.

Sources and Documentation:

1. Interview with Chief Technology Officer
2. Interview with Database Application Supervisor
3. Documentation of Energy Costs

Findings:

1. The district has a communicated Green Initiative program.
2. The Maintenance Department closely monitors energy systems and uses.
3. The district is just starting to use group policies in Active Directory to enforce power management strategies for computers.
4. The district is considering the PG&E power management rebate program.

Recommendations for Improvement:

1. The district should consider using the PG&E power management program to purchase a product that does both computer power management and computer inventory. LANDesk is one such product. Deep Freeze is also a product that does power management.

Standard Implemented: Partially

Rating: 3

Printing, Mail and Warehouse Services

PMW 1.1 Print Services

Professional Standard:

The district's print shop meets the needs of its district office, operations, and school site clientele through the array of services it offers.

Sources and Documentation:

1. Records of 12 months of production
2. Interviews with district and site personnel
3. Review of equipment and services available

Findings:

1. The print shop offers a complete array of services to schools and departments.
2. A graphic artist is available for document design and setup.
3. A variety of equipment is available for different types of print services.
4. Quick turnaround of product is available for standard jobs (copying).
5. The shop has a sophisticated system for tracking the progress of jobs from receipt of each job through signatures for delivery.

Recommendations for Improvement:

1. The shop appears to be meeting the standard well, offering excellent products and services to clientele. The shop could use some additional space to improve the flow of work and general organization.

Standard Implemented: Fully - Substantially

Rating: 9

PMW 1.2 Print Services

Professional Standard:

The print shop delivers high-quality products and customer service in a cost-effective manner.

Sources and Documentation:

1. Review of sample products and pricing
2. Interviews with district office and site personnel
3. Review of product costs paid for products used in the shop

Findings:

1. The quality of products is excellent and shows great attention to detail, particularly the print jobs requiring plates and offset-press production, which require special technical skills.
2. Customers of the print shop were interviewed and are very pleased with the services they receive.
3. The shop provides a very quick turnaround for nearly all jobs.
4. Prices charged are very reasonable.

Recommendations for Improvement:

1. Again, space is an issue, both for the smooth operation of the shop and because the current situation can be construed as a safety hazard.

Standard Implemented: Fully - Sustained

Rating: 10

PMW 1.3 Print Services

Professional Standard:

Outside printing services are utilized only when necessary, and the most reasonable pricing is sought for these services.

Sources and Documentation:

1. Review of outside purchase orders

Findings:

1. The only job sent out in the last year was of a very large volume that could not be done in-house. The job was spread over seven print shops to meet the time line, and the price paid for the job was very reasonable. This was apparently due to the contacts that the Reprographics Supervisor maintains in the community.

Recommendations for Improvement:

1. Work with departments to anticipate large jobs (which appears to have been done in the situation noted above).

Standard Implemented: Fully - Sustained

Rating: 10

PMW 2.1 Mail Services

Professional Standard:

The mail services department offers appropriate and high-quality services to centralized departments and school sites. Departments and school sites are satisfied with the level of services they receive.

Sources and Documentation:

1. Review of services offered
2. Review of first-class mail consolidation to outside pre-sort company
3. Interviews with site personnel

Findings:

1. The mail room operates very efficiently, offering a variety of services.
2. All costs are charged back to sites and departments, creating cost-saving consciousness at all sites.
3. All first-class mail is sent to a pre-sort facility, to be combined with mail from other businesses, creating cost savings on each piece of mail sent out.
4. The mail personnel work well with the schools, according to site interviews.

Recommendations for Improvement:

1. The services offered appear to be working well, and offer a high standard of service to the sites.

Standard Implemented: Fully - Sustained

Rating: 10

PMW 3.1 Warehouse Organization and Staffing

Professional Standard:

The warehouse is organized effectively and staffed efficiently.

Sources and Documentation:

1. On-site observation of warehouse
2. Interview with Warehouse Supervisor, Warehouse Worker, Property Clerk, Director of Purchasing and Buyers
3. Review of district reports; Activity Report and County Exceptions Report
4. Job descriptions of warehouse staff

Findings:

1. There are no written receiving instructions for warehouse personnel to follow.
2. Dry food stock items are not easily identified.
3. Dry food stock items are not routinely rotated to always use oldest first.
4. Food inventory is only completed once a year. The variances for the past two years were 10% and 15% respectively. Variances of over 5% may show up as an audit exception. The inaccurate inventory also creates ongoing issues in filling orders to schools.
5. Communication between warehouse and food service staff is lacking.
6. Ice forming on the floor in front of the cold box has created a safety issue that resulted in an employee falling. A fan runs constantly to prevent condensation from forming a puddle and freezing in front of the door.
7. An excessive number of unused pallets are being stored in the warehouse, taking up usable space.
8. The warehouse recently implemented a Receiving Discrepancy Report to notify Purchasing of receiving errors, thus shifting the responsibility of contacting the vendor to resolve discrepancies from the warehouse staff to the purchasing staff.
9. Discrepancy orders are stacked on the floor in the vicinity of receiving.
10. There are no written instructions on how to receive an item into the Asset Inventory System.

11. Computers are held for imaging by technology staff for as long as a month. These computers need to be processed more efficiently for the end users, whether staff or students.
12. Based on interviews, it appears there is more than adequate warehouse staff. At the time the assessment was done, one warehouse worker had been absent (vacation) for one month, yet the workload of checking in orders was current. The property control position routinely has extra time to help with receiving. Additionally, the shifting of purchase order follow-up back to Purchasing will free up an estimated 30% of one warehouse worker's time.

Recommendations for Improvement:

1. Written receiving instructions should be developed for all warehouse personnel to follow.
2. Additional pallet racks should be installed for dry food items. Each item needs to be marked with a different location. The location should be indicated in the IFAS inventory system to print on the pick ticket.
3. The date received needs to be written on the boxes of all food items and the oldest dated product rotated to the front when next order is received. Information on rotating food items should be included in the receiving instructions.
4. Although the legal requirement is for an annual food inventory, a monthly inventory should be conducted to provide more accurate information for Food Services to use in placing its orders.
5. A monthly meeting should be held with the Food Services Manager/Director to discuss inventory related issues. An Activity Report should be provided every week to Food Services before new orders are placed. Non-moving food products should be identified so they can be incorporated into the menus, thus decreasing waste.
6. The Maintenance Department needs to research and resolve the condensation problem.
7. Warehouse staff should review the need for extra pallets (some will be used to reorganize food products). Extra pallets can be stored outside or sold.
8. The warehouse should continue using the Receiving Discrepancy Report to notify Purchasing of problems with orders. According to the district's Business Office Administrative Site Guide, the Purchasing Department has the authority to make

- purchases. Therefore, it is the responsibility of Purchasing to make changes, corrections and do follow-ups on purchase orders.
9. A copy of the discrepancy report should be attached to the box(es). A shelving unit needs to be installed to house the discrepancies, which will help separate them for easier identification and fewer lost boxes.
 10. Written instructions should be developed for asset receiving for use in the absence of the Property Control employee.
 11. Assess the available personnel and the amount of time needed to image computers, and implement changes so that computers can get to the end users in a timely manner.
 12. The productivity of the warehouse staff should be monitored to determine if a reassignment or reduction is needed.

Standard Implemented: Partially

Rating: 4

PMW 4.1 Inventory

Professional Standard:

The warehouse carries an appropriate level of inventory for the district's ongoing needs. Direct or just-in-time purchases are made from suppliers and vendors as needed rather than storing merchandise in the warehouse for extended periods of time.

Sources and Documentation:

1. On-site observation of warehouse
2. Interview with Warehouse Supervisor, Warehouse Worker, Director of Purchasing and Buyers
3. Review of district reports; Activity Report and County Exceptions Report

Findings:

1. Sites utilize Office Depot (US Communities) for office and classroom supplies. Purchasing reviews the requisitions to determine if items to be purchased are on the Office Depot contract before ordering from an outside source.
2. A sampling of high volume items, comparing the unit price on like items to US Communities, showed that the prices secured by the Purchasing Department, through the bids and quotes it processes and the consolidation of orders, are better by 14%.
3. Many items carried in the warehouse either are not available through US Communities, or do not meet the quality needed by the district.
4. The purchasing staff monitors inventory levels and orders as necessary.
5. The purchasing staff routinely seeks multiple quotes to get best pricing.
6. Forty percent of the items listed in the warehouse catalogue have not had any activity for this fiscal year. The majority of these items are custom forms. There are approximately 30-40 items, other than forms, that have had no movement at all for the past three years. These items are accumulating dust and taking up usable space on the racks.

Recommendations for Improvement:

1. Review the non-moving and slow-moving items. Work with departments such as technology and custodial to see if they can use up these items. Work with curriculum on forms to determine if they are obsolete. Establish an account to charge so the obsolete items can be removed.

2. Update the order point values in IFAS (the predetermined level at which an item needs to be ordered). Print reports based on items below order point to help reduce the number of back orders.
3. Set up a procedure to monitor non-moving and slow-moving items to eliminate them from stock.

Standard Implemented: Fully - Substantially

Rating: 9

PMW 5.1 Bidding

Professional Standard:

Competitive bidding procedures follow legal requirements and bids are awarded appropriately.

Sources and Documentation:

1. Board Policy 3310 dated April 10, 2004, and Administrative Regulation 3311 dated March 13, 2007
2. Inspection of bids
3. Inspection of purchase order registers covering 12 months
4. Interview with Director of Purchasing and Buyers

Findings:

1. Board Policy 3310/Administrative Regulation 3311 outline that all purchasing shall be made in accordance with Public Contract Code 20111-20118, 22002 and 3400, Government Code 53060, and Education Code 38083 and 39802. Additionally, the district's Business Office Administrative Site Guide advises sites that the district will follow Public Contract Code Section 20111 for the procurement of services, equipment and supplies.
2. Inspection of bids processed in 2008 showed that all codes are being followed.
3. The quantities of warehouse items purchased are reviewed and bid as needed.

Recommendations for Improvement:

1. Review board policy, administrative regulations and the district's Business Office Administrative Site Guide annually and update as needed.
2. Review annual quantities of products needed for warehouse stock and order in larger bulk to eliminate back orders and redundant ordering. Cleanup of pallet racks in the warehouse should allow plenty of additional space.

Standard Implemented: Fully - Substantially

Rating: 9

Transportation

TR 1.1 Routing and Scheduling

Professional Standard:

The district utilizes a computerized routing system in conjunction with other known variables to provide cost efficient and safe routes for pupil home-to-school and special education transportation services.

Sources and Documentation:

1. Staff interviews: Director of Transportation, Transportation Operations Supervisor, Transportation Specialists and Transportation Technicians
2. Review of district transportation school bus route sheets for 2008-09
3. Board Policy 3540
4. Administrative Regulations 3540 and 3541

Findings:

1. The transportation department has an industry-recognized computerized routing system, but it is not yet fully implemented.
2. The Transportation Department adheres to district policies and administrative regulations regarding pupil transportation services.
3. The existing transportation eligibility policy is not current in reflecting the district's K-8 elementary organizational structure.
4. Transportation staff is knowledgeable of school transportation laws and regulations relating to the provision of school transportation.
5. District-operated school bus routes are responsive to school bell schedules and district needs.
6. As a result of a history of restrictive collective bargaining agreements, maximum efficiencies are not achieved on district school buses. This results in a greater number of school bus routes and higher guaranteed contract labor hours for drivers that exceed district needs.
7. The department does not route or schedule special education transportation; it is provided through a contract operation.

Recommendations for Improvement:

1. The Transportation Department should fully implement the district's existing pupil transportation routing software.

2. The board policy specific to transportation eligibility should be amended to reflect the district's recent instructional change aligning all its elementaries as K-8 schools.
3. The district should consider strategies to achieve maximum route efficiencies through successful bargaining unit contract revisions.

Standard Implemented: Partially**Rating: 1**

TR 1.2 Routing and Scheduling

Professional Standard:

School site bell schedules are developed to meet the instructional needs of the school sites and to help maximize transportation efficiency and effectiveness.

Sources and Documentation:

1. Staff interviews: Director of Transportation, Transportation Operations Supervisor, Transportation Specialists and Transportation Technicians
2. Review of district's school bell schedules
3. Review of district's transportation school bus route sheets for 2008-09

Findings:

1. Individual school sites develop their bell times to meet their instructional needs without consideration of the effect on district transportation efficiencies.
2. The district's current special education transportation contract with its vendor allows for the contractor to self-determine the optimal number of routes. This may result in a higher number of routes created than is necessary.

Recommendations for Improvement:

1. Increased cooperation and communication is needed among district administration, school sites and the district's transportation staff.
2. The district should consider renegotiating the transportation contract with the vendor based on a "per student" rather than a "per bus" amount, or consider creating the special needs routes in-house, with the vendor providing the service.

Standard Implemented: Not Implemented

Rating: 0

TR 2.1 Special Education

Professional Standard:

Transportation representatives actively participate in determining the type of transportation services to be provided for special education students as part of each student's Individualized Education Plan.

Sources and Documentation:

1. Staff interviews: Director of Transportation, Transportation Operations Supervisor, Transportation Technicians

Findings:

1. Transportation Department staff rarely participate in determining the type of transportation services to be provided to the district's special needs students. They do so occasionally at the special request of a district Program Specialist.
2. Transportation for special needs students is provided by a contractor.
3. The Transportation Department has assigned personnel to oversee the special needs transportation contract provider.
4. The Transportation Director and the Director of Special Education should meet regularly to ensure that the highest level of transportation services is achieved with the district's outside contract provider.

Recommendations for Improvement:

1. The Transportation Department personnel assigned as the district's liaison to the transportation contractor should continue in that role.
2. The Director of Transportation should initiate regular meetings with the district's Director of Special Education to discuss transportation support needs and to better oversee the district's transportation contract provider.

Standard Implemented: Partially

Rating: 1

TR 3.1 Operations

Professional Standard:

The Transportation Department operates in a fiscally sound and operationally effective manner.

Sources and Documentation:

1. Staff interviews: Director of Business Services, Director of Transportation, Transportation Operations Supervisor, Fleet Maintenance Supervisor, Transportation Specialists and Transportation Technicians
2. Review of records
3. State TRAN report
4. Bargaining unit contract
5. Driver training records
6. Vehicle maintenance records

Findings:

1. For home-to-school transportation, as indicated on the 2007-08 TRAN, the district reported 6,910 pupils transported daily on 93 district school buses traveling 704,498 miles. The approved cost was \$5,641,624, with the district receiving \$4,245,542 from the state. On average in California, the state funds 45% of pupil transportation costs. Stockton USD is receiving 75.25% of its approved home-to-school expense from the state. The reported cost per mile is \$7.40; the reported cost per student is \$754.00.
2. For special education transportation, the 2007-08 TRAN reported 728 pupils transported daily on 71 contract provided school buses traveling 1,644,559 miles. The approved cost was \$4,730,972, with the district receiving \$1,186,161 from the state. Stockton USD is receiving 25.07% of its approved special education expense from the state. The contractor reported a cost per mile of \$2.85 and a cost per student of \$6,445.00.
3. The district's total approved transportation cost for both home-to-school and special education for 2007-08 was \$10,372,596. The total encroachment on the district's general operating fund was \$4,940,893. This is a 47.63% total encroachment; the statewide average total encroachment is 55%.
4. The 2006-07 TRAN reports an approved special education transportation cost of \$3,632,091, while the 2007-08 TRAN reports an approved cost of \$4,730,972. This represents a significant increase in cost for the district's special education transportation contract provider, with a negligible increase in students reported and a decrease in total annual miles traveled of 35,091.
5. The California Highway Patrol Motor Carrier Division annually inspects school buses, maintenance records, driver training records and drug and alcohol testing

records. The transportation department has historically received the highest rating of “Satisfactory,” indicating a good, productive maintenance program. The most recent inspection, however, revealed a significant deficiency in the drug and alcohol testing records, which yielded an “Unsatisfactory” rating in this area. The Transportation Department is aware of this deficiency and has aggressively taken the necessary corrective steps to remedy the problem.

6. Vehicle maintenance records are in compliance with regulations. Vehicle maintenance data is collected and reported, but few management information reports are generated.
7. The Transportation Department reports that it has a three-year contract for fuel and is able to purchase large quantities to secure the lowest price. The department appears to have appropriate security measures in place for dispensing fuel in district fleet vehicles.
8. School bus drivers generally feel that district buses are safe and well maintained. However, an older school bus fleet creates significant maintenance challenges. Older buses are generally more costly to maintain, with a higher failure rate and reduced dependability.
9. The district has a significantly old school bus fleet despite school bus replacement programs that have been available from various agencies such as the California Energy Commission over the past two decades. However, it does not appear that the district has taken full advantage of such opportunities until most recently replacing 18 school buses. The district expects to receive approximately 20 new school buses through the current state replacement opportunity. Due to proposed California Air Resources Board diesel exhaust regulations, the district may be forced to replace approximately 20 additional buses in the near future. It does not appear that grant funding will be available for this need.
10. The Transportation Department has two state certified school bus driver instructors and only one delegated behind-the-wheel instructor. FCMAT believes that additional behind-the-wheel instructors are necessary for an operation of this size. The department staff is knowledgeable and follows school bus driver laws, regulations and best practices. Driver training records comply with all regulatory requirements and are well organized and available for review.
11. The Transportation Department is staffed by one Director of Transportation, one Transportation Operations Supervisor, two Transportation Specialists, four Transportation Technicians, two Bus Driver Instructors, two Accounting Assistants II, one Vehicle Maintenance Supervisor, two Lead Mechanics, six Mechanics, five Equipment Service Workers, 53 School Bus Drivers and approximately 15 Substitute School Bus Drivers.

12. Many school districts in California experience moderate to severe driver recruitment and retention challenges. Stockton USD appears to be exempt from those challenges due to a lucrative bargaining unit contract that guarantees 30 eight-hour contract positions, 23 four-hour fluctuating positions and significant opportunity for additional work.
13. In comparison to similarly sized school transportation operations, the district has adequate staffing in the Transportation Department, with the exception of the classification of Transportation Technician. FCMAT believes that three Transportation Technicians would be adequate for a school district transportation program of this size.
14. The Transportation Department believes that communications from the district's administrative levels and school sites could be improved.

Recommendations for Improvement:

1. The Transportation Department should generate management information reports such as vehicle cost histories, maintenance cost per mile, technician productivity, fuel mileage analysis, tire cost per mile, failure analysis and parts inventory control.
2. School bus replacement grants should be aggressively pursued, and a district vehicle replacement policy should be established.
3. The district should train and certify two additional delegated behind-the-wheel school bus instructors who would work in that capacity as needed, with primary duties as a district school bus driver.
4. The district should critically examine the current bargaining unit language with the Operating Engineers Local #3 specific to school bus driving positions and determine collectively what best meets the changing demands of the district's transportation program.
5. The district should consider eliminating one Transportation Technician position.
6. A more formal communication process should be established between the district's administrative levels and school sites and the Director of Transportation.

Standard Implemented: Partially

Rating: 7

Food Services

FS 1.1 Free and Reduced Meals

Professional Standard:

The district processes free and reduced meal applications according to applicable federal and state statutes. A computerized point of purchase system is utilized to track student participation.

Sources and Documentation:

1. Board Policy 3553, Free and Reduced Price Meals
2. Eligibility Manual for School Meals: Federal Policy for Determining and Verifying Eligibility CNP FNS USDA
3. 7 CFR 210.18 (Code of Federal Regulations for Child Nutrition Programs)
4. Department Start-up Timeline and Procedures
5. Food Service Department Meal Count and Collection Procedure Manual
6. National School Lunch Program Coordinated Review Effort, Administrative Review Guidance
7. E-Office meal application computer program and Rocket-Scan meal application scanner
8. Schoolhouse Computer Program point of sale and meal count documentation
9. Interviews with the Director of Food Service, a Food Service Technician, and an elementary school Principal.

Findings:

1. Four weeks prior to start of school, meal applications are sent to homes of students not directly certified for free meals. During the school year applications are available at school sites and food service office.
2. The food service office staff collaborates with the district technology staff and county office to implement direct certification. Eligibility information is downloaded directly into the E-Office computer program.
3. For the past two years the staff has used a meal application scanner (Rocket-Scan) to approve 28,000 applications in an accurate and timely manner. Eligibility information is shared with Schoolhouse Program for site meal counts according to eligibility and sales.
4. Annual verification is completed in a timely manner each year.
5. The Meal Count and Collection Procedure Manual is available in the food service office, but could not be located at the sites visited.

6. Several staff reported they have been directed to feed all students free, regardless of eligibility, for the first 30 days of school to reduce the time students wait in the cafeteria line.
7. Student drop and add information is not communicated to the food service office in a timely manner by the school sites or by the district's student status program. As a result, students transferring to another Stockton USD school who qualify for free or reduced price meals are claimed as paid status and must pay for their meals until accurate information is made available. The department experiences a dollar loss in federal and state meal reimbursement and the students must pay for their meals.
8. Some school sites do not return completed meal applications to the food service office in a timely manner.
9. Meal applications are printed in English and Spanish. A significant number of Hmong students are enrolled in the district; however, meal applications are not available in their language.
10. Approximately 68% of all students participate in the school lunch program. Only 19% of students participate in the breakfast program.
11. The Food Service Business Office Administrative Site Guide Manual reflects outdated information, such as staff positions and duties.

Recommendations for Improvement:

1. Provide updated copies of the Meal Count and Collection Procedure Manual to all sites. Train staff to follow procedures as written or revise current procedures to meet state guidelines as required in the National School Lunch Program Coordinated Review Effort Administrative Review Guidance Performance Standard 1.
2. The district **must** follow USDA regulations related to counting and claiming meals served to students during the first thirty days of school, i.e., "Fiscal action will be taken under a Coordinated Review Effort (CRE) if a meal count system fails to meet the above criteria." National School Lunch Program Coordinated Review Effort Administrative Review Guidance: Performance Standard 1: Part 2, Counting and Claiming states: "All free, reduced price, and paid lunches claimed for reimbursement are served only to children eligible for free, reduced price, and paid lunches, respectively; and are counted, recorded, consolidated and reported through a system which consistently yields correct claims."

3. Site food service staff should collect completed meal applications and student drop/add information from schools daily, and immediately communicate the information to the food service technician. Changes in student location and status are made in the Schoolhouse program only by the technician, not at school sites.
4. Meal applications should be printed in Hmong as well as English and Spanish.
5. Only 19% of students utilize the school breakfast program. Consider serving reduced price breakfast at no charge to better serve the community and students. Increase in participation and federal and state reimbursement dollars should more than make up for the lost co-pay.
6. The Food Service Department appears to be organized and fiscally sound. The district should consider a formal salary comparison and review for the Food Service Director position to become comparable to other director positions in the district.
7. Update information in the Food Service Business Office Administrative Site Guide Manual.

Standard Implemented: Partially

Rating: 6

FS 1.2 Free and Reduced Meals

Professional Standard:

The district has a nutritional wellness policy in place and complies with current state and federal nutrition guidelines.

Sources and Documentation:

1. Stockton USD Board Policy 5030, Wellness
2. Bi-annual Wellness Report for 2006–08
3. Administrator interviews
4. National School Lunch Program Coordinated Review Effort, Administrative Review Guidance

Findings:

1. The wellness policy is the result of collaboration of representatives from administration, health services, parents, food services, curriculum, and community.
2. The Food Service Department actively promotes the policy through an annual nutrition fair, student recipe content and recipe book, newsletter information, and by offering fruit and salad bars in every school.
3. According to the Co-coordinator of Nutrition, education in the classroom is a challenge as improving test scores takes priority over other areas.
4. A Nutrition Specialist or Dietitian is not available to assist with classroom nutrition education and oversight of the wellness policy.
5. The Co-coordinator stated that a physical education curriculum is implemented at every site.
6. Schools do not have on-site wellness advisory committees.
7. The bi-annual wellness report does not include an evaluation of policy implementation and recommendations for improvement as required in Coordinated Review Effort (CRE) audit Program Review Area 12, #5. “A plan for measuring the implementation of the local wellness policy and designation of one or more persons in the district or at each school to oversee the implementation of the adopted wellness policy.”

Recommendations for Improvement:

1. Consider hiring a Nutrition Specialist or Dietitian to be responsible for overseeing the wellness policy, teaching nutrition education, acting as a liaison with schools and student organizations, and assisting in menu planning, including special needs meals.
2. Establish a wellness support committee including administrators, students, dietitian, parents, district health staff, site staff, and members from the community.
3. Formally evaluate the implementation of the wellness policy as required by CRE and Area of Review 12.

Standard Implemented: Partially**Rating: 7**

FS 2.1 Purchasing

Professional Standard:

The Food Services Department maximizes its use of commodities and cooperative purchasing opportunities to keep food costs as low as possible.

Sources and Documentation:

1. Commodity Entitlement, Food Distribution Records, 2007-08, 2008-09
2. Commodity Advance Orders, 2007-08, 2008-09
3. Commodity Offerings A through E, 2007-08 and 2008-09
4. Commodity Entitlement and planned orders for 2009-10
5. CDE Food Distribution Manual
6. CDE Food Distribution Web site: <http://www.cde.ca.gov/ls/nu/fd>
7. USDA Commodity Processing Information Web site: <http://www.fns.usda.gov/fdd/pcims/Nov15CommodityFiles.htm>
8. Food ordering and warehousing procedures manuals
9. Observation of district warehouse and site storage facilities and procedures
10. Review of food and supply inventories
11. Interview with the Food Service Director, Acting Assistant Director, a warehouse employee, and cafeteria site staff

Findings:

1. The Food Service Director and staff do not understand the commodity process, including the following:
 - a. Determination and verification of annual entitlement dollars
 - b. Advance ordering system
 - c. Fair market value compared to shipping and handling charges
 - d. Commodity processing and inventory of raw product held at processors
 - e. Warehouse and school site physical and perpetual inventories
2. The office staff maintains a manual for food specifications and nutrient analysis.
3. Low-value commodity items such as flour and rice are ordered using entitlement dollars.
4. The department does not participate in any purchasing cooperatives.
5. The department uses the formal bid process when contracting for non-commodity purchased items.
6. The warehouse staff takes a physical inventory once a year, although the director may request a six-month inventory. The food service office maintains a warehouse perpetual inventory. No evidence was found of inventories maintained at school sites.

7. Food service site staff order product from the warehouse by individual cans or sacks rather than by full cases.
8. Warehouse staff has a difficult time determining date codes on some received foods. Often it is not clear if the date observed is the production date, use-by date, or expiration date.
9. The warehouse receiving staff and kitchen site staff do not temperature test or spot check in-coming product. No temperature logs were available in the warehouse or at sites visited.

Recommendations for Improvement:

1. Immediately contact CDE Food Distribution liaison Amy Bell (abell@cde.ca.gov, 916-322-5051) and schedule a commodity training session to understand the process and time lines. The advance order for the 2009-10 school year is due in January 2009.
2. Register and attend the California School Nutrition Association annual conference and commodity food show, Web site: <http://www.calsna.org>
3. Register and attend the California Association of School Business Officials (CASBO) annual conference, Web site: <http://casbo.org>
4. Evaluate current use of commodity entitlement. Items of low value, such as flour, rice, and pasta often are ordered when those funds could be better used ordering commodity high value items such as beef and cheese. Often the low-value items can be purchased on bid through food distributors at a low price.
5. Calculate and compare the total cost difference between commodity-processed items, such as chicken nuggets, and the equivalent product when bid as an open market item.
6. Track commodity orders from the state and processors monthly.
7. Seek to partner with districts when bidding high-use items such as lunch trays, cereal, and paper goods. Interview local purchasing and commodity cooperatives to determine if membership is of savings value to the district.
8. Implement a monthly physical inventory in the warehouse and at sites to improve control of on-hand items, usage, losses, and food cost.

9. Instruct staff to order foods and other products in full case amounts instead of partial cases.

Standard Implemented: Partially

Rating: 4

FS 3.1 Food Preparation

Professional Standard:

Food preparation facilities are adequately sized and stocked with all necessary equipment, both at centralized and satellite food preparation sites.

Sources and Documentation:

1. Observed Franklin High School central kitchen transport to two sites and interviewed employee
2. Observed George Bush Elementary School, new school self cooking site, and interviewed two employees
3. Observed Harrison Elementary School satellite site and interviewed employee
4. Observed Chavez High School new central kitchen and catering, and interviewed employee
5. Interviewed Food Service Director
6. Visited district warehouse – food service area
7. Documentation of staff training
8. Observed transport of foods from warehouse to sites and from central kitchens to satellite schools
9. Hazard Analysis Critical Control Point (HACCP) procedures and food safety training, CRE Administrative Guideline General Area 4

Findings:

1. The facility at Franklin High School is aging and space is not used effectively. The district plans to rebuild the kitchen in the near future.
2. Site staffs report that foods are rotated and used on a first-in, first-out basis; however, written guidelines were not available.
3. The staff is concerned about the high rate of absenteeism due to illness and worker's compensation injuries.
4. Staff expressed concern that vacant positions remain open. At Franklin High School three of the 18 positions are vacant, resulting in closure of point of sale windows during lunch and loss of income.
5. Warehouse freezer, refrigeration, and dry storage areas are sufficient and clean.
6. Unrefrigerated trucks are used to transport frozen and chilled foods from the warehouse to the central kitchens and from the central and production kitchens to satellite schools.

7. Pallets and cases of dry foods and produce are stored in the kitchen aisles at the new Cesar Chavez High School. Staff were observed having difficulty safely walking around the cases and were unable to use carts to transport foods to their workstations.
8. Site kitchen managers are trained in food safety. The warehouse staff is not trained in safe food receiving practices.
9. HACCP Standard Operating Procedures manuals were not available for individual kitchens and for the warehouse.

Recommendations for Improvement:

1. The district plans to remodel and build new kitchens in the near future, and these new facilities will benefit the food service operation. The district should invite the Food Service Director and staffs from the sites to provide input into the development of the plans.
2. The department should purchase refrigerated trucks or refrigeration units for existing warehouse vehicles to ensure that chilled and frozen foods maintain temperature as required.
3. The department should purchase and use “cold blankets” or cold transport carts to maintain proper temperature while transporting foods to satellite sites.
4. The department must develop HACCP Standard Operating Procedures for the warehouse and sites as required by Code of Federal Regulations: 7 CFR 210.18 and http://www.fns.usda.gov/fns/food_safety.htm

Standard Implemented: Partially

Rating: 7

Facilities

FAC 1.4 School Safety

Legal Standard:

The district ensures that the custodial and maintenance staffs are regularly informed of restrictions pertaining to the storage and disposal of flammable or toxic materials. [EC 49341, 49401.5, 49411, F&AC 12981, H&SC 25163, 25500-25520, LC 6360-6363, CCR Title 8 §5194].

Sources and Documentation:

1. Interviews with district's Risk Manager
2. Interviews with Safety Coordinator/Trainer
3. Review of district's written safety documents

Findings:

1. The district actively works with the San Joaquin Office of Emergency Services to keep current with industry standards and stay apprised of hazardous materials issues.
2. The district provides training on a regular schedule to school administrative personnel regarding:
 - Hazardous materials standards
 - Container labeling
 - Personal protective equipment.
 - Reading a Material Safety Data Sheet
 - Emergency responses to chemical spills
 - Spill cleanup
3. The district has developed an Injury and Illness Prevention Program.

Recommendations for Improvement:

1. None. The standard is fully implemented.

Standard Implemented: Fully - Sustained

Rating: 10

FAC 1.6 School Safety

Professional Standard:

Bus loading and unloading areas, delivery areas, and parking and parent loading/unloading areas are monitored on a regular basis to ensure the safety of the students, staff and community. Students, employees and the public feel safe at all times on school premises.

Sources and Documentation:

1. Interview with Director of Maintenance and Operations
2. Interview with Risk Manager
3. Interview with Safety Coordinator
4. Interview with Facilities Manager

Findings:

1. The district has been proactive in reviewing bus loading/drop-off areas at most school sites.
2. The district is coordinating with the Stockton Police Department to find solutions to traffic problems at various sites.
3. The Facilities Department reviews bus drop-off and loading areas, parent drop-off and loading as well as pedestrian flow.
4. Unfortunately, this is a universal school site problem in virtually all school districts in that school perimeters and parking areas were not designed for the existing levels of traffic.

Recommendations for Improvement:

1. The best solutions would endeavor to separate foot traffic, parent vehicles and school buses as much as possible.
2. Changes to facility configurations may be necessary.
3. Curb cut-outs, fencing, and signage should be considered in developing solutions to the traffic problems.
4. Problem areas should be monitored by site administrators.

Standard Implemented: Partially

Rating: 4

FAC 1.21 School Safety

Legal Standard:

All playground equipment meets safety code regulations and is inspected in a timely fashion as to ensure the safety of the students. [EC 44807, GC 810-996.6, H&SC 24450 Chapter 4.5, 115725-115750, PRC 5411, CCR Title 5 §5552]

Sources and Documentation:

1. Interview Director of Maintenance and Operations
2. Interview with Manager of Custodial Services
3. Interview with Risk Manager
4. Interview with Safety Coordinator

Findings:

1. The school custodian and other school site personnel usually are the first to discover or learn of playground equipment problems.
2. The maintenance department, once alerted, will make corrections to identified problems.
3. The Facilities Department has developed standards for future installation of play apparatus.
4. The Risk Management Department has scheduled regular inspections of play equipment.

Recommendations for Improvement:

1. The district should remove and dispose of all obsolete playground apparatus.
2. The district should ensure that all playground equipment meets Americans with Disabilities Act (ADA) standards.

Standard Implemented: Partially

Rating: 6

FAC 1.24 School Safety

Professional Standard:

The district maintains a comprehensive employee safety program. Employees are made aware of the district safety program and the district provides in-service training to employees on the requirements of the safety program.

Sources and Documentation:

1. Interview with Risk Manager
2. Interview with Safety Coordinator
3. Interview with Maintenance and Operations staff
4. Visual inspection of safety boards

Findings:

1. The district is very aggressive in its employee safety program.
2. All areas of training and inspections of equipment and employees are in place.

Recommendations for Improvement:

1. None.

Standard Implemented: Fully - Sustained

Rating: 10

FAC 2.1 Facility Planning

Professional Standard:

The district has a long-range school facilities master plan.

Sources and Documentation:

1. Interview with the Director of Facilities and Planning
2. Interview with the district's Construction Manager
3. Review of the district's Facility Master Plan, 2002

Findings:

1. The district developed a Facility Master Plan in 2002.
2. The plan focuses on district facility needs including growth (new schools), modernization (existing schools), replacement of portable classrooms, and deferred maintenance needs.
3. The plan outlines construction costs, funding sources, expansion and identification and location of proposed projects.

Recommendations for Improvement:

1. The district should review and update the Master Plan every year or two.

Standard Implemented: Fully - Substantially

Rating: 8

FAC 3.3 Facilities Improvement and Modernization

Professional Standard:

The district applies to the State Allocation Board for facilities funding for all applicable projects, and consistently reviews and monitors its eligibility for state funding so as to capitalize on maximum funding opportunities.

Sources and Documentation:

1. Interview with Director of Facilities and Planning
2. Interviews with District Facilities Planning staff
3. Review of Facilities Master Plan

Findings:

1. The district has aggressively pursued funding for the building program including new construction and modernization from all sources available.
2. The district has participated in the State Building Program and uses district matching funds to leverage state funding.
3. The district has considered solutions for growth management through its building program.

Recommendations for Improvement:

1. The district should continue its efforts to acquire additional funding for growth and modernization and should continue to provide matching funds for available state or federal funding sources.

Standard Implemented: Fully - Sustained

Rating: 10

FAC 3.12 Facilities Improvement and Modernization

Professional Standard:

The district actively manages the deferred maintenance projects. The district reviews the five-year deferred maintenance plan annually to remove any completed projects and include any newly eligible projects. The district also verifies that the expenses performed during the year were included in the state approved five-year deferred maintenance plan.

Sources and Documentation:

1. Interviews with Director of Maintenance and Operations
2. Interviews with Facilities construction staff
3. Review of 5-year Deferred Maintenance Plan

Findings:

1. The Maintenance Department and the Facilities Department work closely in the administration and implementation of the deferred maintenance program.
2. The Maintenance Department identifies and prioritizes deferred maintenance projects.
3. The 5-year deferred maintenance plan is a living document and is generally modified each year.
4. The district is providing a full match for the state Deferred Maintenance Program.
5. The district is merging deferred maintenance projects with district bond funds to stretch the building projects.

Recommendations for Improvement:

1. The district needs to continue to fully fund the deferred maintenance program.

Standard Implemented: Fully - Substantially

Rating: 9

FAC 5.3 Compliance with Public Contracting Laws and Procedures

Professional Standard:

The district maintains files of conflict-of-interest statements and complies with legal requirements. Conflict of interest statements are collected annually and kept on file.

Sources and Documentation:

1. Interview with Director of Maintenance and Operations
2. Interview with department staff
3. Board policy
4. Copies of conflict of interest statements on file

Findings:

1. Conflict of interest statements are distributed annually and are on file. In California, certain employees are required to file a Form 700, Statement of Economic Interests, issued by the Fair Political Practices Commission. The district has adopted policies regarding conflicts of interest and statements of economic interest in accordance with Government Code Sections 87300-87313.

Recommendations for Improvement:

1. The district should continue to follow existing board policy.

Standard Implemented: Fully - Substantially

Rating: 9

FAC 8.2 Facilities Maintenance and Custodial

Professional Standard:

The district uses and maintains a system to track utility costs and consumption, and to report on the success of the district's energy program. An energy analysis has been completed for each site.

Sources and Documentation:

1. Interview with Director of Maintenance and Operations
2. Interview with district staff responsible for energy management
3. Review of written materials related to district energy program

Findings:

1. The district has worked diligently with local utility companies and the state to identify how energy is being used in the schools.
2. Staff has the ability to observe and track energy use at the various district sites.
3. The district has computerized EMS systems that track utility usage.
4. The district has implemented the Energy Smart School Program that was adopted by the Board of Education in 2003.
5. The district has a written document, "Energy Conservation and Use Program."
6. The district has completed a lighting replacement program.
7. The district is very active in energy conservation and has staff that monitor energy usage.

Recommendations for Improvement:

1. The district should proceed with plans to further its energy conservation efforts.
2. The district should investigate software programs that further conserve energy, such as computer use controls for lighting and heating/ventilation/air conditioning systems.
3. The district may want to consider an incentive program for schools to reduce their energy bills, such as offering a grant or rebate to the school budget if they reduce their energy usage.

Standard Implemented: Fully - Substantially

Rating: 8

FAC 8.5 Facilities Maintenance and Custodial

Professional Standard:

Adequate maintenance records and reports are kept, including a complete inventory of supplies, materials, tools and equipment. All employees required to perform maintenance on school sites are provided with adequate supplies, equipment and training to perform maintenance tasks in a timely and professional manner. Included in the training is how to inventory supplies and equipment and when to order or replenish them.

Sources and Documentation:

1. Review of work order system
2. Review of inventory process
3. Interview with Maintenance and Operations management staff
4. Maintenance and Operations site observation
5. Interview with Director of Maintenance and Operations

Findings:

1. The Maintenance and Operations Department maintains good files and records.
2. The department utilizes the services of various vendors so it is not necessary to maintain large inventories of materials in the warehouse.
3. The department is organized into subsections such as carpentry, electrical, plumbing, painting, welding, grounds/landscaping, and custodial.
4. The department utilizes an electronic work order system.
5. The Maintenance and Operations Department is funded by the routine restricted maintenance account from the general fund.
6. The department is fairly well staffed, although some gaps exist from past layoffs.

Recommendations for Improvement:

1. The district should perform a staffing review of current staff and projected staffing needs.
2. The district should use CASBO staffing formulas for custodial and maintenance staffing.
3. When staffing reviews are done, any additional square footage in the district or any other factors that would impact the work of the department should be taken into account.

4. The district should continue to update equipment inventories to provide new equipment that is needed to perform quality work. Also, a plan should be implemented for the disposal of broken or obsolete equipment found throughout the district.

Standard Implemented: Partially

Rating: 7

FAC 8.11 Facilities Maintenance and Custodial

Professional Standard:

The district has implemented a planned program maintenance system that includes an inventory of all facilities and equipment that will require maintenance and replacement. Data should include purchase prices, anticipated life expectancies, anticipated replacement time lines and budgetary resources necessary to maintain the facilities.

Sources and Documentation:

1. Interview with Director of Maintenance and Operations
2. Interviews with Department of Maintenance and Operations manager/supervisors
3. Interviews with secretaries, clerks and other support staff

Findings:

1. The district has a routine maintenance and repair program.
2. The district has a preventative maintenance repair program.
3. The department prioritizes work orders in order of health safety issues, emergency issues, routine maintenance and repair and then preventative maintenance.

Recommendations for Improvement:

1. The department should continue with its current performance of exemplary work.
2. The department is currently well managed and should only seek methods of fine tuning its delivery of services.
3. The district may want to consider the full development of a mobile maintenance program.

Standard Implemented: Partially

Rating: 7

FAC 9.6 Instructional Program Issues

Professional Standard:

The learning environments provided within respective school sites within the district are conducive to high quality teaching and learning.

Sources and Documentation:

1. Interview with Director of Maintenance and Operations
2. Visual review of the outside of several district sites including elementary schools, middle schools and high schools
3. Review of departments methods of delivery to school sites
4. Review of district standards of maintenance

Findings:

1. There are some inequities found between various school sites, but these are related mostly to the age of the schools.
2. A number of schools have yet to be modernized or were only partially modernized through previous bond sales.
3. The district has passed recent bonds that will provide for improvements to all school sites.

Recommendations for Improvement:

1. The district should continue to clearly identify what the district standards are for an acceptable learning environment for all children in the district.
2. The deficiencies at each district site should be clearly identified, and the district should ensure that the scope of work outlined in the master plan solves these deficiencies.
3. A follow-up needs assessment should be performed each year. Items listed in the Williams study may help to assess the facilities needs.
4. The district should closely follow the Educational Specifications that it has developed so that inequities do not become issues between sites and communities.

Standard Implemented: Fully - Substantially

Rating: 8

FAC 10.2 Community Use of Facilities

Legal Standard:

Education Code Section 38130 establishes terms and conditions of school facility use by community organizations, in the process requiring establishment of both “direct cost” and “fair market” rental rates, specifying what groups have which priorities and fee schedules.

Sources and Documentation:

1. District Board of Education Policy 1330
2. District Administration Regulation 1330
3. District Application for Agreement for Use of School Facilities

Findings:

1. The district has met all of the necessary obligations for the implementation of the Civic Center Act.
2. The civic center fee schedules as well as the Board of Education policy and administrative regulations were created in 2001.
3. The process for facility use begins with the acquisition of the form at the Maintenance and Operations offices.
4. The form is completed by the potential user and returned to Maintenance and Operations. The department shares the application with the school site because the site holds veto power if there is a conflict with the school schedules.
5. If the application has no conflicts it is approved.

Recommendations for Improvement:

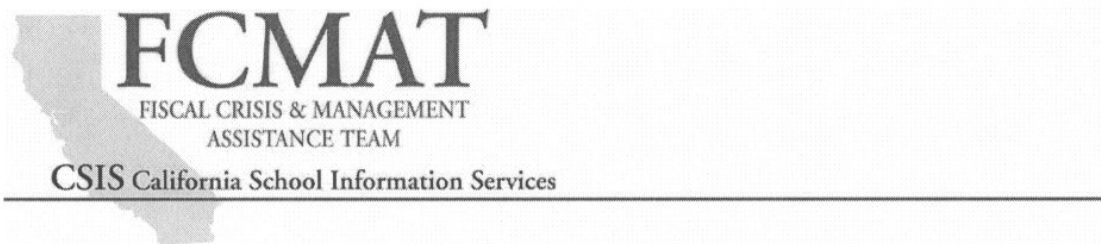
1. The district should consider purchasing a software system that expedites the Civic Center process for scheduling, application and collection of fees.
2. The district should review the fee schedule to determine if it is comparable to other nearby school district fee schedules.
3. The fees collected should be split, with 50% going back to the school and 50% to the Maintenance and Operations Department to cover costs for use, including custodial time and the use of electricity, water and paper products.

Standard Implemented: Partially**Rating: 7**

Appendices

Appendix A - Study Agreement

Appendix B - Fiscal Insight Analysis



FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
August 29, 2008

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Stockton 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 Stockton 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 budget processes and communication of financial information and provide recommendations for improvements consistent with industry best practices.
2. Complete a validation of the 2008-09 fiscal year general fund budget allocations, including a trend analysis and comparison with three prior fiscal years revenue and expenditure amounts.
3. Conduct an assessment of the District's integration of the technology systems utilized for Human Resources, Finance, Purchasing, Capital Projects, and Student Attendance and provide recommendations for improved efficiency, security, data collection, and data accuracy.

FCMAT maintains a list of professional and legal standards by which local education agencies can be measured in order to improve their performance and level of service. Based on the District's request for FCMAT to assess current practices in seven areas within the organization, FCMAT has identified a list of

specific standards to be considered in each of the areas. The full list of standards includes over four hundred items. FCMAT's staff and consultant resources are not sufficient to review every standard included in the master list – Community Relations (51 standards), Personnel Management (95 standards), Pupil Achievement (64 standards), Facilities Management (97 standards), and Financial Management (109 standards).

The standards based approach is used in California for school districts in need of systemic improvements. This approach rates current performance levels to create a benchmark for further improvement.

- 3a. Conduct an assessment of the District's Community Relations department and provide recommendations for improvements consistent with industry best practices.

Specific Community Relations standards to be evaluated include:
FCMAT 1.1 The District has developed a comprehensive plan for internal and external communications, including media relations.

FCMAT 2.1 Annual parental notice of rights and responsibilities is provided at the beginning of the school year. This notice is provided in English and in languages other than English when 15 percent of more speak other languages (EC 48980, 48985).

FCMAT 2.4 Parents' and community members' complaints are addressed in a fair and timely manner.

FCMAT 2.7 Volunteers receive appropriate training and play a meaningful role that contributes to the educational program.

FCMAT 2.9 Board members are actively involved in building community relations.

FCMAT 3.1 The board and the Superintendent establish broad-based committees or councils to advise the district on critical district issues and operations as appropriate. The membership of these collaboratives and councils should reflect the full cultural, ethnic, gender and socioeconomic diversity of the student population.

FCMAT 3.5 Community collaboratives and district and school advisory councils effectively fulfill their responsibilities (e.g. researching issues, developing recommendations) and provide a meaningful role for all participants.

FCMAT 4.4 The board annually reviews its policies on intradistrict open enrollment and extracurricular/cocurricular activities (EC 35160.5).

- 3b. Conduct an assessment of the District's Educational Services Federal and State Programs department and provide recommendations for improvements consistent with industry best practices.

Specific Pupil Achievement standards to be evaluated include:

FCMAT 1.5 Categorical and compensatory program funds supplement and do not supplant services and materials to be provided by the district.

FCMAT 2.11 The district optimizes state and federal funding to install technology in its schools.

FCMAT 3.7 Each school has a school site council or leadership team, comprised of teachers, parents, principal and students, that is actively engaged in school planning (EC 52010-52039).

FCMAT 4.3 The assessment tools are clear measures of what is being taught and provide information for the administration and staff to improve learning opportunities for all students.

FCMAT 4.10 The board and district understand the elements of state and federal accountability programs and communicate the availability of options and special services to parents and students.

Specific Financial Management standards to be evaluated include:

FCMAT 5.6 Categorical funds are an integral part of the budget process and have been integrated into the entire budget development. The revenues and expenditures for categorical programs are reviewed and evaluated in the same manner as unrestricted General Fund revenues and expenditures. Categorical program development is integrated with the district's goals and used to respond to district student needs that cannot be met by unrestricted expenditures. The superintendent, superintendent's cabinet and fiscal office have established procedures to ensure that categorical funds are expended effectively to meet district goals. Carryover and unearned income of categorical programs are monitored and evaluated in the same manner as General Fund unrestricted expenditures.

- 3c. Conduct an assessment of the District's Grant Development department and provide recommendations for improvements consistent with industry best practices.

In lieu of specific standards in this area, FCMAT's review in this area will focus on:

1. District processes to identify and secure potential grant opportunities, including primary criteria, consideration of financial or in-kind contributions, financial reporting requirements, reporting student achievement data, short term staffing, etc.
2. Partnerships with state and federal agencies, the county office, consortiums, etc..
3. Internal collaboration during project development and implementation.
4. Closing out grant projects.

- 3d. Conduct an assessment of the District's Research, Evaluation, and Assessment department and provide recommendations for improvements consistent with industry best practices.

In lieu of specific standards in this area, FCMAT's review in this area will focus on:

1. District processes for prioritizing focus areas during each fiscal year.
2. District processes for managing the student academic system and targeting educational programs for students in need of assistance.
3. District processes for meeting specific state and federal reporting and evaluation requirements.
4. District processes to remain current in educational assessment theory, research and practice.

- 3e. Conduct an assessment of the District's Human Resources department and provide recommendations for improvements consistent with industry best practices in the areas of Employment, Labor Relations, Operations, and Compliance.

Specific Personnel Management standards to be evaluated include:
FCMAT 1.2 The district has clearly defined and clarified roles for board and administration relative to recruitment, hiring, evaluation and dismissal of employees.

FCMAT 1.5 The Human Resources department has a monthly activities calendar and accompanying lists of ongoing personnel activities to be reviewed by staff at planning meetings.

FCMAT 2.2 The Human Resources and Business Services departments have developed and distributed a menu of services that includes the activities performed, the individual responsible, and the telephone numbers where they may be contacted.

FCMAT 3.4 The Human Resources has a recruitment plan that contains recruitment goals, including the targeting of hard-to-fill positions such as those in the areas of math, science, special education and bilingual education. The district has established an adequate recruitment budget that includes funds for travel, advertising, staff training, promotional materials and the printing of a year-end report, and that effectively implements the provisions of the district recruitment plan.

FCMAT 3.13 The district appropriately monitors teacher assignments and reports as required under EC 44258.9.

FCMAT 4.1 Initial orientation is provided for all new staff, and orientation handbooks are provided for new employees in all classifications: substitutes, teachers and classified employees.

FCMAT 5.8 Human Resources staff members attend training sessions/workshops to keep abreast of the most current acceptable practices and requirements facing personnel administrators.

FCMAT 6.5 All certificated employees hold one or more valid certificates, credentials or life diplomas that allow the holder to engage in school services designated in the document (EC 44006).
FCMAT 6.6 Duties to be performed by all persons in the classified service and other positions not requiring certification are fixed and prescribed by the Governing Board (EC 45109).

- 3f. Conduct an assessment of the District's Business Services department and provide recommendations for improvements consistent with industry best practices in the areas of Internal Audit, Budget, Accounting, Information Services, Printing & Mail Services, Risk Management, Transportation, Child Nutrition/Food Services, Purchasing, Warehouse, and Payroll.

Specific Financial Management standards to be evaluated include:

FCMAT 1.1 Integrity and ethical behavior are the product of the District's ethical and behavioral standards, how they are communicated, and how they are reinforced in practice. All management-level personnel exhibit high integrity and ethical values in carrying out their responsibilities and directing the work of others. [State Audit Standard (SAS) 55, SAS-78]

FCMAT 1.7 All employees are evaluated on performance at least annually by a management-level employee knowledgeable about their work product. The evaluation criteria are clearly communicated and, to the extent possible, measurable. The evaluation includes a follow-up on prior performance issues and establishes goals to improve future performance.

FCMAT 2.1 The business and operational departments communicate regularly with internal staff and all user departments on their responsibilities for accounting procedures and internal controls. The communications are written whenever possible, particularly when they (1) affect many staff or user groups, (2) are issues of high importance, or (3) reflect a change in procedures. Procedures manuals are necessary to the communication of responsibilities. The departments also are responsive to user department needs, thus encouraging a free exchange of information between the two (excluding items of a confidential nature).

FCMAT 3.1 The district has developed and uses a professional development plan for training business staff. The plan includes the input of business office supervisors and managers, and, at a minimum, identifies appropriate programs office-wide. At best, each individual staff and management employee has a plan designed to meet their individual professional development needs.

FCMAT 5.1 The budget development process requires a policy-oriented focus by the Governing Board to develop an expenditure plan that fulfills the district's goals and objectives. The Governing Board focuses on expenditure standards and formulas that meet the district goals. The Governing Board avoids specific line-item

focus, but directs staff to design an entire expenditure plan focusing on student and district needs.

FCMAT 5.6 Categorical funds are an integral part of the budget process and have been integrated into the entire budget development. The revenues and expenditures for categorical programs are reviewed and evaluated in the same manner as unrestricted General Fund revenues and expenditures. Categorical program development is integrated with the district's goals and used to respond to district student needs that cannot be met by unrestricted expenditures. The superintendent, superintendent's cabinet and fiscal office have established procedures to ensure that categorical funds are expended effectively to meet district goals. Carryover and unearned income of categorical programs are monitored and evaluated in the same manner as General Fund unrestricted expenditures.

FCMAT 12.3 The district forecasts its revenues and expenditures and verifies those projections on a monthly basis in order to adequately manage its cash. In addition, the district reconciles its cash to bank statements and reports from the county treasurer reports on a monthly basis. Standard accounting practice dictates that, in order to ensure that all cash receipts are deposited timely and recorded properly; cash is reconciled to bank statements monthly.

FCMAT 12.8 The district complies with the bidding requirements of Public Contract Code Section 20111. Standard accounting practice dictates that the district have adequate purchasing and warehousing procedures to ensure that only properly authorized purchases are made, that authorized purchases are made consistent with district policies and management direction, that inventories are safeguarded, and that purchases and inventories are timely and accurately recorded.

FCMAT 16.1 The district has developed parameters and guidelines for collective bargaining that ensure that the collective bargaining agreement is not an impediment to efficiency of district operations. At least annually, collective bargaining agreements are analyzed by management to identify those characteristics that are impediments to effective delivery of district operations. The district identifies those issues for consideration by the Governing Board. The Governing Board, in the development of its guidelines for collective bargaining, considers the impact on district operations of current collective bargaining language, and proposes amendments to district language as appropriate to ensure effective and efficient district delivery. Governing Board parameters are provided in a confidential environment, reflective of the obligations of a closed executive board session.

FCMAT 17.2 Automated systems are used to improve accuracy,

timeliness, and efficiency of financial and reporting systems. Needs assessments are performed to determine what systems are candidates for automation, whether standard hardware and software systems are available to meet the need, and whether or not the district would benefit. Automated financial systems provide accurate, timely, relevant information and conform to all accounting standards. The systems are designed to serve all of the various users inside and outside the district. Employees receive appropriate training and supervision in the operation of the systems. Appropriate internal controls are instituted and reviewed periodically.

FCMAT 17.4 Major technology systems are supported by implementation and training plans. The cost of implementation and training is included with other support costs in the cost/benefit analyses and financing plans supporting the acquisition of technology systems.

In lieu of specific standards in payroll, FCMAT's review in this area will focus on:

1. The District's use of an integrated position control system by the Human Resources and Business Services department to maintain salary and benefit information for each position.
2. The District's process for salary placement, benefits management, and stipends.
3. The District's process for timesheets, absence tracking, and processing employee deductions and employer statutory costs (STRS, PERS, OASDI, U.I., Workers Compensation, etc.).
4. The District's process to reconcile salary, benefits, and retirement system general ledger clearing accounts.
5. The District's system for reporting to STRS, PERS, and alternative retirement system providers.

In lieu of specific standards in printing and mail services, FCMAT's review in this area will focus on:

1. Review the District's menu of services for the print shop.
2. Evaluate the quality of deliverables, customer service, and cost effectiveness provided by the print shop.
3. Verification of the annual cost of outside printing services and the reason that outside services are needed, if applicable.
4. Review the menu of services by the District's mail services department to centralized departments and school sites and confirmed the perceived level of customer service.

In lieu of specific standards for warehouse services, FCMAT's review in this area will focus on:

1. The organizational and staffing of the warehouse program.

2. Cost assessment of the inventory of goods carried in the district warehouse versus purchasing directly from vendors such as Office Depot or via a purchasing network such as Epylon or U.S. Communities.
3. Competitive bidding procedures.

In lieu of specific standards for pupil transportation, FCMAT's review in this area will focus on:

1. Routing methodology and efficiency.
2. Impact of bell schedules and release times on transportation services.
3. Interaction of transportation representatives in Special Education IEP decisions.
4. Fiscal and operational efficiency.

In lieu of specific standards for Child Nutrition/Food Services, FCMAT's review in this area will focus on:

1. District processes related to free and reduced meal applications.
2. District's wellness policy and compliance with changes in state and federal nutrition guidelines.
3. Use of commodities and cooperative purchasing opportunities.
4. Adequacy of centralized and decentralized food preparation facilities.

- 3g. Conduct an assessment of the District's Facilities and Planning department and provide recommendations for improvements consistent with industry best practices in the areas of Maintenance and Operations, Custodial and Grounds, Facilities Planning, and Construction. Specific Facilities Management standards to be evaluated include:
- FCMAT 1.4 The district ensures that the custodial and maintenance staffs are regularly informed of restrictions pertaining to the storage and disposal of flammable or toxic materials. [EC 49341, 49401.5, 49411, F&AC 12981, H&SC 25163, 25500-25520, LC 6360-6363, CCR Title 8 §5194].
- FCMAT 1.6 Bus loading and unloading areas, delivery areas, and parking and parent loading/unloading areas are monitored on a regular basis to ensure the safety of the students, staff and community. Students, employees and the public feel safe at all times on school premises.
- FCMAT 1.21 All playground equipment meets safety code regulations and is inspected in a timely fashion as to ensure the safety of the students. [EC 44807, GC 810-996.6, H&SC 24450 Chapter 4.5, 115725-115750, PRC 5411, CCR Title 5 §5552].
- FCMAT 1.24 The district maintains a comprehensive employee safety program. Employees are made aware of the district safety program and the district provides in-service training to employees

on the requirements of the safety program.

FCMAT 2.1 The district has a long-range school facilities master plan.

FCMAT 3.3 The district applies to the State Allocation Board for facilities funding for all applicable projects, and consistently reviews and monitors its eligibility for state funding so as to capitalize upon maximal funding opportunities.

FCMAT 3.12 The district actively manages the deferred maintenance projects. The district reviews the five-year deferred maintenance plan annually to remove any completed projects and include any newly eligible projects. The district also verifies that the expenses performed during the year were included in the state approved five-year deferred maintenance plan.

FCMAT 5.3 The district maintains files of conflict-of-interest statements and complies with legal requirements. Conflict of interest statements are collected annually and kept on file.

FCMAT 8.2 The district uses and maintains a system to track utility costs and consumption, and to report on the success of the district's energy program. An energy analysis has been completed for each site.

FCMAT 8.5 Adequate maintenance records and reports are kept, including a complete inventory of supplies, materials, tools and equipment. All employees required to perform maintenance on school sites are provided with adequate supplies, equipment and training to perform maintenance tasks in a timely and professional manner. Included in the training is how to inventory supplies and equipment and when to order or replenish them.

FCMAT 8.11 The district has implemented a planned program maintenance system that includes an inventory of all facilities and equipment that will require maintenance and replacement. Data should include purchase prices, anticipated life expectancies, anticipated replacement timelines and budgetary resources necessary to maintain the facilities.

FCMAT 9.6 The learning environments provided within respective school sites within the district are conducive to high quality teaching and learning.

FCMAT 10.2 Education Code Section 38130 establishes terms and conditions of school facility use by community organizations, in the process requiring establishment of both "direct cost" and "fair market" rental rates, specifying what groups have which priorities and fee schedules.

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 staff on the procedures of the Team and on the purpose and schedule of the study.
- 2) On-site Review - The Team will stage on-site visits to conduct interviews with district staff and gather supporting documentation to be reviewed. The Team will request assistance from the District in setting up interview schedules with staff.
- 3) Progress Reports - The Team will hold an exit meeting at the conclusion of the on-site visits to inform the District representatives of significant findings and recommendations to that point.
- 4) Exit Letter - The Team will issue an exit letter approximately 10 days after the final exit meeting detailing significant findings and recommendations to date and memorializing the topics discussed in the exit meetings.
- 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 costs. 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. Two FCMAT Fiscal Intervention Specialists
- B. Two FCMAT Management Analysts
- C. Two FCMAT Technology Consultants
- D. Two FCMAT Transportation Consultants
- E. Two FCMAT Child Nutrition Consultants
- F. Two FCMAT Facilities/Maintenance Consultants
- G. Two FCMAT Purchasing Consultants
- H. Two FCMAT Human Resources Consultants
- I. Two FCMAT Categorical Program Consultants

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, the total cost of the study is estimated at \$60,000. The District will be invoiced at actual costs, with 50% of the estimated cost due 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 (will be provided after the SUSD approves the agreement)

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. As of the date of this DRAFT agreement, the estimated timeline is during the months of October and November 2008. This date is subject to change based on the availability of FCMAT staff and independent consultants:


Orientation:	to be determined
Staff Interviews:	to be determined
Exit Interviews:	to be determined
Preliminary Report Submitted:	(estimated) December 2008
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: Wayne Martin, Executive Director
of Fiscal Services

Telephone 209 933-7055, ext 2091 FAX 209 933-7011

Internet Address wmartin@stockton.k12.ca.us



Anthony Amato, Superintendent
Stockton Unified School District

9/18/08

Date



September 12, 2008

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

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.

Fiscal Insight Analysis

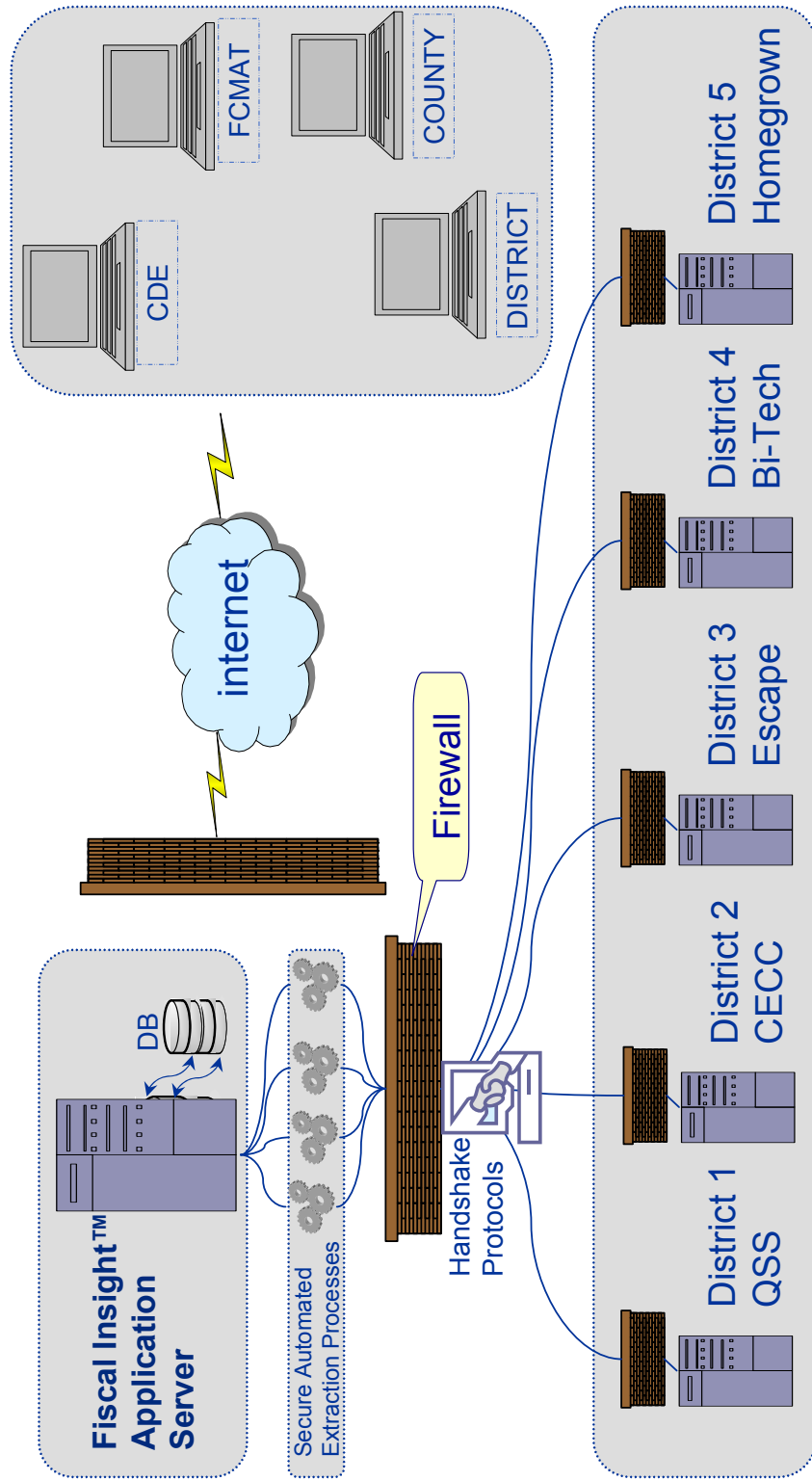
Revenue and Expenditure Trends

In June 2008, the Fiscal Crisis and Management Assistance Team (FCMAT) received a request from the district for a comprehensive review. FCMAT maintains a list of professional and legal standards by which local education agencies can be measured and benchmarked to improve the district's performance and level of service.

As part of the study process FCMAT has included in this section the revenue and expenditure trend results by extracting financial data directly from the district's Bi-Tech financial system into Fiscal Insight™ Software. Utilizing a virtual private network (VPN) secure connection, this middleware has the ability to extract detail data at the fund, resource, object or detailed transaction level and provide diagnostic reporting. Regardless of the financial system's architecture, the software has the ability to format any district or county office's financial data into a common reporting format. Working with Proxient Technologies, Inc. and representatives from the Stockton USD Technology Department, staff met to design an implementation plan for the installation of Fiscal Insight. The following steps were employed to implement Fiscal Insight for Stockton:

1. A secure VPN connection to the district's network was set up using credentials provided by the district.
 2. Oracle drivers were installed to make a direct database connection with Stockton USD's financial system, IFAS-Bi-Tech, using read-only credentials provided by the district.
 3. Detailed financial budget, actuals and encumbrance transactions were imported from various applicable tables in IFAS for the current and prior three years.
 4. The imported data was processed to adapt to Fiscal Insight requirements and presentation.
 5. A Stockton USD profile and other necessary information was set up in Fiscal Insight.
 6. Advanced diagnostic graphs and criteria and standards reporting were created.
-

Fiscal Insight™ - System Architecture



Fiscal Insight™ - Main Menu

FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM

Welcome, Anthony Bridges | Logout |

Selection Criteria

Select District

-- Please select --

-- Please select --
Emery Unified School District
Oakland Unified School District
Vallejo City Unified School District
West Fresno Elementary School District

List of available
LEA's

Select Year

☒ 2004 - 2005

From: 07/01/2004



To: 06/30/2005



Select Year

☒ 2005 - 2006

From: 07/01/2005



To: 06/30/2006



Select Year

☒ 2006 - 2007

From: 07/01/2006



To: 08/31/2007



Multi-Year
Comparisons

Select specific date
ranges, for interim
reports

◀◀	◀	August 2007	▶	▶▶			
S M T W T F S							
31	29	30	31	1	2	3	4
32	5	6	7	8	9	10	11
33	12	13	14	15	16	17	18
34	19	20	21	22	23	24	25
35	26	27	28	29	30	31	1
36	2	3	4	5	6	7	8

Get a listing of all transactions relating to a certain vendor

Enter search criteria by specific codes or range of codes

Include entire budget/expense transactions or narrow down to specific code sets

	SACS	Reference	codes
07-19-2006	01-0000-0-0000-2421-4310-345-000	PO-701030	XEROX CORP. 060201 00359171
08-23-2006	01-0000-0-0000-7550-4310-270-000	PO-701030	XEROX CORP. 060201 00359171
08-23-2006	01-0000-0-0000-7550-4310-270-000	PO-701030	XEROX CAPITAL SERVICES LLC 103772
08-23-2006	01-0000-0-0000-7550-4310-270-000	PO-701045	XEROX CAPITAL SERVICES LLC 103772
08-01-2006	01-0000-0-0000-2421-5612-345-000	PO-701038	XEROX CAPITAL SERVICES LLC 103772
08-23-2006	01-1100-0-0193-2700-5612-220-000	PO-701035	XEROX CORPORATION 101514
08-23-2006	01-1100-0-0193-2700-5612-220-000	PO-605572	XEROX CORPORATION 101514
08-23-2006	01-1100-0-0193-2700-5612-220-000	PO-605572	XEROX CORPORATION 101514
08-23-2006	01-1100-0-0193-2700-5612-220-000	PO-605572	XEROX CORPORATION 101514
08-23-2006	01-1100-0-0193-2700-5612-220-000	PO-701044	XEROX CAPITAL SERVICES LLC 103772
08-23-2006	01-1100-0-0193-2700-5612-220-000	PO-701191	XEROX CAPITAL SERVICES LLC 103772



Fiscal Insight is a secure, Web-based budget and financial transaction reporting software that automates the extraction of financial transactions from any type of financial reporting software. FCMAT has assisted in the development of this powerful software tool to include automated diagnostics with Proxient Technologies, Inc. The software will create financial trends and analysis reporting. Utilizing components of FCMAT's Fiscal Health and Risk Analysis and the SACS Criteria and Standards Review, users can generate a series of advanced diagnostic reports and graphics to analyze revenue and expenditure trends to assist in decision-making and fiscal oversight.

Advanced diagnostic financial reports include the following data samples and can be customized to the user's individualized needs:

- CBEDS Historical and Projected Enrollment Report
- Revenue Trend Analysis
- Expenditure Trend Analysis by Object
- Salary and Benefits vs. Total Unrestricted Expenditures
- Deficit Spending Trends
- Year-to-Year Comparison and Trends for Fund Balance

Fiscal Insight can extract read-only data and report financial transactions to the lowest level of detail for all funds. The following is a sample view of the reporting capabilities of Fiscal Insight:

Fiscal Insight™ - View by Object

Select Fund: 01 General Fund

Fund: 01 General Fund

Object	2004-2005				
	Budget	Expenditure	Encumbrance	Balance	Expenditure
8000 REVENUE	\$173,613,177.08	\$170,766,525.85	\$0.00	\$2,846,651.23	\$174,895,439.00
1000 Certificated Personnel Salaries	\$92,675,741.00	\$90,334,626.70	\$64,405.80	\$2,276,708.50	\$90,511,106.02
2000 Classified Personnel Salaries	\$27,556,563.00	\$27,336,216.99	\$0.00	\$220,346.01	\$28,686,880.89
3000 Employee Benefits	\$18,372,912.00	\$17,665,401.74	\$9,435.10	\$698,075.16	\$17,982,694.54
4000 Books and Supplies	\$7,803,024.00	\$5,215,115.82	\$27.24	\$2,587,880.94	\$9,858,090.73
5000 Services and Other Operating Expenditures	\$21,463,814.00	\$17,132,676.40	\$62,041.00	\$4,269,096.60	\$20,314,302.00
6000 Capital Outlay	\$377,298.00	\$283,819.25	\$0.00	\$93,478.75	\$1,499,797.00
7000 Financing Uses	\$4,588,556.00	\$5,558,058.57	\$0.00	(\$969,502.57)	\$7,450,266.00
Expense Total	\$172,837,908.00	\$163,525,915.47	\$135,909.14	\$9,176,083.39	\$176,303,137.18
Revenue - Expenditure	\$775,269.08	\$7,240,610.38	(\$135,909.14)	(\$6,329,432.16)	(\$1,407,698.18)

Select different Funds from the drop-down menu

Summarized view of the entire expense areas

Summary and balance at every level

Side by side Multi-year view

Proxient

FCMAT utilizes this product in fieldwork to view historical trends against the current or projected budget and can analyze the financial trends of an LEA by extracting data by fund, resource, object, or viewing specific financial transactions.

Weekly, monthly or quarterly data extracts can be set up or customized by the user. FCMAT has secured a temporary site license through April 30, 2009 for the district to utilize in making budget, general ledger comparisons or for financial reporting to the San Joaquin County Office of Education. If requested, FCMAT staff would provide additional training on the Fiscal Insight software at no cost.

The following reports consist of advanced diagnostic reports from data extracted in December of 2008 that can be updated and accessed by the district by selecting a date range and fund:

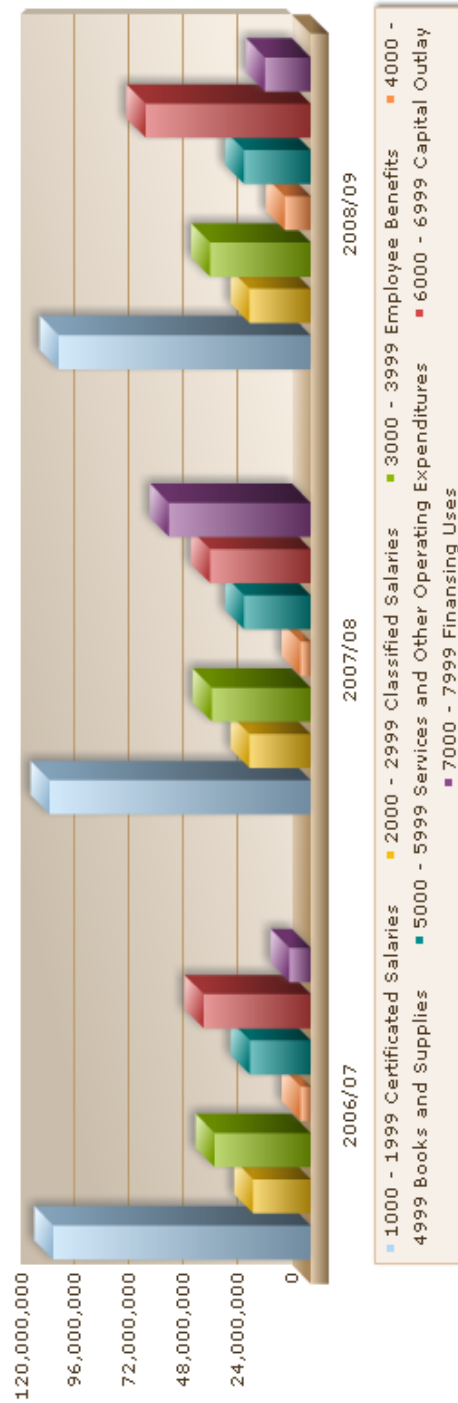
Search Criteria For: STOCKTON USD : Enrollment P2ADA (Current as of:)

Fund(s):	Object(s):
Resource(s):	Function(s):
Goal(s):	Date Ranges: (Year 2006-2007 From: 07/01/2006 To: 12/18/2008) (Year 2007-2008 From: 07/01/2007 To: 01/09/2009) (Year 2008-2009 From: 07/01/2008 To: 06/30/2009)

Expenditure Trend

Unrestricted resources Restricted resources Combined resources Total Compensation vs Total Expenses

Expenditures: Unrestricted resources



<input checked="" type="checkbox"/>	Group Name	2006/07	2007/08	2008/09
<input checked="" type="checkbox"/>	1000 - 1999 Certificated Salaries	\$114,096,118.27	\$115,614,742.96	\$111,611,232.00
<input checked="" type="checkbox"/>	2000 - 2999 Classified Salaries	\$25,497,367.16	\$27,087,016.16	\$27,115,233.00
<input checked="" type="checkbox"/>	3000 - 3999 Employee Benefits	\$42,582,976.51	\$43,889,520.60	\$44,558,862.00
<input checked="" type="checkbox"/>	4000 - 4999 Books and Supplies	\$4,379,690.67	\$4,379,709.43	\$11,400,180.30
<input checked="" type="checkbox"/>	5000 - 5999 Services and Other Operating Expenditures	\$26,982,639.58	\$29,451,239.82	\$29,467,510.70
<input checked="" type="checkbox"/>	6000 - 6999 Capital Outlay	\$47,434,306.92	\$44,623,316.78	\$73,159,136.00
<input checked="" type="checkbox"/>	7000 - 7999 Financing Uses	\$9,382,312.26	\$62,851,632.49	\$20,234,143.00
<input checked="" type="checkbox"/>	Total (0000 - 1999 Unrestricted Resources)	\$270,355,411.37	\$327,897,178.24	\$317,546,297.00

Search Criteria For: **STOCKTON USD : Enrollment P2ADA (Current as of:)**

Fund(s): Object(s):

Resource(s): Function(s):

Goal(s): Date Ranges: (Year 2006-2007 From: 07/01/2006 To: 12/18/2006) (Year 2007-2008 From: 07/01/2007 To: 01/09/2009) (Year 2008-2009 From: 07/01/2008 To: 06/30/2009)

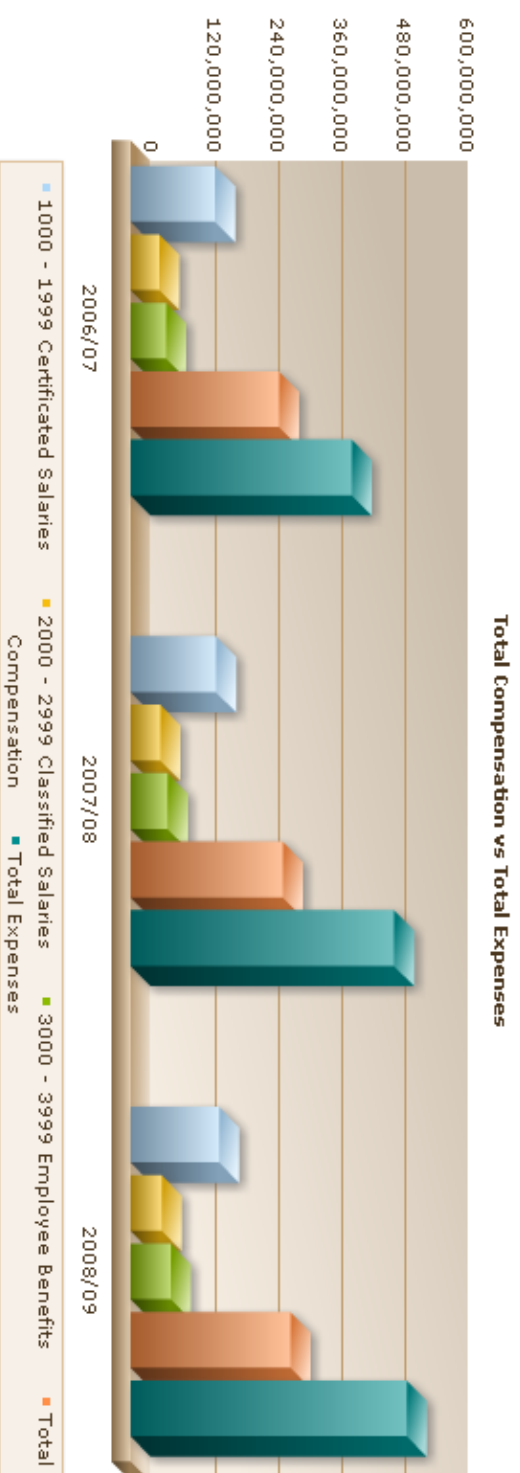
Expenditure Trend

Unrestricted resources

Restricted resources

Combined resources

Total Compensation vs Total Expenses



Group Name	2006/07		2007/08		2008/09	
	\$	%	\$	%	\$	%
1000 - 1999 Certificated Salaries	159,994,525.79	38.20	161,927,739.05	32.43	167,585,106.00	32.03
2000 - 2999 Classified Salaries	54,102,351.69	12.92	56,050,961.18	11.22	59,065,008.00	11.29
3000 - 3999 Employee Benefits	66,986,988.47	15.99	70,089,126.34	14.04	76,188,590.00	14.56
Total Compensation	281,083,865.95	67.11	288,067,826.57	57.69	302,838,704.00	57.88
Total Expenses	418,858,464.16	100.00	499,354,484.09	100.00	523,257,176.00	100.00

Search Criteria For: STOCKTON USD : Enrollment P2ADA (Current as of:)

Fund(s):

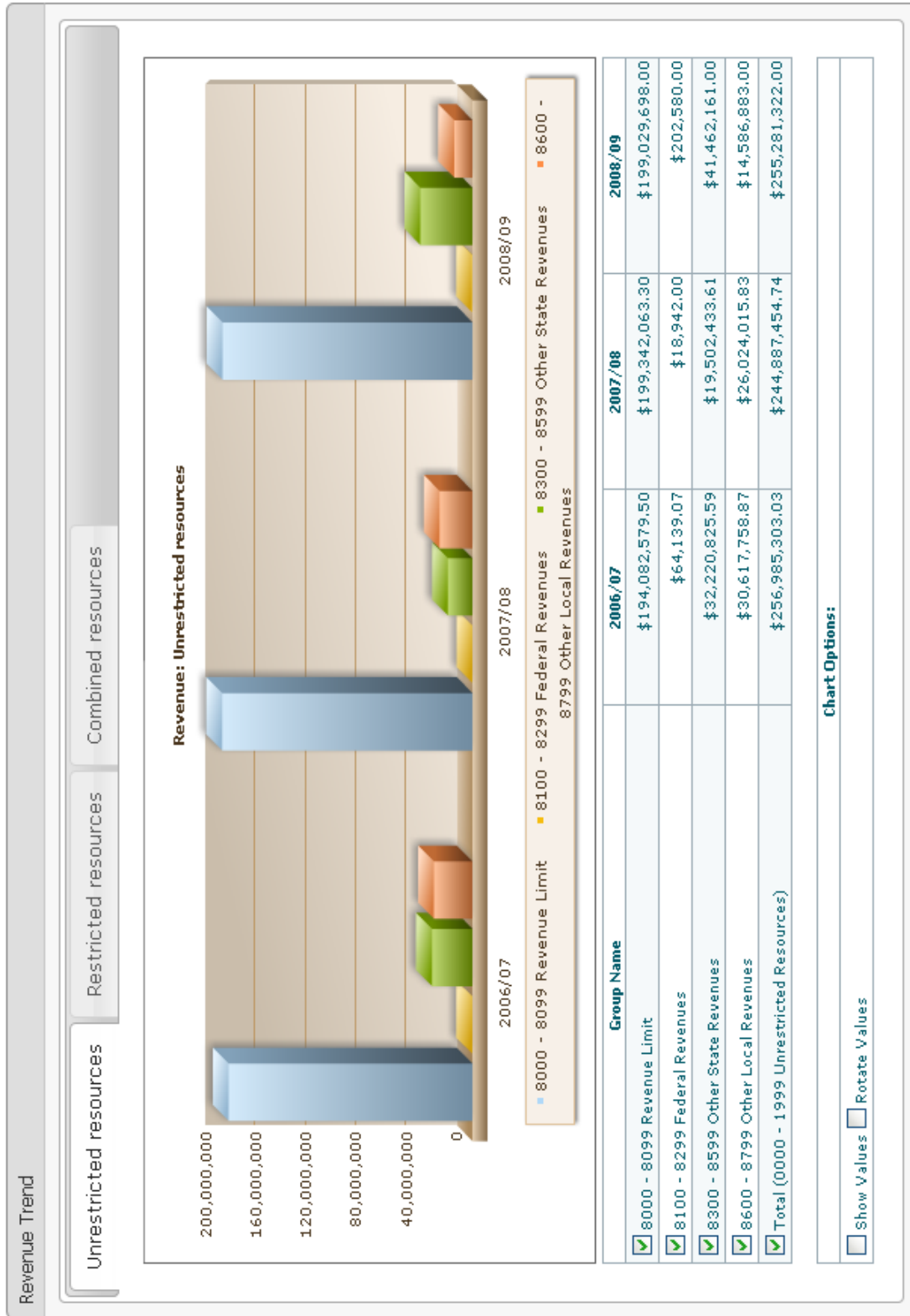
Object(s):

Resource(s):

Function(s):

Goal(s):

Date Ranges: (Year 2006-2007 From: 07/01/2006 To: 12/18/2006) (Year 2007-2008 From: 07/01/2007 To: 01/09/2009) (Year 2008-2009 From: 07/01/2008 To: 06/30/2009)



Search Criteria For : **STOCKTON USD : Enrollment P2A0A** (Current as of:)

Fund(s): Object(s):

Resource(s): Function(s):

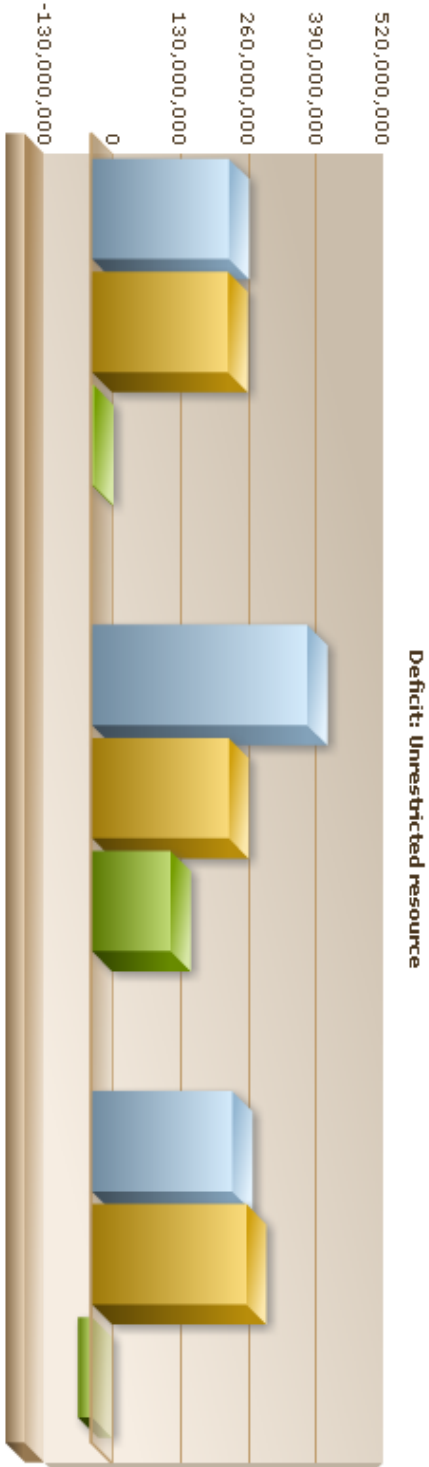
Goal(s): Date Ranges: (Year 2006-2007 From: 07/01/2006 To: 12/19/2008) (Year 2007-2008 From: 07/01/2007 To: 01/09/2009) (Year 2008-2009 From: 07/01/2008 To: 06/30/2009)

Deficit Spending

Unrestricted resources

Restricted resources

Combined resources



■ Revenues ■ Expenditures ■ Excess/Deficit

Group Name	2006/07	2007/08	2008/09
<input checked="" type="checkbox"/> Revenues	\$262,890,392.95	\$413,318,769.69	\$269,251,062.00
<input checked="" type="checkbox"/> Expenditures	\$260,446,926.37	\$262,636,040.46	\$296,044,805.00
<input checked="" type="checkbox"/> Excess/Deficit	\$2,443,466.58	\$150,682,729.23	\$-26,793,743.00

Chart Options:

☐ Show Values ☐ Rotate Values